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# The Origins of Neoliberalism in France

## Louis Rougier and the 1938 Walter Lippmann Conference

François DENORD\*

*Neo-liberalism (in the European sense of the term liberalism) appeared in France at the end of the 1930s. In this context of crisis, the emergence of the doctrine was made possible by the action and the prophetic discourse of Louis Rougier, who then taught Philosophy at the University of Besançon. Louis Rougier advocated for an intellectual renewal of economic liberalism that would precede and sustain its political rebirth. He, therefore, organized the Walter Lippmann Colloquium in August 1938 in Paris. This international forum gathered some of the most influential company managers, State officials, and intellectuals, as well as members of a new rising generation of liberal economists. All aimed at defining a neo-liberalism, by taking into account the transformations of the government's involvement in economic activities. They also wished to found an international liberal organization to fight the planned economy. This is how the Centre International d'Études pour la Rénovation du Libéralisme was born in Paris, in March 1939. Although it disappeared when France entered World War II, it did unexpectedly rally scholars, administration officials, managers, and trade unionists. It was thus a model for the Mont Pèlerin Society, founded by Friedrich Hayek and Wilhelm Röpke in 1947.*

Although the term “neoliberalism” is frequently used to refer to the contemporary liberal doctrine, almost no analysis exists of the historical conditions behind its emergence. The expression “neoliberalism” is often used to describe an ultraliberalism seen in France and in most Western countries since the end of the 1970s. The question of the necessarily problematic novelty associated with the “neo” prefix is rarely posed, other than when examining a renewal of liberalism in political life and state practices. Thus, current liberalism is, paradoxically, poorly understood and is analyzed without consideration of its history. This absence of scientific work is undoubtedly due to the political connotations and polysemy of the term: literature on neoliberalism is divided between two interpretations. The first is a moderate form of liberalism, which accepts some state intervention, as seen in France's economic policy during the postwar boom.<sup>1</sup> The second is a questioning of all forms of state intervention, which in the 1970 to 1980 period relied upon supply theories or monetarism, as seen in those theories that led to European and

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1. Richard F. Kuisel, *Le capitalisme et l'État en France* (Paris: Gallimard, 1984), 224 and 410–448. This definition of “neoliberalism” has been partially reused by French works. Thus, Michel Margairaz uses the term “néo-libéralisme” to designate those in 1930s France who “thought that liberal economy . . . was defunct, and who wanted to salvage what could still be salvaged of capitalism.” Michel Margairaz, *L'État, les finances et l'économie. L'histoire d'une conversion 1932–1952*, (Paris: Comité pour l'histoire économique et financière de la France, 1991), 1:317.

American deregulation.<sup>2</sup> These two definitions of neoliberalism reveal the ambiguity of a term that is at once a category inherited from the past, born at a given historical moment, and a contemporary concept (which it may be tempting to apply to the past). Nevertheless, the two definitions are linked.

Contrary to common assertions, neoliberalism did not emerge after the Second World War, but during the 1930s. The first attempt to theorize it was made at the Walter Lippmann Conference,<sup>3</sup> which took place in Paris in August 1938. This conference aimed to coordinate international action against the “planned economy” that was fashionable at the time,<sup>4</sup> and to found a “neoliberalism” that would take into account state interventions in the economy. This meeting resulted in the birth of the *Centre International d’Études pour la Rénovation du Libéralisme* (CIRL: the International Center of Studies for the Renovation of Liberalism, which acted as a prototype for the Mont Pelerin Society (a scholarly society and influence network, which every year since 1947 has brought together partisans of neoliberalism)).<sup>5</sup>

The Lippmann conference was organized by Louis Rougier, the son of a doctor, born in Lyon in 1889. Rougier, who qualified as a philosophy teacher in 1914, worked as a teacher in several high schools, before submitting a thesis on “The Fallacies of Rationalism.” He then taught at the École Chateaubriand de Rome (1920–1922), the arts faculty in Besançon (1924–1939), the Cairo University (1934–1936), the *Institut Universitaire des Hautes Études Internationales de Genève* (Geneva Graduate Institute of International Studies), and the *Fondation Édouard-Herriot* (Édouard-Herriot Foundation) in Lyon (1938). Today, he is little known, generally only remembered for his role as an intermediary between the French Vichy regime and Great Britain and for works such as *Mission Secrète à Londres* and *Les accords secrets franco-britanniques*,<sup>6</sup> in which he attempts to accredit the theory that Marshal Pétain played a double game. The factors that he emphasizes to support his theory are weak and some of the documents that he bases it on have vanished. Historians are thus led to distrust Rougier, who “skillfully mixes truth and fiction, sincerity and falsehood, good faith and dishonesty.”<sup>7</sup> As a result of defending Marshal Pétain, he was banned from France’s *Éducation Nationale* (National Education) from 1948 to 1955, when he obtained a chair in scientific philosophy at Caen University. Rougier’s role in the Vichy regime tends to overshadow the rest of his life. Nevertheless, it could be said that he acted as a prophet in the birth

2. For example Bruno Théret, “Rhétorique économique et action politique. Le néo-libéralisme comme fracture entre l’économique et le social,” in *L’engagement politique. Déclin ou mutation?*, ed. P. Perrineau (Paris: Presses de la Fondation Nationale des Sciences Politiques, 1994), 313–334.

3. The Lippmann Conference proceedings were published. See: CIRL, *Compte rendu des séances du Colloque Walter Lippmann, 26–30 août 1938* (Paris: Éditions de Médicis, 1939).

4. For an introduction to the planned economy movement, see Henri Noyelle, “Les plans de reconstruction économique et sociale à l’étranger et en France,” *Revue d’Économie Politique* (September–October 1934): 1595–1668. On planned economy and the political left, see Jacques Amoyal, “Les origines socialistes et syndicalistes de la planification en France,” *Le Mouvement Social* (April–June 1974) and Jean-François Biard, *Le socialisme devant ses choix* (Paris: Publications de la Sorbonne, 1985).

5. Richard Cockett, *Thinking the Unthinkable: Think-Tanks and the Economic Counter-Revolution (1931–1983)* (New York: Harper Collins, 1994), 57.

6. Paris: Éditions du Cheval ailé, 1945, and Paris: Grasset, 1954.

7. Robert Frank, “Vichy et les Britanniques 1940–1941,” in *Vichy et les Français*, eds. J.-P. Azéma and F. Bédarida, (Paris: Fayard, 1992), 146.

of neoliberalism. From his archives,<sup>8</sup> it is possible to understand how a composite space for theoretical production and opposition formed at the end of the 1930s. In this space, university economists, rationalizing employers, and reformist unionists mixed.

Encouraged by a climate of uncertainty, Louis Rougier found the support that was needed to organize an international conference, which led to the birth of the first explicitly self-proclaimed neoliberalist group.

## A Prophetic Discourse

### *Between “Laissez-Faire” and Planned Economy*

Louis Rougier launched the “neoliberalist offensive”<sup>9</sup> through a series of works, articles, and conferences. It may seem surprising that, at the end of the 1930s, a philosopher (who was moreover somewhat marginal in the university system)<sup>10</sup> should go on a crusade to defend economic liberalism. Yet the economic transformations that followed the First World War and the 1930s crisis led individuals who had formerly remained outside of economic debate to take sides.<sup>11</sup> The fact that the young Raymond Aron published an article criticizing the political economy of the *Front Populaire* (Popular Front) in the *Revue de Métaphysique et de Morale* in 1937 is evidence of this.<sup>12</sup> This was emphasized by Rougier:

What was so specific about the prewar period was that no philosophy professor had ever dared to tackle economic questions. Even if one had done so, they would never have found an audience. At the time, the average citizen was not interested in economic problems.<sup>13</sup>

Louis Rougier justified his own evolution in terms of a reaction to the *Front Populaire*. Returning from Egypt in 1936, he found France divided “into two opposing sides” and felt obliged to give “the benefits of his mental lucidity to his fellow citizens.”<sup>14</sup> He chose liberalism, because the “absurdity” of “the spectacle

8. Louis Rougier's archives were left at the Château de Lourmarin (Provence) by his wife Lucie Rougier from 1983. They were first sorted through in 1986. One of the people who took part in this process wrote an article on Louis Rougier and neoliberalism; see: Tristan Lecoq, “Louis Rougier et le néo-libéralisme de l'entre-deux-guerres,” *Revue de Synthèse* (April–June 1989): 241–255). He nevertheless omitted the social and organizational aspects of neoliberalism, to concentrate on the history of economic ideas. We ourselves reorganized and inventoried the documents concerning economic liberalism in April 2000. They are now sorted into fourteen boxes, referenced from R1 to R14.

9. Louis Vallon, “Offensive du néo-libéralisme,” *Syndicats*, January 4, 1939.

10. Louis Rougier was a provincial teacher in an essentially Parisian world, who claimed to be anti-Christian (see his work *Celse ou le conflit de la civilisation antique et du christianisme primitif* (Paris: Delpeuch, 1926) and positivist, at a time when spiritualism still occupied dominant positions and was even undergoing a revival in “nonconformist” circles. On the philosophers, see Jean-Louis Fabiani, *Les Philosophes et la République* (Paris: Éditions de Minuit, 1988).

11. This is illustrated in Jean-Louis Loubet del Bayle, *Les non-conformistes des années 1930. Une tentative de renouvellement de la pensée politique française* (Paris: Éditions du Seuil, 1969), second edition 1987.

12. Raymond Aron, “Réflexion sur les problèmes économiques français,” *Revue de Métaphysique et de Morale* 4 (1937): 793–822.

13. Louis Rougier, *Les mystiques économiques* (Paris: Éditions de Médicis, 1938), 39.

14. R1, Louis Rougier, “Le libéralisme constructif” (paper presented at conference at the *Union pour la Vérité*, May 28, 1938), 1–2.

of totalitarian regimes” had proved to him that it was “well founded.”<sup>15</sup> Be it out of commitment or due to his choice of economic liberalism, he emphasized his distance in purely French-related debates. This gave him an apparent neutrality, strengthened by the fact that he was “neither economist nor financier nor jurist nor businessman.”<sup>16</sup> However, he was not entirely detached. Although Louis Rougier specialized in scientific philosophy,<sup>17</sup> he had also worked on inflation, on the link between reform and capitalist spirit,<sup>18</sup> and (while taking an interest in religious mystics) also came to study politics and the economy. In the 1920s, he even contributed to the *Bulletin de la Société d'études et d'informations économiques* (*Bulletin of the Society of Economic Studies and Information*). Moreover, he followed in the footsteps of “family predecessors,” because his grandfather was the first to hold the chair in political economy at Lyon University and was founder of the Lyon *Société d'Économie Politique* (Society of Political Economy).<sup>19</sup>

Nevertheless, he adopted an overarching position, calling for a “return to liberalism” (the title of an article that he published in the *Revue de Paris* on January 1, 1938). He attempted to bring about a new liberalism, which he called “constructive liberalism.” Rougier criticized traditional “laissez-faire, laissez-passer” liberalism for its belief in a natural order where it was sufficient to “let people act freely, in order for a nation to reach its maximum prosperity, with minimum effort and expenditure.”<sup>20</sup> Against an optimistic theory which might result in an economy of monopolies, he put forward neoliberalism, which supposes “a legal order protecting the possibility of free competition”.<sup>21</sup> He also denounced planned economy, stating that “the further an economic regime strays from the conditions of free competition based on price autonomy, the more it sacrifices consumer interests to noneconomic ends; the more planned an economy, the more it becomes arbitrary and oppressive.”<sup>22</sup> His version of liberalism claimed to be a third way between “laissez-faire” and planned economy, which he denounced as communism and fascism, proposing neoliberalism as the only alternative solution, whatever the problem:

Being [neo]liberal is not, unlike being a “Manchester liberal,” letting cars drive in any direction, which would cause traffic jams and constant accidents. Nor is it like “planned economy,” in which each car would be told when to leave and where to go. Rather, it is imposing a highway code, while accepting that this code is not necessarily the same at times of accelerated transport as at times of caution.<sup>23</sup>

15. R3, Louis Rougier, conference, unknown date and location. In 1932, he went to the USSR at the request of Anatole de Monzie; in 1934, the Rockefeller Foundation sent him on a research trip on the situation of intellectuals in central Europe.

16. R2, Louis Rougier, “L’offensive du néo-libéralisme,” conference before the *Société d'Économie Politique* of Lyon, 1.

17. In 1935, Louis Rougier presided over the first international congress on scientific philosophy and published numerous articles and works on this subject.

18. Louis Rougier, “Le protestantisme et le capitalisme moderne,” *Revue de Paris* (October 15, 1928): 899–926.

19. R2, Louis Rougier, “L’offensive du néo-libéralisme,” 3.

20. Rougier, *Les mystiques économiques*, 71.

21. Rougier, *Les mystiques économiques*, 34 (note 1).

22. Rougier, *Les mystiques économiques*, 193.

23. CIRL, *Compte rendu des séances du Colloque Walter Lippmann*, 16.

Being neoliberal is thus about standing apart from “orthodox liberalism”<sup>24</sup> and standing against “planned economy,” while still allowing the state to intervene, provided that its action remains subordinate to the market. Louis Rougier was a founder and renovator of doctrines.<sup>25</sup> Like a prophet, he revealed hidden truths in the name of science. He tirelessly denounced what he called the “mystics” of his time; those advocating liberal, totalitarian, or democratic doctrines which were “based neither on reason nor on experience, which simply express[ed] certain sentimental attitudes, class prejudices and mental habits, certain passionate biases, supporting them with pseudoscientific demonstrations.”<sup>26</sup> Prophet-like, he countered unreasoned beliefs by revealing truths:

Constructive liberalism, which is *true* liberalism, does not allow the use of liberty to kill liberty. It thus differs radically from Manchester liberalism (which can only be conservative or anarchical) and from socialist planned economy, which is unavoidably despotic and arbitrary.<sup>27</sup>

Armed with this simple message, Louis Rougier went from conference to conference, generating “converts.” He said that he had a mission, because he felt he was “taking on the ridicule of the world, like the scapegoat of writing.”<sup>28</sup>

### ***“The Capitalist Crisis”***

He in fact achieved a degree of success, which can only be understood in a context of economic and political crisis.

Although universities and administrative authorities were still proclaiming liberal principles, governments had been engaging in “defensive interventionism”<sup>29</sup> since 1932. Meanwhile, in intellectual and political circles, liberalism was highly contested, primarily by corporatism and planned economy.

Inspired by Catholic social doctrine, corporatism attempted to reconcile social classes through professional association, which was considered a basic unit of society, capable of resolving antagonisms between groups and regulating production. It aimed to end the class struggle and regulate activity. Nearly four hundred French-language documents were published on this theme from January 1934 to January 1943.<sup>30</sup> Nevertheless, corporatism lacked unity, as it was defended simultaneously by Far Right militants close to the *Action Française*, personalists from *Esprit*, who wanted to end the capitalist system, and “reformists” such as François Perroux, who wanted a “work community” in which employers and workers had to belong to a union of their choice, the corporation having the power to fix prices and public authorities intervening as a “deciding third party.”<sup>31</sup> Although certain Catholic employers favored corporatism and some unionists redeveloped the notion of the

24. A term that Louis Rougier uses several times in his notes (R4).

25. Max Weber, *Économie et Société*, (Paris: Presses Pocket, 1995), 2:190.

26. Rougier, *Les mystiques économiques*, 7.

27. Rougier, *Les mystiques économiques*, 88.

28. Rougier, “L’offensive du néo-libéralisme,” 3.

29. Margairaz, *L’État, les finances et l’économie*, 30.

30. Jean-Pierre Le Crom, *Syndicats nous voilà! Vichy et le corporatisme* (Paris: Éditions de l’Atelier, 1995), 63.

31. François Perroux, *Capitalisme et communauté de travail* (Paris: Librairie du Recueil Sirey, 1938).



profession according to reasoning in class terms,<sup>32</sup> corporatism remained within limited circles.<sup>33</sup>

Planned economy had a greater influence. The expression was coined at the beginning of the 1930s by the Belgian socialist Henri de Man. Professing a revision of Marxism which abandoned the principle of socializing means of production, de Man made planning an end in itself. In his theory, nationalization of credit and the construction of a mixed economy would give the state control over economic activity. In the mid-1930s, because the economic crisis was at its peak, most political groups and unions had plans to offer: *Révolution constructive* (Constructive Revolution, a marginal group of SFIO: the French Section of Workers' International), the *Parti Radical* (Radical Party), the *Jeunes Radicaux* (Young Radicals), the *Comité de Vigilance des intellectuels antifascistes* (Vigilance Committee of Antifascist Intellectuals), the CGT (General Confederation of Labor), the *Groupe du 9 juillet 1934* (Group of July 9, 1934, which brought together militants from both syndicalism and the right-wing leagues, under Jules Romains), and so forth. Some plans suggested "socializations," others suggested "nationalizations." Some favored a form of corporatism, while others were opposed to it. Some questioned capitalism, while others remained faithful to it. Basically, there was no unity of doctrine, even if the plans all aimed to offer an immediately effective alternative to the liberal economy, and even if all of them gave the state new authority in the economic domain by establishing forecasting organizations and planning a division of the economy into two sectors (one planned and the other subject to the rules of the market). As Henri Noyelle ironically commented on the Radicals' plan, "today, the most modest of programs calls itself a plan, even if it proposes only minor reforms and believes that in order to justify its title, it must suppose the failure of a regime that it proposes to consolidate."<sup>34</sup> Planned economy had no clearly defined sociological base. It attracted university professors, moderate unionists, and technicians, among others.

Nevertheless, faced with economic crisis, liberals had their doubts. The 1935 debate on the "crisis of capitalism," organized by the Academy of Moral and Political Sciences, was telling. While Jacques Rueff, a finance inspector specializing in monetary policy, defended the theory that the economic crisis and its duration were linked to state intervention,<sup>35</sup> well-known university professor Charles Rist (who coopted to the administrative councils of several banks and was unlikely to be sympathetic towards planned economy) contested "such a categorical" view. Louis Marlio, great aluminum patron<sup>36</sup> and professor of economy at the *École*

32. Le Crom, *Syndicats nous voilà!*, 94.

33. Kuisel, *Le capitalisme*, 188.

34. Noyelle, "Les plans de reconstruction," 248.

35. Jacques Rueff, *La crise du capitalisme* (Paris: Éditions de la Revue Bleue, 1935), 5–9.

36. Louis Marlio's trajectory was analyzed by Henri Morsel in "Louis Marlio, position idéologique et comportement politique. Un dirigeant d'une grande entreprise dans la première moitié du XX<sup>e</sup> siècle," in *Industrialisation et sociétés en Europe occidentale de la fin du XIX<sup>e</sup> siècle à nos jours, L'âge de l'aluminium*, ed. I. Grinberg and F. Hachez-Leroy, (Paris: Armand Colin, 1997), 106–124. This is one of the few texts to evoke the birth of neoliberalism in France, and particularly the "social liberalism" advocated by Louis Marlio. However, Henri Morsel makes several mistakes when writing about the Lippmann Conference. On the one hand, he uses the approximate and inexact information given by Louis Marlio in one of his works: *Lionel*, (Paris: Flammarion, 1946), 10. Lionel Robbins and William Beveridge

*Libre des Sciences Politiques* (Free School of Political Sciences), asserted “that wishing to completely suppress interventionism would be as utopian as expecting it to resolve all current problems.”<sup>37</sup> The *Société d'Économie Politique* (Society of Political Economy), which was also one of the bastions of traditional liberalism, claimed to be “more tolerant and more eclectic,” because the crisis showed that “all ideals must compromise with reality.”<sup>38</sup> Even parties such as the *Alliance Démocratique* (Democratic Alliance) amended their doctrines and attempted to integrate elements of corporatism and state control.<sup>39</sup>

However, a change occurred in 1937 and 1938. This can be seen as the consequence of the relative failure of the *Front Populaire* (Popular Front), which in many areas did not implement true “structural reform.” Léon Blum distrusted state control and did not retain it as a solution.<sup>40</sup> Consequently, planned economy came to be questioned by some of its advocates, who had doubts about its future. Jean Duret, for example—one of the architects of the CGT’s plan—observed at the third international conference of work plans that:

It is puerile to count on repatriation of capital and on massive investment. It thus seems that we must either surrender or take another path: that is, consider the real situation as it is today and attempt to develop the economy of this country, with the resources that exist and with the possibilities available to the public authorities.<sup>41</sup>

The economic policy put in place in 1938 by the Daladier-Reynaud government, which brought an end to the *Front Populaire*, was different to planned economy and state control: it refused management of changes, allowed a forty-hour week, attempted to return to budgetary equilibrium, and ended the purchase-power policy. “A mixture of spontaneous market forces and state intervention,”<sup>42</sup> it marked a certain return to liberalism, without the state being entirely absent.

The crisis thus blurred the distinction between economic doctrines. Liberalism was subject to great criticism, but its competitors did not succeed in imposing their solutions.

Political crisis accompanied the economic crisis: the institutions of the Third Republic had been subject to challenge for several years, even though the state’s different reform projects had come to little, the *Front Populaire* was breaking up, and antiparliamentary forces were proliferating. International tensions greatly contributed to this chaos. The 1930s crisis was not only a crisis of economic liberalism, but also a crisis of political liberalism.<sup>43</sup> Thus, Louis Rougier wrote to Raymond Aron:

did not attend the meeting. On the other hand, it cannot be said that Louis Marlio’s international relations “led him to organize” the conference. Louis Marlio himself emphasizes this: it was “a conference that a few friends and I organized” (*Lionel*). Nevertheless, he would become president of the *Centre International d’études pour la Rénovation du libéralisme* (International Center for Renovation of Liberalism) which came out of the Lippmann Conference.

37. Rueff, *La crise du capitalisme*, 10 and 21.

38. Edgard Allix, *Annales de la Société d'Économie Politique* 1 (January 1938): 2.

39. Olivier Wieviorka, “Une droite moderniste et libérale sous l’occupation: l’exemple de la *Vie industrielle*,” *Histoire, Économie et Société* 3 (1985): 401.

40. On this, see: Biard, *Le socialisme devant ses choix*.

41. III<sup>e</sup> conférence internationale des plans du travail, Abbaye de Pontigny, October 23–24, 1937, 63.

42. Kuisel, *Le capitalisme*, 224.

43. This is illustrated in Sébastien Laurent, *Daniel Halévy* (Paris: Grasset, 2001), 363–403.



We have seen the teachers' union and the PTT (postal and telecommunications) union support the Action Française. *Gringoire* has published articles by Tardieu which contradicted the editorials. The president and vice-president of the *Alliance Démocratique* (Democratic Alliance) have adopted radically opposed points of view. We have seen a false news campaign in which the news was basically true, arguments about the nonvalidity of the Franco-Czech pact that go beyond all technical bad faith . . . , a frenzied crowd cheering Daladier as he reported the signing of one of France's and England's greatest defeats!<sup>44</sup>

When the dominant principles of the world's economic and political vision are questioned, a discourse that offers novelty can attract great support. In fact, the writings of Louis Rougier were something of a self-fulfilling prophecy. His prediction of a "return to liberalism," made in January 1938, seemed to come true thanks to the politics of Daladier-Reynaud's team. Louis Rougier could thus say that "the neoliberalist offensive [has gone from] theory to reality."<sup>45</sup> He can even boast having contributed to this: François-Félix Legueu, financial columnist who in the *Figaro* of October 29, 1938 wrote that Louis Rougier's *Les Mystiques économiques* was a "perfectly objective, lucid and composed work"<sup>46</sup> became an expert to the Council Presidency two days later.<sup>47</sup>

Louis Rougier's discourse, ambiguously situated between liberalism and a break with liberalism, came at the right time to bring together seemingly irreconcilable groups. His texts, with the importance that they attributed to law, authorized the application of a jurist's point of view to the economy, in accordance with teaching in law faculties.<sup>48</sup> Drawing on science, his writings had to be attractive to the engineers of X-Crise, who condemned laissez-faire, without necessarily rejecting capitalism.<sup>49</sup> More generally, his syntheses succeeded in attracting support from diverse parties. Thus, *Les Mystiques économiques* was highly praised. The X-Crise *Bulletin*, in which Auguste Detœuf's famous conference announcing the death of liberalism was published, did not even discuss the content of the book. The writer of bibliographic records simply wrote: "There is no better way of showing the interest of this work than publishing . . . its foreword."<sup>50</sup> Certain radicals, such as Pierre Dominique,

44. Letter from Louis Rougier to Raymond Aron, September 9, 1938. Fonds Raymond Aron, Centre de recherches politiques Raymond Aron, EHESS. Raymond Aron's personal archives can be consulted with the permission of Dominique Schnapper. The date given on Louis Rougier's letter (September 9, 1938) is undoubtedly wrong, because the Munich Agreements were concluded on September 30. The correct date must be October 9.

45. Louis Rougier, "L'offensive du néo-libéralisme," *Le Figaro*, October 29, 1938.

46. F.-F. Legueu, "Défense et illustration de l'économie libérale," *Le Figaro*, October 29, 1938.

47. Louis Rougier seemingly had contacts with the government. Umberto Ricci wrote the following to him on June 11, 1939: "Röpke . . . has told me of your political triumphs (for this is what they must be called), because not only have you founded a neoliberal movement . . . , but you have also worked with Paul Reynaud." (R1).

48. It should be remembered that, at the time, economics was merely an auxiliary discipline in law faculties and that it had difficulty in asserting its autonomy, see Lucette Le Van-Lemesle, "L'économie politique à la conquête d'une légitimité," *Actes de la Recherche en Sciences Sociales* 47–48 (1983).

49. On X-Crise, see: Michel Margairaz, "Les autodidactes et les experts: X-Crise, réseaux et parcours intellectuels dans la France des années 1930," in *La France des X, deux siècles d'histoire*, eds. B. Belhoste et al. (Paris: Economica, 1995), 169–181, and especially O. Dard, *Jean Coutrot, de l'ingénieur au prophète* (Besançon: Presses Universitaires franc-comtoises, 1999).

50. *Bulletin Mensuel du C.P.E.E.* (January 1938), 43–45.

editor of *La République*, considered the work to be “extremely important.”<sup>51</sup> Baron Seillière, permanent secretary of the *Académie des Sciences Morales et Politiques* (Academy of Moral and Political Sciences), asserted in the *Journal des Débats* that “Mr. Louis Rougier’s *Les mystiques économiques* is a very insightful work.”<sup>52</sup> Only a few university professors seem to have had reservations. However, although Gaëtan Pirou questioned the concrete measures that might come out of the work in the *Revue d’Économie Politique*,<sup>53</sup> overall, *Les Mystiques économiques* was a success.

*Les Mystiques économiques* was not an isolated work. Rougier’s ability to rally support was partly reliant on his publisher, who helped to anchor neoliberalism firmly within economic theory.

### ***The Librairie de Médecis Publishing House, a “Citadel of Neoliberalism”***

The Librairie de Médecis publishing house was founded in 1937 by Marie-Thérèse Génin.<sup>54</sup> Born in March 1906, she was the daughter of a railway inspector from eastern France, who died when she was sixteen. Living with her mother, she obtained a BA in 1927 and decided to “take charge of her life,” by becoming the assistant of several right-wing deputies in her region. In 1936, Désiré Ferry, for whom she worked, asked her to write articles on the *Front Populaire* (Popular Front). This was the beginning of a true political commitment. Marie-Thérèse Génin left Nancy for Paris, where she found work in the “documentation bureau” run by industrialist Marcel Bourgeois, of the *Comité des Industries Chimiques de France* (France’s Committee of Chemical Industries). A markedly right-wing man, he financed anti-Communist propaganda and the *Parti Populaire Français* (French Popular Party).<sup>55</sup> His bureau aimed to combat ideas seen to be subversive in the world of work. Noticing the relative ineffectiveness of his work, he encouraged Marie-Thérèse Génin to start a publishing house targeting an intellectual audience.<sup>56</sup>

An “intelligent” man will always be attracted by an “intelligent” book. I think the first task of propaganda is to publish books . . . by famous authors. One should never forget that all revolutions rose or developed through a book: most great faiths rely on a book: The Bible, The Gospels, The Koran, Das Kapital, and—horresco referens—Mein Kampf. The printed word is hugely influential.<sup>57</sup>

Consequently, it was based on the principle that “a change in minds is always closely followed by a change in facts,”<sup>58</sup> that the Librairie de Médecis publishing house was founded. From 1937 to 1940, around forty books and brochures

51. P. Dominique, *Les Nouvelles Littéraires*, May 7, 1938.

52. Ernest Seillière, *Le Journal des Débats*, May 14, 1938.

53. Gaëtan Pirou, “Jugements nouveaux sur le capitalisme,” *Revue d’Économie Politique* (July–August 1938): 1097–1120.

54. The elements concerning Marie-Thérèse Génin come from a note kindly sent to us by her niece Béatrice Contonson and from documents on the Librairie de Médecis belonging to the family.

55. Christophe Nick, *Résurrection. Naissance de la Ve République, un coup d’État démocratique* (Paris: Fayard, 1998), 102.

56. Interview in a Canadian newspaper, cited in the notice given to us by the family of Marie-Thérèse Génin.

57. Marie-Thérèse Génin, “Reflections on propaganda,” *The Owl* (April 1951): 13 (citation back-translated from the French).

58. André Maurois, preface to Walter Lippmann, *La cité libre* (Paris: Éditions de Médecis, 1938), 10.

were published. Louis Rougier seems to have played a decisive role in selecting publications.<sup>59</sup>

The chosen themes were not particularly original: three books on the USSR,<sup>60</sup> and an impressive collection of writings by university economists aiming to dismiss state control: *Socialism* and *The Illusions of Protectionism and Autarky* by Ludwig von Mises, *A Few False Remedies to Economic Depression* by Umberto Ricci, *A Guide to Economic Panacea* by Fritz Machlup, *The Purchase Power Policy confronted with Facts* by André Piettre, and several works against planned economy: *The Crisis and its Remedies* by Bernard Lavergne, *Planned Economy and the International Order* by Lionel Robbins, and the collective work *Planned Economy in a Collectivist Regime*, with introduction and conclusion by Friedrich Hayek.<sup>61</sup> All of these works denouncing state intervention in the economy expressed the negative standpoint of their authors. The reaction to them was therefore unsurprising. In the *Académie des Sciences Morales et Politiques* (Academy of Moral and Political Sciences) and the *Société d'Économie Politique* (Society of Political Economy), they were very successful. After several years of economic debate being centered on planned economy and corporatism, Henri Truchy expressed his relief at the emergence of a work like that of Lionel Robbins, which rejected the notion of planning:

Plan, this old word, has been astonishingly widespread in contemporary economic literature. It has given rise to so many different terms for planning and planned economy: *planification*, *planisme*, *économie planifiée*, and even *économie planée*, going far beyond legitimate neologism.<sup>62</sup>

When Ludwig von Mises's *Socialism* was published, Ernest Seillière was enthusiastic about "an important work, which really examines the vital issue today from all angles."<sup>63</sup> The *Société d'Économie Politique* particularly saluted the work of Bernard Lavergne (one of its members), as well as that of Fritz Machlup.<sup>64</sup> The *Journal des Économistes* considered these same works to be the best available concerning the subjects that they tackled: "Mr. von Mises's work shows great merit in destroying the prejudices that socialist propaganda spreads in public;"<sup>65</sup> "Robbins, by showing us the possibilities for reestablishing peace and prosperity, does both the work of a top technician and that of a well-intentioned man."<sup>66</sup> On the other hand, the X-Crise *Bulletin* and Ludwig von Mises's *Socialism* were described as "fighting old battles."<sup>67</sup> Similarly, Louis Vallon, in the CGT's fashionable pacifist and anti-Communist journal *Syndicats*, wrote that although the Librairie de Médecis published

59. This is clear from correspondence.

60. *La femme en U.R.S.S.*, 1937; Boris Brutzkus, *U.R.S.S., terrain d'expériences économiques*, 1937; and Wladimir Drabovitch, *Le régime de l'U.R.S.S. à son 20e anniversaire*, 1938.

61. To our knowledge, this was his first French-language publication. *La route de la servitude*, one of his most famous works, would also be published by Éditions de Médecis in 1946.

62. *Revue des Travaux de l'Académie des Sciences Morales et Politiques* (January–February 1939): 138.

63. *Revue des Travaux de l'Académie des Sciences Morales et Politiques* (September–October 1938): 712.

64. Edgard Allix, *Annales de la Société d'Économie Politique* 9 (1938): 204.

65. *Le Journal des Économistes* (March–April 1938): 227.

66. *Le Journal des Économistes* (November–December 1938): 616.

67. *Bulletin Mensuel du C.P.E.E.* (November 1938): 23.

some important works, others were “old reactionary songs already sung to our grandfathers.”<sup>68</sup>

Although opinions were divided, the sheer number of works published proved the existence of a school of thought. By having its own publishing house, neoliberalism already became partly institutionalized and, above all, obtained a recognizable name. For the *Société d'Économie Politique*, “trends towards a rebirth of liberalism [were] becoming more active and concrete.”<sup>69</sup> The *Revue d'Économie Politique* mentions the “powerfully orchestrated campaign to trigger . . . an intellectual rebirth of liberalism.”<sup>70</sup> Louis Vallon went further still, stating that:

A few months ago, the Librairie de Médecis published a string of works attacking the fundamental theories of socialism, syndicalism, and collectivism, and advocating the implementation of a new liberalism. . . . Let there be no doubt, we need to react, and to react, we must adjust our ideas and renew our doctrine.<sup>71</sup>

The publication of *The Good Society* by Walter Lippmann, influential editor for the *New York Herald Tribune*, allowed Louis Rougier to organize a conference at the International Institute of Intellectual Cooperation, from August 26 to August 30, 1938.

## The Birth of Neoliberalism

### *The Founding Moment: The Walter Lippmann Conference*

*The Good Society* was basically quite similar to *Mystiques économiques*. As well as denouncing fascism and communism, which he grouped together because both implied a single-leader, single-party dictatorship and endangered liberal economy, Walter Lippmann criticized essentially conservative traditional liberalism. Nevertheless, he still asserted that the market was “the only possible method by which labor that has been analyzed into separate specialties can be synthesized into useful work.”<sup>72</sup> He opposed liberalism, “the line of policy which seeks to re-form the social order to meet the needs and fulfill the promise of a mode of production based on the division of labor” to collectivism, “the line of policy which promises to retain the material advantages of the new economy, yet would abolish the inner regulative principle, namely, the widening and freer market.”<sup>73</sup> What makes this work so different is the role it attributes to the law, which must not only allow individual rights and obligations to be set out, but must also establish the market and its rules. For Walter Lippmann, the market was a historical construction, owing its existence to an institutional framework. In this view, it is possible to undo what the legislator constructs, and the state must impose competition if it does not occur naturally.

*The Good Society* was widely successful, perhaps because its author was foreign and because it “did not claim to be a highly technical work.”<sup>74</sup> It seemed to convince

68. Vallon, “Offensive du néo-libéralisme.”

69. Allix, *Annales de la Société d'Économie Politique* 9 (1938): 204.

70. Pirou, *Revue d'Économie Politique* (September–October 1938): 93.

71. Vallon, “Offensive du néo-libéralisme.”

72. Walter Lippmann, *The Good Society* (Boston: Little, Brown and Company, 1938), 176.

73. Lippmann, *The Good Society*, 180.

74. Gaëtan Pirou, *Revue d'Économie Politique* (September–October 1938): 1458.

the law faculty as well as X-Crise, which emphasized that the work was “timely in giving back human significance to liberalism and offering a rallying sign for all those who refuse to identify totalitarianism with civilization.”<sup>75</sup> It was thanks to this positive reception that Louis Rougier was able to organize the Walter Lippmann Conference.

Aside from a significant foreign contingent, including José Castillejo (Spain); Marcel van Zeeland (Belgium); John Bell Condliffe, Friedrich Hayek, and Michael Polanyi<sup>76</sup> (Great Britain); Michael Heilperin (Poland);<sup>77</sup> Ludwig von Mises, Alexander Rustow, Wilhelm Röpke, and Doctor Schutz (Austrian School); and B. Hooper and Walter Lippmann (United States), the conference was attended by law professors (Louis Baudin and Bernard Lavergne), rationalizing industrialists (Louis Marlio, Auguste Detœuf, and Ernest Mercier), figures linked to the Éditions de Médicis (Marcel Bourgeois), senior economic officials (Jacques Rueff and Roger Auboin, director general of the Bank for International Settlements), and finally those that Louis Rougier called “the youth of Congress”<sup>78</sup> (Raymond Aron,<sup>79</sup> Étienne Mantoux, Robert Marjolin, and André Piatier).

To bring these people together, Louis Rougier exploited closely interconnected national and international networks.

Auguste Detœuf, Ernest Mercier, and Louis Marlio were polytechnical employers in the electricity and hydroelectricity industries, with professional, political, and friendship links. Louis Rougier was not a stranger to the *Nouveaux Cahiers* group led by Auguste Detœuf,<sup>80</sup> or to X-Crise (whose members included Auguste Detœuf, Ernest Mercier, and Jacques Rueff).<sup>81</sup>

Bernard Lavergne and Louis Baudin, like Jacques Rueff and Louis Marlio, were members of the *Société d'Économie Politique* and were linked to the Éditions de Médicis (which Marcel Bourgeois helped to launch). Moreover, through his participation in the *Comité technique pour la Réforme de l'État* Bernard Lavergne can be linked to the Redressement Français<sup>82</sup> neocapitalist movement founded by Ernest Mercier in the 1920s.

75. *Bulletin Mensuel du C.P.E.E.* (January 1939): 37.

76. Michael Polanyi, brother of Karl Polanyi, was a chemistry professor at the University of Manchester. He progressively turned to the social sciences and philosophy.

77. Here, we follow the official presentation at the Lippmann Conference. Michael Heilperin, born in Warsaw in 1909, completed further study and lived in Switzerland.

78. Letter from Rougier to Aron.

79. Strangely, Raymond Aron, in his memoirs, writes that he only met Friedrich Hayek during the war through Robert Marjolin (R. Aron, *50 ans de réflexions politiques. Mémoires* (Paris: Julliard, 1983), 167). Nor does Marjolin evoke the Lippmann Conference in his memoirs. However, he emphasizes that his political trajectory changed at the end of the 1930s. Although he remained close to the socialists, he opted for a “certain economic liberalism,” which is undoubtedly to be understood in relation to his activities with Charles Rist: “It is still astonishing to think that I could have lived like this, for two or three years, in two completely separate worlds.” R. Marjolin, *Le travail d'une vie* (Paris: Robert Laffont, 1986), 63.

80. R1, letter from the *Nouveaux Cahiers*, undated; letters of Auguste Detœuf, undated. In both cases, the year is likely to have been 1937.

81. In the archives, there are notes on the conferences held at X-Crise (R4), and in 1939 Louis Rougier was part of the panel responsible for awarding the X-Crise prize (“The Center Prize”) *Bulletin Mensuel du C.P.E.E.* (January 1939): 27.

82. On this, see: Richard F. Kuisel, *Ernest Mercier, French Technocrat* (Berkeley: University of California Press, 1967).



Raymond Aron, Étienne Mantoux, and Robert Marjolin were part of *Société des Amis d'Élie Halévy* (Society of Friends of Élie Halévy), a group presided by Célestin Bouglé and formed in 1937, following the death of the teacher from the *École Libre des Sciences Politiques* (Free School of Political Sciences). The society, following Élie Halévy's long-proclaimed goal, aimed to publish a history of European socialism in the nineteenth century.<sup>83</sup> It was through Élie Halévy that Raymond Aron and Étienne Mantoux met.<sup>84</sup> Similarly it was thanks to Célestin Bouglé, assistant director of the *École Normale Supérieure*, that Robert Marjolin and Raymond Aron became friends.<sup>85</sup> Moreover, Robert Marjolin and André Piatier worked with Charles Rist at the *Institut Scientifique de Recherches Économiques et Sociales* (Scientific Institute of Economic and Social Research), while Roger Auboin was close to Charles Rist and was a columnist for Louise Weiss's newspaper *L'Europe Nouvelle* (for which Robert Marjolin wrote).

Louis Rougier had contacts abroad, particularly with liberal teachers at the *Institut Universitaire des Hautes Études Internationales de Genève* (Geneva Graduate Institute of International Studies) (Ludwig von Mises, Michael Heilperin, and Wilhelm Röpke). This institution was directed by Paul Mantoux, a professor at the CNAM (French National Conservatory of Arts and Crafts) and the father of Étienne Mantoux, and by William Rappard, director of the Mandate Department of the League of Nations and professor at the University of Geneva. It was at the Graduate Institute of International Studies that Louis Rougier gave the 1935 conferences that were the basis for his *Mystiques économiques*, as well as conferences in June 1937 which served as a basis for his *Mystiques politiques*.<sup>86</sup> Before joining the Graduate Institute of International Studies, Wilhelm Röpke taught at the University of Istanbul (1933–1937), where Alexander Rustow had been a professor since 1934. Both were part of the German Freiburg liberal school.<sup>87</sup> Ludwig von Mises, who became friends with Louis Rougier, was director to Friedrich Hayek, who taught at the London School of Economics from 1931. Like Lionel Robbins, he gave seminars, attended by Étienne Mantoux.<sup>88</sup>

José Castillejo, general secretary of the Madrid National Foundation for Scientific Investigations [Fundación Nacional de Investigación y Reforma Experimentales] and John Bell Condliffe, who taught commerce at the University of London, were members of the International Commission of Intellectual Cooperation (the

83. Raymond Aron, "Avant-propos de la première édition," in *Histoire du socialisme européen*, E. Halévy (Paris: Gallimard, 1974), 15–17. It is possible to consult the correspondence between Étienne Mantoux and Raymond Aron at the EHESS. Fonds Raymond Aron, Centre de recherches politiques Raymond Aron, EHESS.

84. On Étienne Mantoux, see: Vincent Duclert, "Étienne Mantoux, le visage d'une génération intellectuelle," *Cahiers Jean Jaurès* (April–June 1996): 81–104.

85. Robert Marjolin, "Les années 1930," *Commentaire* (February 1985): 19. For further information on the networks of Célestin Bouglé and the Social Documentation Center of the École Normale Supérieure, where Raymond Aron and Robert Marjolin worked, see: Alexandre Pajon, *Les sociologues français de l'entre-deux-guerres et la tentation du politique*, doctoral history thesis (Institut d'Études Politiques de Paris, 1997), vol. 2, 201 and following pages.

86. Louis Rougier, *Les mystiques politiques contemporaines et leurs incidences internationales* (Geneva: Institut universitaire des Hautes études internationales, 1937).

87. On these important figures in German neoliberalism, see the published thesis by François Bilger, *La pensée économique libérale dans l'Allemagne contemporaine* (Paris: LGDJ, 1964).

88. Duclert, "Étienne Mantoux," 94.



technical service of the League of Nations), which prepared the deliberations of the International Institute of Intellectual Cooperation (IIIC).<sup>89</sup> The IIIC called upon experts such as André Piatier,<sup>90</sup> a young doctor of law and general secretary of the International Institute of Public Finance. It organized the *Conférence Permanente des Hautes Études Internationales* (Permanent Conference on International Graduate Studies), a yearly forum which united politicians and economists, and for which Étienne Mantoux and Michael Heilperin wrote reports.<sup>91</sup> Heilperin also intervened in the Congress of the International Chamber of Commerce, as did John Bell Condliffe,<sup>92</sup> Marcel Van Zeeland, and Louis Marlio.<sup>93</sup> Marlio belonged to the French delegation of the CGPF (General Confederation of French Production).

Finally, it can be observed that Robert Marjolin was in charge of international relations at the *Institut Scientifique de Recherches Économiques et Sociales* (Scientific Institute of Economic and Social Research), which had among its correspondents José Castillejo, Lionel Robbins, John Bell Condliffe, and Wilhelm Röpke.<sup>94</sup> Moreover, Michael Heilperin and Ludwig von Mises participated in the *Congrès International des Sciences Économiques* (International Congress of Economic Sciences), which took place in Paris in 1937. It was attended by Louis Baudin, Bernard Lavergne, Robert Marjolin, André Piatier, and Jacques Rueff, and directed by Louis Marlio among others.<sup>95</sup>

It was therefore thanks to preexisting networks that Louis Rougier was able to organize the Lippmann Conference.

The meeting had great ambitions: to outline a “doctrine that some called ‘constructive liberalism,’ . . . and that others called ‘neocapitalism:’ terms whose usage seems linked to the attribution of the name ‘neoliberalism.’” It aimed to “revise the capitalist process and attempt to define the doctrine, the conditions for success, and the new duties of a true liberalism.”<sup>96</sup> Following opening speeches by Louis Rougier and Walter Lippmann, the debates focused on the crisis of liberalism and concluded with the adoption of an “agenda” of practical solutions. The atmosphere was not one of consensus. Even the definition of neoliberalism posed problems, since the term liberalism was, for some, “an outdated historical category.”<sup>97</sup> Louis Baudin wanted to call it “individualism,”<sup>98</sup> Louis Rougier preferred the term “neoliberalism,” while Jacques Rueff was hostile to this, wanting to return to simple liberalism.<sup>99</sup> Beyond quarrels over words, the naming of the new doctrine caused other conflicts. Jacques Rueff, director of the *Mouvement général des fonds* (General Movement of Funds), took an orthodox line, advocating the simple play of price

89. League of Nations, *L'Institut International de Coopération Intellectuelle* (Paris, 1930).

90. *Coopération Intellectuelle* (January–February 1938): 12.

91. Michael Heilperin, *Le problème monétaire des matières premières et le rétablissement des échanges internationaux* (Paris: Institut International de Coopération Intellectuelle, 1938); E. Mantoux et al., *Le problème des matières premières* (Paris: Institut International de Coopération Intellectuelle, 1939).

92. *L'Économie Internationale* (June 1937).

93. *L'Économie Internationale* (July–August 1937 and August 1939).

94. ISRES, *Rapport d'activité* (1933–1939).

95. Its procedures were published in four volumes by Domat-Montchrestien in 1937.

96. CIRL, *Compte rendu des séances du Colloque Walter Lippmann*, 7.

97. CIRL, *Compte rendu des séances du Colloque Walter Lippmann*, 13.

98. CIRL, *Compte rendu des séances du Colloque Walter Lippmann*, 29.

99. CIRL, *Compte rendu des séances du Colloque Walter Lippmann*, 33.

mechanisms. Louis Baudin, professor at the law faculty in Paris, based his argument on the history of economic doctrines and wanted to follow the great classics (Adam Smith, Jean-Baptiste Say, and Stuart Mill), rather than looking like a disciple of Bastiat or Molinari's "laissez-faire," which for many implied "laissez-souffrir" (leaving people to suffer).<sup>100</sup> Louis Rougier himself naturally intended to play his part as the prophet of a new doctrine.

Divisions appeared regarding all subjects discussed. There were even outright oppositions in two debates: that on the concentration of industry (criticized by university economists who advocated market competition, but defended by industrialists Louis Marlio, president of the international aluminum cartel, and Auguste Detœuf, director of Alsthom), and that on currency, with Jacques Rueff and Louis Baudin not prepared to see it managed (unlike Walter Lippmann).

It is thus hardly possible to speak of unity in neoliberalism. Several commentators have demonstrated the existence of two poles. On one side, there were "those for whom neoliberalism was fundamentally different from traditional liberalism in its nature and program"<sup>101</sup> (including Louis Rougier, Auguste Detœuf, Louis Marlio, and Walter Lippmann). On the other, there were the advocates of "old liberalism" (including Jacques Rueff, Louis Baudin, and representatives of the Austrian School). However, if it is true that neoliberals were divided, it cannot be said that "the meeting ended with a call for a simple return to liberalism and with all parties adhering to its founding dogmas," or that the Walter Lippmann conference marked more "a desire to return to the origins—even a rearguard battle—than the birth of a new doctrine."<sup>102</sup> In reality, it was a double break in the history of economic liberalism.

As far as doctrine is concerned, it ended with the unanimous adoption of the manifesto, the "agenda of liberalism," which set out several principles that contrasted with traditional liberalism. Firstly, it emphasized the idea of state legal intervention: "the state must be responsible for determining the legal regime that serves as a framework for the free development of economic activities." Secondly, it widened the powers that the traditional theory gave to the state: a liberal state "can and must receive, via taxes, part of the national income, which it must devote to the collective financing of: 1. National defense; 2. Social security; 3. Social services; 4. Teaching; and 5. Scientific research." Thirdly, it gave the state a wider right to intervene, because:

- A. Market prices are affected by the regime of property and contracts.
- B. Maximum utility is a social good, but it should not necessarily be the only goal.
- C. Even when production is regulated by the price mechanism, the collectivity can be put in charge of the sacrifices required for the system to function.<sup>103</sup>

100. CIRL, *Compte rendu des séances du Colloque Walter Lippmann*, 30.

101. Gaëtan Pirou, *Néo-libéralisme, néo-corporatisme, néo-socialisme* (Paris: Gallimard, 1939), 62. Gaëtan Pirou was the first author to analyze the Walter Lippmann Conference debates. His distinction between two poles is also seen in Michel Marculesco, *La critique du libéralisme d'après les auteurs néo-libéraux* (Paris: Impr. de M. Laverne, 1943) and Jacques Cros, *Le néo-libéralisme et la révision du libéralisme* (Toulouse, 1950). It is contested in Louis Baudin, *L'aube d'un nouveau libéralisme* (Paris: Éditions de Médicis, 1953), 145.

102. Laurence Badel, *Un milieu libéral et européen: Le grand commerce français (1925–1948)* (Paris: Comité pour l'histoire économique et financière de la France, 1999), 372 and 373 (note).

103. CIRL, *Compte rendu des séances du Colloque Walter Lippmann*, 100–101.

The second break arising from the Walter Lippmann Conference was the birth of an international neoliberal organization: the CIRL (*Centre International d'Études pour la Rénovation du Libéralisme*, or International Center of Studies for the Renovation of Liberalism). Its mission was to promote neoliberalism, by circulating publications and organizing public and private demonstrations. The Lippmann Conference covered several themes: the forms of state intervention compatible with the price mechanism, liberal economy and war economy, the functions and structures of the liberal state, international economic relations between liberal countries, the attitude of liberal states towards totalitarian states, the problems of “resorption” of totalitarian economies, and the liberal education of the elites and the masses.<sup>104</sup>

### *From the Conference to the “International” Center*

Contrary to assertions in the rare works that mention it, the CIRL was not still-born.<sup>105</sup> Between the Lippmann Conference and the beginning of the Second World War, a neoliberal influence emerged in France. The schedule for 1939 included presentations not only by Louis Marlio, Louis Rougier, Jacques Rueff, and André Piatier, but also by Louis Salleron, an extreme right-wing corporatist who taught at the *Faculté Libre de droit de Paris* (Paris Free University of Law);<sup>106</sup> Roland Maspétiol, counsel at the *Conseil d'État* (state council) and author of a work on the “peasant economy” published by Éditions de Médicis;<sup>107</sup> René Courtin, who taught at the Montpellier law faculty; Étienne Mantoux, the first Frenchman to offer a major article on Keynes's *General Theory*;<sup>108</sup> Robert Gibrat, teacher at the *École des Mines* and an X-Crise leader; and Robert Lacoste, secretary of the *Fédération des fonctionnaires* (civil servants' federation) of the CGT and contributor to its plan.<sup>109</sup> Some of these talks never took place: André Piatier was called up in March;<sup>110</sup> Robert Gibrat canceled because of “international tension;”<sup>111</sup> René Courtin could not leave Montpellier, because in addition to his university responsibilities, he had a family

104. CIRL, *Compte rendu des séances du Colloque Walter Lippmann*, 107 (note).

105. Cockett, *Thinking*, 57; Keith Dixon, *Les evangelists du marché: Les intellectuels britanniques et le néo-libéralisme* (Paris: Raisons d'agir, 1998), 7.

106. His presence reveals the complexity of the corporatists' position regarding liberalism. Louis Salleron, who represented the agricultural corporations at the Vichy *Conseil National* (National Council) under the Occupation, wrote several postwar works on economic liberalism. In a similar vein was François Perroux, partisan of the “work community,” statutory member of the CIRL, and close to the Éditions de Médicis. It was this publisher that published his *Renaitre* series during the Second World War. It should be remembered that Marie-Thérèse Génin's publishing house was seemingly favorable to the Vichy regime and certainly to the *Fondation Française pour l'Étude des Problèmes Humains* or *Fondation Carrel* (French Foundation for the Study of Human Problems or Carrel Foundation), of which François Perroux was an eminent member. Other than the aforementioned works by François Perroux, its catalog features two of the Carrel Foundation's *Cahiers* (numbers 2 and 3), as well as the occupational Doctor R. Barthe's *L'Usine, laboratoire de l'homme* (Paris: Éditions de Médicis, 1943).

107. Roland Maspétiol, *L'Économie paysanne* (Paris: Éditions de Médicis, 1939). This work was praised in liberal circles, as seen in the warm welcome given to it by the *Journal des Économistes*, because it affirmed “the deep solidarity [of the peasant world], together with the interests of all the free economic forces of the nation.” *Le Journal des Économistes* (March–April 1939): 223.

108. Étienne Mantoux, “La ‘théorie générale’ de M. Keynes,” *Revue d'Économie Politique* (November–December 1937): 1559–1590. Étienne Mantoux was very critical of Keynes's masterpiece. He criticized its “mystifying genius” for “the esoteric justification of the man in the street's prejudices.” (1590).

109. R1, CIRL, “Programme des séances d'études.”

110. R1, André Piatier, letter of March 21, 1939.

111. R1, Robert Gibrat, letter of April 17, 1939.

“soon to include four children” and was “responsible for significant agricultural holdings.”<sup>112</sup> Five or six public sessions did take place at the *Musée Social* (Social Museum), but the war interrupted the program of meetings.<sup>113</sup> As concerns publications, although only one CIRL *Cahier* appeared, others were being prepared.<sup>114</sup> Thus, the CIRL itself was ephemeral, but its impact was not.

It is important to remember that the CIRL was international in name alone. At the Lippmann Conference, there were plans to set up foreign divisions in the United States with Walter Lippmann, in England with Friedrich Hayek, and in Switzerland with Wilhelm Röpke. According to a CIRL tract circulated in 1939, centers were being set up in Basle (Switzerland), Brussels, Geneva, London, and the United States (in Hartford, New York, Princeton, and Washington), with plans for others in the Netherlands, the Scandinavian states, and South America.<sup>115</sup> Although liberal groups did exist in these countries, the CIRL as such did not develop there. Some came up against material problems. Having observed the international disarray caused by the Munich agreements, Walter Lippmann wrote:

That does not alter my feeling about the urgency of the studies that we have undertaken, though it might alter, I should think, our practical attitude on immediate questions of policy. . . . But for the moment my view is that the best way to obtain money in America in support would be able to show Americans the beginning of something in Europe. I don't know personally any rich men whom I could or would ask for money but if you published one cahier I think that on the basis of that it might be possible to raise some money in the United States.<sup>116</sup>

Others expressed their fear of clearly and visibly placing themselves in the liberal camp. This was the case for Maurice Ansiaux, dean of the *Université libre de Bruxelles* (Brussels Free University),<sup>117</sup> or the Norwegian Trygve J. B. Hoff, editor of *Farmand*, who declared himself ready to set up a center in Oslo, but emphasized “that we will be able to serve the cause much better if we are not officially linked to a movement that can be—and that will be—characterized as a political movement.”<sup>118</sup>

Louis Rougier received congratulatory letters from foreign participants in the Lippmann Conference, including Michael Polanyi (he suggested themes for study, such as unemployment),<sup>119</sup> or Wilhelm Röpke (who regretted that he could not come to France).<sup>120</sup> However, although the French center officially had around forty foreign members, most of them (thirty-one of forty-two) were Belgian,<sup>121</sup> which explains the existence of institutions like the *Congrès des Économistes de Langue Française* (Congress of French-Speaking Economists). Therefore, the international neoliberal space was still in the process of construction at the end of the

112. R1, René Courtin, undated letter.

113. Marie-Thérèse Génin, “Le néo-libéralisme,” (conference, location, and date unknown), 9.

114. Several letters tell of articles being sent for the *Cahiers*. In particular, Louis Rougier's archives (R1) contain the proofs for a text entitled “La liberté et le système économique.”

115. R1, CIRL, Untitled document, 4.

116. R1, Walter Lippmann, letter of October 28, 1938.

117. R1, Maurice Ansiaux, letter of July 13, 1939.

118. R1, Trygve J.B. Hoff, letters of October 27 and 28, November 22 and December 10, 1938.

119. R1, Michael Polanyi, letter February 9, 1939.

120. R1, Wilhelm. Röpke, letter of March 21, 1939.

121. R1, CIRL, “Statuts” (April 21, 1939).

1930s, even though Louis Rougier achieved a certain reputation, and conferences abroad by Gaëtan Pirou, author of *Néo-libéralisme, néo-corporatisme, néo-socialisme* ("Neoliberalism, Neocorporatism, Neosocialism") helped to make the debates of the Walter Lippmann conference known.<sup>122</sup>

In France, neoliberalism was more clearly visible. The CIRL had a real presence,<sup>123</sup> as can be seen from the complaints from some individuals when it had to slow down its activities as war became imminent:

Several particularly active attendees at our first sessions have recently expressed the wish for more regular meetings, or at least that our meetings not be stopped by the current preoccupations. . . . If we stopped our meetings because of the current general concerns, which will undoubtedly continue for several months, we would not resume our program for a long time.<sup>124</sup>

The center worked by coopting. There were three statutory "levels" of membership: the bureau of founding members (Louis Baudin, Marcel Bourgeois, Marie-Thérèse Génin, Étienne Mantoux, Louis Marlio, Louis Rougier, and Jacques Rueff), associate members who participated in research and in plenary sessions, and "basic" adherents, who only attended the sessions.<sup>125</sup>

The archives do not contain evidence of all of the membership procedures. Information is nevertheless available showing that all requests were not met with the same response. Some, such as André Vincent (an engineer in Alsace), were sent only documentation, despite his proclamation of moral commitment to the neoliberal movement.<sup>126</sup> Others received greater attention, for example Léonard Rist, son of Charles Rist, of whom Jacques Rueff wrote that "there can only be advantages to welcoming him and to sending him invitations."<sup>127</sup> Overall, it was necessary to hold a title that was well regarded by the CIRL directors. This included being the son of a known figure of authority in liberalism, being seen as a committed liberal, or said to be so by one of the members: for example, René Courtin wrote that Pierre Fromont, professor at the Rennes law faculty was "not such an extremist liberal as [him]" but that he was "a sensible man."<sup>128</sup>

Above all, the CIRL sought "valuable"<sup>129</sup> members, who were systematically favored. Exemplified included Joseph Barthélémy, Charles Rist, and André Siegfried (teachers recognized in political and economic circles), or Francesco Nitti, who was a minister several times and a council president in Italy before Mussolini came to

122. R1, Maurice Ansiaux, letter for Belgium; L. Von Mises, letter of February 23, 1939; U. Ricci, letter of June 11, 1939 for Switzerland.

123. It seems that the CIRL received finances from the Rockefeller Foundation. Kittredge, its representative in Paris, was a statutory member of the association. In a letter dated June 16, 1939, Louis Marlio invited Louis Rougier to accompany him with Marcel Bourgeois, to visit Kittredge at the foundation (R1).

124. R1, M. Bourgeois, letter of April 21, 1939.

125. R1, CIRL, "Statuts" (April 21, 1939).

126. R1, letter of April 2, 1939 and reply of April 4, 1939. On André Vincent, one of the future leaders of the *Institut de Conjoncture* research institute (with Alfred Sauvy), see F. Fourquet, ed., *Les Comptes de la puissance publique. Histoire de la comptabilité nationale et du plan* (Paris: Encres Éditions Recherches, 1980).

127. R1, Jacques Rueff, letter of April 4, 1939.

128. R1, Rènè Courtin, letter of May 1, 1939.

129. R1, Louis Marlio, "Le néo-libéralisme" (press conference, March 15, 1939), 2.

power. Support was also solicited from officials like Senator Victor Boret, or Joseph Caillaux.<sup>130</sup>

It was also necessary to obtain support from other circles. Moderate reformists (Hyacinthe Dubreuil), non-Communist unionists (René Belin, Louis Vallon, Robert Lacoste, and so forth.), corporatist Catholics such as Louis Salleron, or militants from other liberal organizations, such as Pierre Lhoste-Lachaume from the *Groupe de Défense des Libertés Économiques* (Economic Liberties Defense Group), were not excluded. The CIRL presented itself as a “political action group completely separate from the parties.”<sup>131</sup> It thus needed to appear to transcend traditional divisions. With this in mind, Wilhelm Röpke was able to congratulate Louis Rougier for having “succeeded in attracting unionist leaders.”<sup>132</sup>

### *Intermediaries and Supporters of Neoliberalism*

This diverse membership means that several groups can be discerned.<sup>133</sup>

The first group consisted of second industrialization entrepreneurs,<sup>134</sup> close to X-Crise or to the *Nouveaux Cahiers*. They had mostly attended polytechnics or large institutions, were highly educated, highly interconnected, and had high social prestige. Among these leaders were the most influential of the 1930s: the leaders of the CGPF (General Confederation of French Production: René-Paul Duchemin, Max Hermant, Louis Marlio, René Mayer, and so forth), and of the *Comité central de l'organisation professionnelle* (Central Committee of Professional Organization: André Monestier), as well as representatives of the modernizing wing, like Auguste Detœuf. Although some had called the *Front Populaire* “hurricane season”<sup>135</sup> for employers, 1938–1939 was a chance for real renewal among employers and their main union, which was reorganized and, with the Daladier government, had the chance to get revenge on workers’ organizations.<sup>136</sup> Given their position, those close to the CIRL were undoubtedly among the first to benefit. Neoliberal employers had a mostly public trajectory, in two senses. They were both close to state bodies and highly visible, with their liberalism aiming to rationalize the whole national and international economy. They attributed an economic role to the state, believing that its action, like that of businesses, needed to be rationalized. These advocates of “planned economy” or of “neocapitalism,” which sought to regulate economic activity (through industrial understandings and agreements between groups) and social life (through corporation or social dialogue), criticized the traditional liberalism embodied by the professors of the law faculty: it would “remain a specific case

130. R1, Victor Boret’s secretariat, letter of March 7, 1939; Joseph Caillaux, letter of July 27, 1939.

131. Letter from Rougier to Aron.

132. R1, Wilhelm Röpke, letter of March 31, 1939.

133. CIRL recruitment was studied using statistical tools, particularly analysis of correspondence and social networks. For more details, see: François Denord, “Les origines du néo-libéralisme en France. Genèse et structure d’une doctrine économique,” (postgraduate thesis, EHESS, 2000).

134. Maurice Lévy-Leboyer, ed., *Le patronat de la seconde industrialisation* (Paris: Éditions ouvrières, 1979).

135. Georges Lefranc, *Les organisations patronales en France du passé au présent* (Paris: Payot, 1976), 101 and following pages.

136. See Patrick Fridenson, “Le patronat français,” in *La France et les Français en 1938–1939*, eds. R. Rémond and J. Bourdin (Paris: Presses de la Fondation Nationale des Sciences Politiques, 1979), and Ingo Kol-Boom, *La revanche des patrons* (Paris: Flammarion, 1986).



applicable to the conditions of the eighteenth and nineteenth centuries,”<sup>137</sup> unless it was founded on practices and an “empirical approach” to economic realities. These economic practitioners brought their practices into theory,<sup>138</sup> leading not to a simple ideological rationalization of practice, but to a true technification of liberalism, which was considered an art in the technical sense of the term:

Social liberalism is . . . the framework for an *art* destined to construct a social order, taking into account not only all types of laws, including economic laws, but also facts and above all the moral and psychological evolution of populations around the world.<sup>139</sup>

Neoliberalism was seen as a procedure, which established order and social stability using scientific methods such as “the division of labor,” which only worked because of “skills specialization and the concentration of industries.”<sup>140</sup> As a practice, liberal philosophy thus became dissociated from planned economy as a practice. This allowed “each being, each thing, to be placed in the role that best suits its nature.”<sup>141</sup>

A second group was made up of university professors, whose fear of liberalism was entirely different.<sup>142</sup> Mostly educated in the law faculty and possessing places where they could assert a certain doctrinal homogeneity (such as the *Congrès des Économistes de Langue Française* and the *Revue d'Économie Politique*), they barely strayed from liberal orthodoxy, although some claimed that beyond theoretical divisions, they wanted to found a “political economy without a doctrine.”<sup>143</sup> The philosophical foundations of liberalism were meant to guarantee its effectiveness. Liberalism was supposedly the only regime that would allow the individual, “the basic unit of life”<sup>144</sup> (that which would protect democracy), to flourish, because “he who kills economic liberty necessarily kills political liberty and vice versa.”<sup>145</sup> For the liberal, “liberty, taken to mean the possibility for each individual to reach their full potential, is an end in itself.”<sup>146</sup> It was in the name of liberal philosophy that the desire of employer-engineers to rationalize the economy and form cartels was

137. Auguste Detœuf, “La fin du libéralisme” in *X-Crise: De la récurrence des crises économiques*, G. Brun et al. (Paris: Économica, 1981), 76.

138. Economic agreements were thus justified, despite being counter to market competition, because they made it possible to reduce cost prices and sales prices.

139. Louis Marlio, *Dictature ou liberté* (Paris: Flammarion, 1940), 220.

140. R1, Louis Marlio, “Le néo-libéralisme” (press conference), 2.

141. Marlio, *Dictature ou liberté*, 41.

142. On university economists, see the works of Lucette Le Van-Lemesle, particularly “L’Enseignement de l’économie politique en France (1860–1939),” (doctoral thesis, Université Paris I, 1993). It mentions the Walter Lippmann conference on page 867. However, contrary to the assertions of Le Van-Lemesle, René Courtin did not participate in the conference. He was nevertheless a member of the CIRL and part of the Mont Pelerin Society, which he described in 1948 as “the only possibility of creating a framework for neoliberalism.” [Back-translation from the French for a citation in R.M. Hartwell, *A History of the Mont Pelerin Society* (Indianapolis: Liberty Fund, 1995), 84.]

143. J. Lescure, “Une économie politique sans doctrine,” *Revue d’économie politique* (January–February 1937), 28–42.

144. Baudin, *L’aube d’un nouveau libéralisme*, 32.

145. Jules Barthélémy, “Les expériences économiques de la Révolution Française,” *Supplément à Réalisme économique* (May 26, 1939): 5.

146. Étienne Mantoux, in *Compte rendu des séances du Colloque Walter Lippmann*, CIRL, 22.

contested.<sup>147</sup> However, it would be unfair to represent liberal university professors as mere observers of the doctrine. “Official” economists were aware of the crisis in their profession, partly linked to the impossibility of providing concrete solutions to the crisis. Some attempted to move towards the study of practice, different to that of employers and engineers and undoubtedly provoked by their violent criticism,<sup>148</sup> but which in fact became a source of similarity. This is because it was not enough to let the market rule in order for a liberal economy to work. It was necessary, “by complicating the hypotheses . . . to recover the illogical and profuse reality . . . , to find once again real people, passionate, narrow minded, and subject to gregarious instruction, who obey mystic beliefs and can never calculate the consequences of their actions.”<sup>149</sup>

An intermediary space emerged between the university circle and that of rationalizing employers. Its representatives, who acted as mediators, belonged to the upper bourgeoisie. This can be seen from their high social origins, the areas in which they lived (seventeen members of the CIRL lived in the prestigious sixteenth arrondissement of Paris), their education (in polytechnics, the law faculty, and the *École Libre des Sciences Politiques* or Free School of Political Sciences), their qualifications (rarely below doctorate level), and their prestigious professions (from the professor at the Paris faculty of law to the employer with several seats in administrative councils). Among them were famous figures, who wrote for the daily press (André Siegfried for *Le Figaro* or Joseph Barthélémy for *Le Temps*), who were often decorated, particularly with the Legion of Honor (twenty-nine of them), who were socially fashionable (twenty-eight), and who were sometimes members of high academic institutions such as the *Institut de France* (Joseph Barthélémy, Charles Rist, Louis Marlio, and André Siegfried belonged to the *Académie des Sciences Morales et Politiques* [Academy of Moral and Political Sciences], while André Chaumeix belonged to the *Académie Française* [French Academy]). These public figures wrote in prominent reviews, such as the liberal, university *Revue bleue*, the *Revue des Deux Mondes*, a “bastion of the academic, political, and military authorities,”<sup>150</sup> or the more literary *Revue de Paris*. This highly honored bourgeoisie included employers, senior officials, and Paris university professors, linked by their membership of fashionable clubs, or the teaching staff of the *École Libre des Sciences Politiques* (Free School of Political Sciences). For some of them, participation in the CIRL’s activities was a given. It was impossible not to call upon them, even if there was no guarantee of their real commitment.

What may seem more surprising is the presence of members of the CGT. They were of two very distinct types. The first were the *Syndicats*, united around a journal of the same name, with René Belin as their spokesman. They were anti-Communist,<sup>151</sup> aiming to constitute a party of ex-confederates. The second, the “centrists,”

147. For example: André Piettre, *L'évolution des ententes industrielles en France depuis la crise* (Paris: Sirey, 1936).

148. On this point, see Lucette Le Van-Lemesle, “La crise et l’enseignement de l’économie politique en France: la remise en cause d’une légitimité,” *Recherches et travaux de l’I.H.E.S.* (November 1982).

149. CIRL, *Compte rendu des séances du Colloque Walter Lippmann*, 17.

150. Anne Karakatsoulis, “La Revue des Deux Mondes,” in *Dictionnaire des intellectuels français*, ed. J. Julliard and M. Winock, (Paris: Le Seuil, 1996), 972.

151. Marie-France Rogliano, “L’anticommunisme dans la C.G.T.: ‘Syndicats’,” *Le Mouvement Social*, (April–June 1974).

included Christian Pineau<sup>152</sup> and Robert Lacoste. They were led by Léon Jouhaux, and worked with the Communists against nonintervention in Spain.<sup>153</sup> Although these two trends can be summarized as such, matters became even more complicated with the approach of the Second World War. René Belin, who became progressively marginalized, considered that his group's action was reduced "to rearguard combats against the great communist maneuver of trade union colonization."<sup>154</sup> The alliance of the centrist covenant with the ex-unitaries in part came down to chance. The presence of representatives of these two currents within the CIRL is telling of the CGT's lack of internal organization and of the state of mind of some advocates of planned economy after the *Front Populaire*. According to Louis Vallon, the *Front Populaire* had not succeeded in offering "the economic policy to accompany its social policy."<sup>155</sup> Participating in debates on neoliberalism could be a way of finding new alternatives to traditional liberalism and support outside the divided union,<sup>156</sup> for which the general strike of November 30, 1938 was a failure. This does not mean that the CGT's members fully adhered to neoliberalism.<sup>157</sup> However, in a context of global economic, political, and international crisis, when the CGT too was in crisis, the ambiguities of neoliberal discourse allowed unexpected convergences of interests. According to Louis Vallon, there was even a

strange coming together of ideas that were formerly opposed and which we feel it is important to flag up to those who, like us, believe that in the coming cruel battles, to protect its ideal and its future, the working class must work with all those who defend the fundamental values of Western civilization, human liberty, and the possibility of future progress.<sup>158</sup>

The coming together of people from such different social and political horizons can only be understood in relation to a crisis which affected all social strata. This appears to have been triggered by the *Front Populaire*. Neoliberalism crystallized oppositions: those of economics professors, employers, and directors of economic administrations. It also crystallized disappointments: those of young university professors (Raymond Aron and Robert Marjolin) or unionists. The birth of neoliberalism demonstrates the way in which traditional elites—brought together by the rising power of technicians, whether they were business leaders, engineers, or unionists—had to accept compromises faced with the development of social criticism from many perspectives, not only targeting the existing mode of production,

152. Christian Pineau regularly wrote in *Syndicats*, particularly in the "Réalités économiques" section from October 1936 to January 1937.

153. Jean Bruhat, "La C.G.T.," in *La France et les Français en 1938–1939*, ed. R. Rémond and J. Bourdin, 170.

154. René Belin, *Du Secrétariat de la C.G.T.: mémoires 1933–1942* (Paris: Albatros, 1978), 72.

155. Jean-Louis Panné, "Louis Vallon," in *Dictionnaire biographique du mouvement ouvrier français (1914–1939)*, ed. J. Maitron (Paris: Éditions ouvrières, 1993), 43:39.

156. Some of the same unionists are found in Auguste Detœuf's *Nouveaux Cahiers*: see Francois Perthus, *Auguste Detœuf (1883–1947) ou l'ingénieur bâtisseur de l'impossible paix*, doctoral history thesis (Institut d'Études Politiques de Paris, 1990).

157. Louis Vallon, "Une offensive idéologique du libéralisme," *La Tribune des fonctionnaires* (January 28, 1939). He writes: "Is it to be said that we find skillfully argued neoliberal theses irresistibly seductive? Certainly not! However, when they come from a man like Walter Lippmann, whose intellectual integrity and moral conscience are irrefutable, we think that it could only be beneficial to the workers' movement to know and discuss these theses."

158. Louis Vallon, "De l'agenda du libéralisme au plan de la C.G.T.," *Syndicats* (January 25, 1939).

but also the mechanisms for choosing political authorities. In many ways, it seems that Pierre Dieterlen was right in describing the Walter Lippmann conference as the “conference of fear.”

This fear was justified by events: international tension brought to a peak by the Sudeten affair . . . , the consequences and the still-vivid memory of the Great Depression, Keynes’s relevant message, the maturity theories that were in full swing, and the concern caused by the Roosevelt experience which had not yet become a comfortable severity. The failure of the “gold bloc” and the multiple devaluations provoked reflection. Quite simply, liberalism had a guilty conscience.<sup>159</sup>

However, another crisis situation put an end to the experience: the Second World War. The partisans of neoliberalism took different paths: some joined the Resistance or went to London (Raymond Aron, René Courtin, Gaston Leduc, and Robert Marjolin), some played an important role in Vichy (Joseph Barthélémy, Émile Mireaux, and Henri Moysset), others decided not to take sides (Charles Rist), or chose exile (Louis Marlio). Consequently, following the war, little remained of the space that had formed in the 1930s. Neoliberalism even suffered a double failure. Firstly, as concerns economic doctrines, its principal representatives (notably Jacques Rueff) no longer had the authority that they had possessed before the war and neoliberalism found itself in competition with a Keynesian vulgate. Secondly, as concerns economic policies, the reforms of the Liberation seem to have cemented the victory of planned economy and state intervention.<sup>160</sup> Thus, neoliberalism became the doctrinal weapon of traditional liberal economists contesting Keynesian economics and supporting employer objections to state intervention.<sup>161</sup> Nevertheless, neoliberalism did not disappear. Nationalizations, the creation of welfare state institutions, and the Cold War favored the appearance of new organizations. At an international level, the Mont-Pelerin Society was born, and France saw the creation of the Pierre Lhoste-Lachaume *Point de Rencontre Libéral-Spiritualiste* (Liberal-Spiritualist Meeting Point), the *Association de la Libre Entreprise* (Free Enterprise Association), and Maurice Allais and Auguste Detœuf’s *Groupe de Recherches Économiques et Sociales* (Economic and Social Research Group). The Éditions de Médicis continued publishing works into the 1970s, including periodicals such as the *Nouvelle revue de l’économie contemporaine*, which contained writings by certain 1930s neoliberals, as well as by newcomers such as Bertrand de Jouvenel.

Louis Rougier received little glory.<sup>162</sup> Only Jacques Rueff, who described him as the “great builder of the liberal restoration” and Maurice Allais, who called him the “prince of thought” gave him a great place in the history of liberalism.<sup>163</sup> Compromise with the Vichy regime was in some ways “fatal” to this “noneconomist”

159. Pierre Dieterlen, “Deux autocritiques du libéralisme,” *Critique* (March 1958): 268.

160. On these points, see Olivier Dard, “Théoriciens et praticiens de l’économie: un changement de paradigme,” in *L’année 1947*, eds. S. Bernstein and P. Milza (Paris: Presses de Sciences Po, 2000), 78–91.

161. Badel, *Un milieu libéral et européen*, 369–381.

162. This study does not examine the reception of Louis Rougier’s work in certain small political circles such as the “New Right.” Louis Rougier’s archives contain much information on his relationships with Alain de Benoist and the GRECE.

163. Maurice Allais, *Louis Rougier prince de la pensée* (Lourmarin de Provence: Fondation de Lourmarin R. Laurent-Vibert et Association des amis de Lourmarin, 1990) and dedication by Jacques Rueff (Bibliothèque de Louis Rougier).

in an ideological universe that he nevertheless helped to build. It was used as a reason to exclude him when Friedrich Hayek and Wilhelm Röpke founded the Mont Pelerin Society.<sup>164</sup> He was only admitted at the end of the 1950s, when he regained an *Éducation Nationale* (National Education) position comparable to that which he had held in the 1930s. In 1957, an international conference on economic liberalism was organized. It claimed to be an extension of the Lippmann Conference.<sup>165</sup> The following year, Maurice Allais called upon Louis Rougier to help start the *Mouvement pour une Société Libre* (Movement for a Free Society).<sup>166</sup> However, when he put himself forward in 1972 for the André Arnoux Prize (awarded by the highly liberal *Association pour la Liberté Économique et le Progrès Social*, or Association for Economic Liberty and Social Progress, for work “that underscores the role of economic liberty as a factor in social progress and in the advancement of humanity”),<sup>167</sup> he was unsuccessful. The preceding year, he had not even been considered for the award.<sup>168</sup>

164. Allais, *Louis Rougier prince de la pensée*, 34.

165. Centre Paul-Hymans, *Travaux du colloque international du libéralisme économique* (Brussels, 1958).

166. Allais, *Louis Rougier prince de la pensée*, 14.

167. *Liberté économique et progrès social* 4 (1970).

168. R14, Letter to G. Lemonnier, May 29, 1972. On Guy Lemonnier and the ALEPS, see Jean Lévy, *Le dossier Georges Albertini: Une intelligence avec l'ennemi* (Paris: L'Harmattan, 1992), 199 and following pages.