
Introduction

The idea of a peaceful community of nations, sustained by democratic institutions and joined by trade, occupies a prominent place in our political imagination. This vision is generally traced back to a celebrated essay on “perpetual peace,” *Zum ewigen Frieden*, written in 1795 by the philosopher Immanuel Kant (1724–1804).¹ In the twentieth century, Kant’s essay became an important reference point for discussions of how to apply liberal ideals to international relations.² This book returns to the late-eighteenth-century instance of these debates, to which Kant’s essay was seen as a contentious contribution. The focus of this book is on the most sympathetic, insightful, and farsighted contemporary reader of Kant’s essay, Johann Gottlieb Fichte (1762–1814), whose own investigation of the idea of perpetual peace culminated in his *Der geschlossene Handelsstaat*, or *The Closed Commercial State* (1800).³ Fichte was a sometime disciple and self-appointed successor of Kant, and is widely regarded as a major philosopher in his own right, but much of his political thought has yet to receive the sustained attention it deserves. Fichte’s *Closed Commercial State* was a

¹ I have generally cited the translation by H. B. Nisbet, *Perpetual Peace: A Philosophical Sketch*, in Immanuel Kant, *Political Writings*, ed. Hans Reiss, 2nd ed. (Cambridge: Cambridge University Press, 1991), 93–130. “Perpetual peace” became an important part of the eighteenth-century political lexicon following the War of the Spanish Succession, the publication of the abbé de Saint-Pierre’s *Projet pour rendre la paix perpétuelle en Europe* (1713–17), its many subsequent restatements, and their influential reworking during the Seven Years’ War by Jean-Jacques Rousseau in his *Extrait du projet de paix perpétuelle de Monsieur l’abbé de Saint-Pierre* (1761).

² For a partial survey of the text’s reception in the Anglophone world, see Eric S. Easley, *The War over Perpetual Peace: An Exploration into the History of a Foundational International Relations Text* (New York: Palgrave Macmillan, 2004).

³ Johann Gottlieb Fichte, *Der geschlossene Handelsstaat: Ein philosophischer Entwurf als Anhang zur Rechtslehre und Probe einer künftig zu liefernden Politik* (Tübingen: Cotta, 1800). I have cited the critical edition in Fichte, *Gesamtausgabe der Bayerischen Akademie der Wissenschaften*, part 1, vol. 7, ed. R. Lauth and H. Gliwitzky (Stuttgart–Bad Cannstatt: Frommann, 1988). All translations are my own. Some excerpts are available in English in Hans Reiss, ed., *The Political Thought of the German Romantics, 1793–1815* (Oxford: Blackwell, 1955). A full English translation by Anthony Adler is currently under preparation. There are two French translations: *L’état commercial fermé*, ed. J. Gibelin (Paris: Librairie generale de droit et de jurisprudence, 1940); and *L’état commercial fermé*, ed. Daniel Schulthess (Lausanne: L’Age d’homme, 1980).

pivotal development of Kant's model of perpetual peace. This book shows how Fichte redefined the political economy of the Kantian ideal and extended it into a strategic analysis of the prospects for pacifying modern Europe.

Fichte was a theorist of the social contract who radicalized that tradition by demanding that the state secure the citizen's right to work. This demand was part of an argument about the economic conditions for effective political citizenship, largely conducted in terms set by the Genevan philosopher Jean-Jacques Rousseau (1712–78). *The Closed Commercial State* was part of Fichte's attempt to reformulate Rousseau's theory of popular sovereignty and constitutional government in order to accommodate the changing nature of economic activity in a "commercial society," or an increasingly postagrarian society marked by an extensive and expanding division of labor.⁴ Fichte's demand was also a response to a problem that had preoccupied both Rousseau and Kant: how to neutralize an unstable system of international relations whose escalating violence threatened to undermine the logic of the social contract and make it impossible to create and maintain a government of laws. *The Closed Commercial State* was Fichte's sequel to Rousseau and Kant's writings on perpetual peace. Fichte claimed that Europe could not transform itself into a peaceful federation of constitutional republics unless economic life could be disentangled from the competitive dynamics of relations between states. He further claimed that this transformation could be achieved through a transition to a planned and largely self-sufficient national economy, made possible by a radical monetary policy.

The Closed Commercial State was a proposal for how to implement such a transition in a German state at the turn of the nineteenth century; its audacity inspired some and terrified most. But it also could be read in a rather different spirit, as it was by some important figures at the time: as a provocative, exaggerated, but nonetheless unusually philosophically rigorous restatement of Rousseau and Kant's prognosis for the creation of a republican peace in modern Europe. This characteristic ambiguity, which pervades Fichte's response to Rousseau and Kant, also carries a wider significance. More than two centuries of debate have not resolved the problems that Fichte took up in his investigation of perpetual peace. Nor have they extinguished the persistently recurring

⁴This is Adam Smith's classic definition in *An Inquiry into the Nature and Causes of the Wealth of Nations* [1776], ed. R. H. Campbell, A. S. Skinner, and W. B. Todd (Oxford: Clarendon Press, 1979; repr., Indianapolis, Ind.: Liberty Classics, 1981), bk. 1, ch. 4, para. 1. For a genealogy of the concept's origins in seventeenth-century natural jurisprudence, see Istvan Hont, *Jealousy of Trade: International Competition and the Nation-State in Historical Perspective* (Cambridge, Mass.: Harvard University Press, 2005), 159–84, originally published as "The Language of Sociability and Commerce: Samuel Pufendorf and the Theoretical Foundations of the 'Four-Stages' Theory," in *The Languages of Political Theory in Early-Modern Europe*, ed. Anthony Pagden, 253–76 (Cambridge: Cambridge University Press, 1987).

appeal of economic independence as a potential solution to those problems. Among those who have given serious consideration to this approach to international relations, one of the most noteworthy was the twentieth-century economist John Maynard Keynes (1883–1946). In a remarkable article entitled “National Self-Sufficiency,” Keynes described his growing sense that the “fundamental truths” of nineteenth-century English liberalism were no longer adequate “as a working political theory” for a rapidly changing world.⁵ Both experience and foresight, Keynes wrote in 1933, suggested that maximizing economic interdependence was “likely or certain in the long run to set up strains and enmities which will bring to nought the financial calculation.” Keynes’s article proceeded to deliver a delicately poised defense of his judgment that “a gradual trend in the direction of economic self-sufficiency may be more conducive to peace than economic internationalism.”⁶ Comparisons to Fichte’s *Closed Commercial State* have often served a merely pejorative function.⁷ Yet *The Closed Commercial State* remains a uniquely systematic and complete discussion of the political theory of national self-sufficiency, undertaken in the classic and familiar idiom of the social contract. Fichte’s book has resurfaced, in various guises, with nearly every crisis of globalization since the Napoleonic wars. So long as eighteenth-century visions of perpetual peace retain a hold on our political imagination, it is worth taking a close look at Fichte’s provocative contribution to the genre.

Beyond a growing but highly specialized circle of philosophers, the English-speaking world still encounters Fichte primarily as an apostle of German nationalism—the unfortunate result of late-nineteenth-century myth-making efforts and the fallout from two twentieth-century world wars.⁸ For some readers, the monstrous character of Fichte’s political thought still asserts itself, even when some of the myths surrounding his famous *Addresses to the German Nation* (1807–8)—“oft quoted, seldom read, and at the time hardly heard by anyone”—are set aside.⁹ In this view, *The Closed Commercial State*

⁵ John Maynard Keynes, “National Self-Sufficiency,” *Yale Review* 22, no. 4 (June 1933): 755, 757.

⁶ *Ibid.*, 758.

⁷ See, e.g., Michael Heilperin, *Studies in Economic Nationalism* (Geneva: Droz, 1960).

⁸ For a sketch of Fichte’s reception in the nineteenth and early twentieth centuries, see Helmuth C. Engelbrecht, *Johann Gottlieb Fichte: A Study of his Political Writings with Special Reference to his Nationalism* (New York: Columbia University Press, 1933), 160–90. According to Engelbrecht, the centenary of Fichte’s birth in 1862 became a focal point for debates about German unification and Prussian constitutional reform, and the historian Heinrich von Treitschke was a key figure in transforming Fichte into what Treitschke called “the first prominent herald of the ideas that motivate Germany’s national party today” (Treitschke, “Fichte und die nationale Idee” [1862], in *Deutsche Lebensbilder* [Leipzig: Fikentscher, 1927], 62). Fichte’s reception in Wilhelmine Germany is also surveyed in Michael Burtcher, “Die Fichte-Rezeption im Kaiserreich: Ideopolitische Aspekte” (master’s thesis, Ludwig-Maximilians-Universität München, 1991).

⁹ Helmut Walser Smith, *The Continuities of German History: Nation, Religion, and Race across the Long Nineteenth Century* (Cambridge: Cambridge University Press, 2008), 59.

seems to describe a horrific effort to remake the entire social world: it describes an intellectual elite imposing almost total control over everyday life in order to “impose morality by force.”¹⁰ As one early reader put it, it was a work written by a “philosophical Attila” that called to mind “Robespierre’s System of Terror.”¹¹ Of course, similar accusations have been directed at Kant (most famously by Heinrich Heine) as well as other important thinkers associated with the French Revolution, like Rousseau.¹² But it was Fichte’s explicit ambition to develop Rousseau’s and Kant’s insights to their logical conclusions—and he also possessed what Anthony La Vopa has aptly called a “penchant for verbal brutality.”¹³ It is no accident, in this view, that aspects of Fichte’s politics—including the regimented and largely autarkic economy described in *The Closed Commercial State*—were easily adapted to serve the militarism of later generations.¹⁴

¹⁰ Ibid., 61–62. See also J. L. Talmon, *Political Messianism: The Romantic Phase* (New York: Praeger, 1960), 186–95; Susan Shell, “What Kant and Fichte Can Teach Us about Human Rights,” in *The Philosophy of Immanuel Kant*, ed. Richard Kennington, 143–160 (Washington, D.C.: Catholic University of America Press, 1985); and Bernard Willms, *Die totale Freiheit: Fichtes politische Philosophie* (Cologne: Westdeutscher Verlag, 1967).

¹¹ Christian Gottfried Körner to Friedrich Schiller, 29 December 1800, in Erich Fuchs, Reinhard Lauth, and Walter Schieche, eds., *J. G. Fichte im Gespräch: Berichte der Zeitgenossen* (Stuttgart–Bad Cannstatt: Frommann-Holzboog, 1978), 2:423–24. A similar assessment was made by Samuel Taylor Coleridge, who had a long-standing interest in Fichte’s philosophy, but wrote on the back cover of his copy of *The Closed Commercial State* that “Fichte would have made a more pernicious & despicable Tyrant than Caligula or Eliogabalus” (*Marginalia*, ed. George Whalley, vol. 12, pt. 2 of *The Collected Works of Samuel Taylor Coleridge*, ed. Kathleen Coburn and Bart Winer [Princeton, N.J.: Princeton University Press, 1984], 2:622).

¹² Heinrich Heine, “Einleitung zu ‘Kahldorf über den Adel’ (1831),” in *Historisch-kritische Gesamtausgabe*, ed. Manfred Windfuhr (Hamburg: Hoffmann und Campe, 1978), 11:134. After labeling Kant “our Robespierre,” Heine went on to describe Fichte as the “Napoleon of philosophy.”

¹³ Anthony J. La Vopa, *Fichte: The Self and the Calling of Philosophy, 1762–1799* (Cambridge: Cambridge University Press, 2001), 132. In 1793, Fichte notoriously wrote that the only way to enlighten the Jews was to “cut off all their heads in one night and replace them with others in which there is not a single Jewish idea” (ibid; however, it is also worth noting that Fichte later resigned his position as rector of the University of Berlin over his colleagues’ reluctance to punish the harassment of a Jewish student). On another occasion, he concluded one of his many polemical exchanges by “annihilating” his colleague: “I hereby declare that everything that Professor Schmid henceforth has to say concerning any of my philosophical assertions . . . to be something which does not exist at all as far as I am concerned. And I declare Professor Schmid himself to be nonexistent as a philosopher so far as I am concerned” (*Early Philosophical Writings*, ed. Daniel Breazeale [Ithaca, N.Y.: Cornell University Press, 1988], 335).

¹⁴ On this adaptation, see Nelson Edmondson, “The Fichte Society: A Chapter in Germany’s Conservative Revolution,” *Journal of Modern History* 38, no. 2 (June 1966): 161–80; Reiner Pesch, “Die Politische Philosophie Fichtes und ihre Rezeption im Nationalsozialismus” (PhD diss., Phillips-Universität Marburg, 1982); and Raymond Geuss, “Kultur, Bildung, Geist,” *History and Theory* 35, no. 2 (1996): 162–63. Comparisons between *The Closed Commercial State* and the German war economy were made during both world wars. For a sadly inopportune attempt to push back against some of these comparisons, see F. W. Kaufmann, “Fichte and National Socialism,” *American Political Science Review* 36, no. 3 (June 1942): 460–70.

In 1822, long before Fichte became associated with modern German nationalism, the Prussian censor still considered Fichte a republican propagandist too subversive to allow into print; in the years leading up to the revolutions of 1848, “going back” to Fichte’s philosophy seemed the way forward for some.¹⁵ Beginning in the second half of the nineteenth century, a large literature developed that described Fichte’s reworking of Rousseau’s *Social Contract* as the intellectual birth of German socialism. Fichte gave the state a pivotal role in reorganizing society so that it could afford all its members the opportunity to cultivate their individuality to the fullest and richest possible extent. He was celebrated by Ferdinand Lassalle as the philosophical forerunner of a future German republic, and *The Closed Commercial State* was cited by writers including John Dewey, Jean Jaurès, Gustav von Schmoller, and Marianne Weber as an early proposal for a modern welfare state.¹⁶ Of course, some have claimed that Kant belongs in a similar historical context, and many others have sought to show that his political philosophy provides a suitable framework for arguments for greater distributive justice.¹⁷ But here again, Fichte drew much more explicit and radical conclusions than Kant: he loudly and clearly proclaimed that the state could not fulfill its limited duty to protect individual liberty and property rights without guaranteeing a right to work. Recently, this perspective on Fichte has begun to attract renewed attention. Samuel Fleischacker’s *Short History of Distributive Justice* acknowledges Fichte as perhaps the true

¹⁵ For Fichte and the Prussian censor, see Engelbrecht, *Johann Gottlieb Fichte*, 161. On “going back” to Fichte in the context of the revolutions of 1848, see Wilhelm Busse, *J. G. Fichte und seine Beziehung zur Gegenwart des deutschen Volkes* (Halle: Heynemann, 1848), 1:1. As a slogan for the barricades, it must be admitted, Busse’s “*es muss auf Fichte zurückgegangen werden*” (“Back to Fichte!”) compares rather poorly to the *Communist Manifesto*’s contemporaneous “*Arbeiter aller Länder, vereinigt euch!*” (“Workers of all countries, unite!”). On the revival of interest in Fichte within Left Hegelian circles, see also Tom Rockmore, *Fichte, Marx, and the German Philosophical Tradition* (Carbondale: Southern Illinois University Press, 1980), 121–26.

¹⁶ See, e.g., John Dewey, *German Philosophy and Politics* (New York: Holt, 1915), 74–76; Auguste-Marie-Joseph-Jean Jaurès, *Les Origines du Socialisme Allemande*, trans. Adrien Veber (Paris, 1927); Gustav von Schmoller, “J. G. Fichte: Eine Studie aus dem Gebiete der Ethik und der Nationalökonomie,” in *Zur Litteraturgeschichte der Staats- und Sozialwissenschaften* (1888; repr., New York: Franklin, 1968), 50–51; Marianne Weber, *Fichte’s Sozialismus und sein Verhältnis zur Marx’schen Doktrin* (Tübingen: Mohr, 1900), reprinted in Hans Lindau and Marianne Weber, *Schriften zu J. G. Fichtes Sozialphilosophie*, ed. Hans Baumgartner (Hildesheim: Olms, 1987), 1–122; and Henri Denis, *Histoire de la Pensée Économique* (Paris: Presses universitaires de France, 1966), 254–86. For a survey of both “socialist” and “totalitarian” readings of Fichte, see Andreas Verzar, *Das autonome Subjekt und der Vernunftstaat: Eine systematisch-historische Untersuchung zu Fichtes “Geschlossenem Handelsstaat” von 1800* (Bonn: Bouvier, 1979). On Lassalle and Fichte, see, e.g. J. B. Meyer, *Fichte, Lassalle und der Socialismus* (Berlin, 1879); and Edward Bernstein, *Ferdinand Lassalle as a Social Reformer*, trans. Eleanor Marx Aveling (London: Swan Sonnenschein, 1893), 108–9.

¹⁷ Harry van der Linden, *Kantian Ethics and Socialism* (Indianapolis, Ind.: Hackett, 1988); Alexander Kaufman, *Welfare in the Kantian State* (Oxford: Oxford University Press, 1999).

“inventor/discoverer of modern distributive justice,” and several others have approached his political thought from similar standpoints.¹⁸

These recent efforts to reenlist Fichte as a theorist of distributive justice have focused their attention on a rather narrowly circumscribed selection from his political thought. Fichte described *The Closed Commercial State* as an integral part of his overall philosophy; its subtitle bills it “A Philosophical Sketch as an Appendix to the Doctrine of Right and an Example of a Future Politics.” The book comprises not only a “philosophical” statement of his property theory, but also a “historical” analysis of modern European economic relations and a “political” strategy for reforming them.¹⁹ The second and third parts of this scheme have been left unexamined. In some cases, the selection from Fichte’s ethical system deemed salvageable excludes not only the entire *Closed Commercial State* but most of Fichte’s rights theory as well.²⁰

According to his son, Fichte himself used to call *The Closed Commercial State* his “best, most thought-through [*durchdachtestes*] work.”²¹ It was not an awkward appendage to a philosophical “system of freedom.” Rather, it was a profound and systematic discussion of the obstacles posed to the ideals of the social contract by two of the most dominant features of modern social life: the division of labor and the international states system. Fichte’s intensive engagement with Rousseau and Kant can help illuminate these critical aspects of the social-contract tradition. Rousseau’s ingenious analysis of the pathological origins and apocalyptic future of commercial society posed a tremendous challenge for those who wished to entertain a morally attractive vision of its poli-

¹⁸ Fleischacker, *Distributive Justice*, 160–61. See also Alan Wood, “Kant and Fichte on Right, Welfare and Economic Redistribution,” *Jahrbuch des deutschen Idealismus* 2 (2004): 77–101; and Nedim Nomer, “Fichte and the Idea of Liberal Socialism,” *Journal of Political Philosophy* 13, no. 1 (2005): 53–73.

¹⁹ As Fichte’s table of contents spells out, “Philosophy” is “what is rightful in the rational state with regard to commercial relations”; “History” (*Zeitgeschichte*) is “of the condition of commercial relations in real states at present”; and “Politics” is “how the commercial relations of an existing state may be brought to the constitution demanded by reason, or, of the closing of the commercial state.”

²⁰ Stephen Darwall, “Fichte and the Second-Person Standpoint,” *International Yearbook of German Idealism* 3 (2005): 91–113; and Ulrich Thiele, *Distributive Gerechtigkeit und demokratischer Staat: Fichtes Rechtslehre von 1796 zwischen vorkantischem und kantischem Naturrecht* (Berlin: Duncker und Humblot, 2002), 7–8. These developments imply a partial retracing of long-running French debates about whether or when Fichte abandoned his commitment to the ideals of 1789 (or, alternatively, to those of 1793). For a survey, see Michel Espagne, “Die Rezeption der Philosophie Fichtes in Frankreich,” *Fichte-Studien* 2 (1990): 193–222. The relative breadth of French, Italian, and Iberian scholarship on Fichte’s political thought is on display in a recent volume of conference proceedings: Jean-Christophe Goddard and Jacinto Rivera de Rosales, eds., *Fichte et la politique* (Milan: Polimetrica, 2008), <http://www.polimetrica.com/>.

²¹ Johann Gottlieb Fichte, *Sämmtliche Werke* (1845–46), ed. Immanuel Hermann Fichte (Berlin: de Gruyter, 1965), 3:xxxviii.

tics.²² Rousseau himself was highly skeptical that his vision of a government of laws could be reconciled with forms of economic life dominated by the development of modern trade and finance.²³ Likewise, Rousseau's close study of the abbé de Saint-Pierre's writings on perpetual peace ultimately left him unconvinced that the logic of the social contract could be applied to relations between peoples.²⁴ Kant had gone considerably further than Rousseau in imagining the emergence of a pacified Europe, but not in specifying what kind of economic relations were presupposed by this vision.²⁵ Fichte's *Closed Commercial State* was an innovative attempt to elaborate on Kant's model of perpetual peace, without—as Fichte saw it—reproducing Rousseau's exclusion of the virtues as well as the vices of modern economic life. *The Closed Commercial State* was a distinctive post-Kantian reformulation of widespread eighteenth-century arguments about how it might be possible to tame intensifying interstate competition, relieve mounting class conflict, and bring about the moral transformation of modern political and economic relations.

Fichte's engagement with Rousseau and Kant is easily misjudged and remains unedifying without a more historically informed account of the full scope of his political thought. Fichte was a major participant in the formation and institutionalization of a German philosophical idiom that continues to be the object of specialized study. However, his political thought, like his intellectual biography, was never confined to this context. All three components of *The Closed Commercial State*—the historical analysis and political strategy as well as the property theory—represent important interventions in a broader set of contemporary debates about how to pacify modern Europe. These were not isolated German debates. On the contrary, they involved some of the most prominent political actors of the French Revolution as well as German phi-

²² On the importance of this aspect of Rousseau's thought for his contemporary readers, particularly in German-speaking Europe, see Béla Kapossy, *Iselin contra Rousseau: Sociable Patriotism and the History of Mankind* (Basel: Schwabe, 2006). On its centrality for Rousseau's political thought, see also John Charvet, *The Social Problem in the Philosophy of Rousseau* (Cambridge: Cambridge University Press, 1974); and Nannerl O. Keohane, "Masterpiece of Policy in Our Century": Rousseau on the Morality of the Enlightenment," *Political Theory* 6, no. 4 (1978): 457–84.

²³ See, e.g., Jean-Jacques Rousseau, "Government of Poland," in *The Social Contract, and Other Later Political Writings*, ed. Victor Gourevitch (Cambridge: Cambridge University Press, 1997), 224–26. Rousseau's proposed constitution was written in 1772, but became widely available only in the posthumous 1782 edition of his works. On its popularity with an ally of Fichte's in the 1790s, see note 67 to chapter 1, below.

²⁴ For a thorough study of Rousseau's failure to arrive at a solution to the problem of the international order in relation to his intensive engagement with Saint-Pierre in the late 1750s, see Céline Spector, "Le Projet de paix perpétuelle: De Saint-Pierre à Rousseau," in *Principes du droit de la guerre: Ecrits sur le Projet de Paix Perpétuelle de l'Abbé de Saint-Pierre*, ed. B. Bachofen and C. Spector, 229–94 (Paris: Vrin, 2008).

²⁵ For a concise overview of the debates among twentieth-century interpreters of Kant's political economy, see Alan Wood, "Kant and Fichte on Right," 79–88.

losophy professors. They were closely connected—not just in their content, but explicitly linked by Fichte and the other protagonists in the story told in this book—to long-running pan-European debates about the moral and political implications of the rise of modern commerce and finance.²⁶

A crucial part of this story is the long-forgotten affinity between Fichte and Emmanuel-Joseph Sieyès (1748–1836), a leading figure in the constitutional debates of the French Revolution, who sought to show how a public debt could be combined with representative government.²⁷ Sieyès and Kant were considered kindred spirits by many contemporary observers. As recent scholarship has again emphasized, each read Rousseau's nuanced critique of Hobbesian moral and political philosophy in ways that set him apart from many other contemporary admirers of Rousseau.²⁸ Both Fichte's stature as a reader of Rousseau and the intensity of his interest in Sieyès as well as Kant were evident to contemporaries and long remained a fairly common feature of German-language histories of natural law and treatises in political science (*Staatswissenschaft*).²⁹ This book argues that Fichte sought a potentially much more radical reconfiguration of the compromises Sieyès and Kant had projected between what the

²⁶ On these debates, see, above all, the groundbreaking studies by Istvan Hont collected in his *Jealousy of Trade*.

²⁷ See three works by Michael Sonenscher: "The Nation's Debt and the Birth of the Modern Republic: The French Fiscal Deficit and the Politics of the Revolution of 1789," *History of Political Thought* 18, no. 1 (1997): 64–103, and no. 2 (1997) 267–325; introduction to Emmanuel Joseph Sieyès, *Political Writings: Including the Debate between Sieyès and Tom Paine in 1791*, ed. Michael Sonenscher (Indianapolis, Ind.: Hackett, 2003); and *Before the Deluge: Public Debt, Inequality, and the Intellectual Origins of the French Revolution* (Princeton, N.J.: Princeton University Press, 2007).

²⁸ Richard Tuck, *The Rights of War and Peace: Political Thought and the International Order from Grotius to Kant* (Oxford: Oxford University Press, 1999), 197–225; Hont, *Jealousy of Trade*, 474–508. On the revision of the standard post-Kantian history of moral philosophy, which this perspective builds upon, see Tuck, "The 'Modern' Theory of Natural Law," in *The Languages of Political Theory in Early-Modern Europe*, ed. Anthony Pagden, 99–119 (Cambridge: Cambridge University Press, 1987).

²⁹ See Otto Friedrich von Gierke, *Natural Law and the Theory of Society, 1500 to 1800* [1913], trans. Ernest Barker (Cambridge: Cambridge University Press, 1934), 131–35, 151–52. One twentieth-century Fichte scholar repeatedly emphasized Fichte's attention to the Hobbesian aspects of Rousseau after 1795 and the consequences for Fichte's post-1795 theory of the state: Richard Schottky; see his "Untersuchungen zur Geschichte der staatsphilosophischen Vertragstheorie im 17. und 18. Jahrhundert (Hobbes—Locke—Rousseau—Fichte)" (PhD diss., Munich, 1962), published posthumously in *Fichte-Studien-Supplementa* 6 (1995): 1–319; "Das Problem der Gewaltenteilung bei Rousseau und Fichte," *Fichte-Studien-Supplementa* 6 (1995): 343–68; "Staatliche Souveränität und individuelle Freiheit bei Rousseau, Kant und Fichte," *Fichte-Studien* 7 (1995): 119–42. Schottky also recognized that Fichte's *Closed Commercial State* reflected the continuation of his thinking about the problem of perpetual peace; see his "Internationale Beziehungen als ethisches und juridisches Problem bei Fichte," in *Der Transzendente Gedanke: Die gegenwärtige Darstellung der Philosophie Fichtes*, ed. Klaus Hammacher, 254–55 (Hamburg: Meiner, 1981). This last connection was also made in Domenico Losurdo, "Fichte, die Französische Revolution und das Ideal vom ewigen Frieden," in *Fichte—die Französische Revolution und das Ideal vom ewigen Frieden*, ed. Manfred Buhr and Domenico Losurdo, 74–136 (Berlin: Akademie Verlag, 1991).

revolutionary conspirator Philippe Buonarroti called the “order of egoism” and the “order of equality”: between, on the one hand, the vast inequalities of modern commercial society, grounded in property rights secured by state power, and, on the other, the ancient ideal of a political community whose citizens were equally empowered and collectively in command of their destiny.³⁰ Much of the world has come to inhabit some shifting version of this kind of compromise. This book reveals a new dimension of a formative and exceptionally incisive moment in its intellectual history by showing how *The Closed Commercial State* emerged out of Fichte’s encounter with Rousseau, Kant, and Sieyès in the middle of the 1790s.

The moral outrage animating Fichte’s *Closed Commercial State* was profoundly shaped by this encounter, but hardly originated with it. Fichte’s first literary venture—conceived “in a sleepless night” during the summer of 1788, but never executed—was to have been a satirical critique of luxury, an attempt to reveal the decadence and moral deformity of commercial society, loosely inspired by Montesquieu’s *Persian Letters*.³¹ The difficulties Fichte himself encountered in overcoming his plebeian origins lent a great deal of intensity to his condemnations.³² Born in 1762, Fichte was the son of a Saxon weaver. Sent off to be educated for the pulpit when his precocious intelligence was spotted by a traveling nobleman in 1770, Fichte strained to make the accommodations that would secure him a clerical career, and his isolating experiences during several stints as a household tutor only deepened his frustrations. The search for tutoring appointments took Fichte to the far corners of the German-speaking world, from Zürich to Königsberg. In Zürich, Fichte met his future wife, Johanna Rahn; in Königsberg, Fichte met Kant. In a desperate bid to impress his intellectual hero, Fichte dashed off an “Attempt at a Critique of all Revelation” in the Kantian mode. Though Kant denied the penniless young man’s request

³⁰ Philippe Buonarroti, *Conspiration pour l’égalité dite de Babeuf* (1828; repr., Paris: Éditions sociales, 1957), 26–38. Rousseau, of course, was the standard bearer for the “party of equality.” The interpretation of Buonarroti’s distinction mentioned here is a leitmotif in John Dunn’s investigations of democracy and capitalism; see Dunn, “The Identity of the Bourgeois Liberal Republic,” in *The Invention of the Modern Republic*, ed. Biancamaria Fontana, 206–25 (Cambridge: Cambridge University Press, 1994); *Setting the People Free: The Story of Democracy* (London: Atlantic, 2005); *Democracy: A History* (New York: Atlantic Monthly Press, 2005); and “Capitalist Democracy: Elective Affinity or Beguiling Illusion?” *Daedalus* 136, no. 3 (Summer 2007): 5–13.

³¹ The work was to be called “Briefe des Marquis von St . . . an seinen Freund, den Vikonte X . . . in Paris, aus den neuentdeckten südlichen Polarländern” (Fichte, “Zufällige Gedanken in einer schlaflosen Nacht,” *Gesamtausgabe*, pt. 2, 1:104–9).

³² There is an excellent biography of Fichte up to 1799 by Anthony La Vopa, which I am following here; see also La Vopa, “The Revelatory Moment: Fichte and the French Revolution,” *Central European History* 22 (1989): 130–59. Fichte’s years at Jena and the evolution of his relationship with Kant are also illuminated by Daniel Breazeale in his introduction to Fichte, *Early Philosophical Writings*. The most complete account of Fichte’s life remains Xavier Léon, *Fichte et son temps*, 2 vols. (Paris: Colin, 1922).

for a personal loan, he was sufficiently impressed to recommend the work to his publisher. The enthusiastic reception it received (it was published in 1792 without attribution, and was initially mistaken for a work by the great master himself) instantly transformed Fichte into a celebrity.

Despite the reputation as a dangerous republican propagandist that Fichte was also earning—he was the presumed author of an anonymous *Contribution to correct the judgment of the public about the French Revolution* (1793)—he was appointed professor of philosophy at the University of Jena in 1794. It was at Jena (“the Athens of Germany,” as Madame de Staël later called it) that Fichte published his first account of the foundations of the *Wissenschaftslehre*, his philosophical system.³³ In a letter written in the spring of 1795, Fichte asserted that his philosophical achievement was intimately linked to his support for the French Revolution:

My system is the first system of freedom. Just as [the French] nation frees man from his external chains, my system frees him from the shackles of things in themselves, from the external influences which have afflicted him more or less in all previous systems—even the Kantian. In its first principle, my system establishes man as an independent being. It was during the years when the French nation was fighting with external force for its political freedom [that I was fighting] an inner struggle with myself against all ingrained prejudices . . . It was their valor [*valeur*] that spurred me even higher and gave me the energy to grasp my system. As I was writing about their revolution, I was rewarded, so to speak, by the first hints and intimations of this system. Therefore—in a certain sense the system already belongs to the nation.³⁴

In his work as well as in his own life, Fichte linked the unchaining of the human mind to the creation of a republic. At around the same moment, in mid-1795, however, Fichte was starting to rethink his views on what a republic was and how to proceed toward creating one. As we shall see, this significant rethinking

³³ Fichte’s “theory of scientific knowledge,” which he continued to revise and extend throughout his life, is often confused with his first attempt to present the first principles of that doctrine (the only such attempt he published in his lifetime); see Fichte, *Introductions to the Wissenschaftslehre, and Other Writings, 1797–1800*, ed. Daniel Breazeale (Indianapolis, Ind.: Hackett, 1994), x–xi. On Staël’s visit to Jena, see Anne-Louise-Germaine de Staël, *De l’Allemagne*, ed. Simone Balayé (1810; repr., Paris: Garnier-Flammarion, 1967), 1:125, cited in La Vopa, *Fichte*, 234. Staël’s famous travels through Germany included a memorable meeting with Fichte in Berlin in 1804; see Fichte, *Lettres et Témoignages sur la Révolution française*, ed. Ives Radrizzani (Paris: Vrin, 2002), 110–16.

³⁴ Fichte to Jens Baggesen, April/May 1795, *Gesamtausgabe*, pt. 3, 2:298. The letter was written, it should be noted, in pursuit of a pension (in exchange, Fichte promised to acknowledge the French nation in his book and specified, echoing Rousseau, that he would consider no title other than “Citizen”).

coincided with Fichte's encounter with Sieyès's political writings as well as with Kant's essay *Perpetual Peace*.

Fichte lost his professorship at Jena in 1799, nearly as abruptly as he had acquired it: he was felled by a scandal that began with charges of atheism but was greatly magnified by the reckless self-righteousness of Fichte's response. As a result, Fichte was compelled to seek refuge in Prussia, and it was in Berlin, a year later, that he dedicated *The Closed Commercial State* to a senior Prussian official, the finance minister Carl August von Struensee (1735–1804). Yet it would be a grave error to suppose that this book reflects Fichte's efforts to adapt his Athenian philosophizing to the Spartan climate he encountered in Prussia. On the contrary, Fichte's *Closed Commercial State* was the continuation of the encounter with Rousseau, Sieyès, and Kant that had begun while Fichte was still at Jena. As its subtitle announced, it was indeed an extension of the treatise on natural rights that he had published in 1796–97.³⁵

Fichte saw himself as surpassing the letter of Kant's philosophical system in order to perfect its spirit, and he described his relation to Sieyès's political thought in similar terms.³⁶ The fundamental question that must be asked of both Fichte's defense of a right to work and his analysis of what it would take for modern European societies to secure it is whether they do indeed represent a powerfully farsighted projection of Kant's and Sieyès's constitutionalism, or whether, in changing the letter, Fichte ultimately abandoned the spirit. Within Fichte's encounter with Rousseau, Sieyès, and Kant—and within the reactions of contemporaries to the tensions and ambiguities it contains—we already find the outlines of recurring debates over the political and economic identity of the modern representative republic. Moreover, we find them in relatively transparent form, lacking many layers of polemical ideology that (as Albert Hirschman once observed) are the legacy of successive centuries of conflict.³⁷

Chapter 1 recounts how Fichte's theory of the state was profoundly shaped by his encounter with Rousseau, Sieyès, and Kant. Fichte developed a more radical version of the constitutional theory that had been advanced by Sieyès and Kant during the French Revolution, one that sought to improve upon Rousseau's description of constitutional government and to institutionalize his account of popular sovereignty. According to his many German admirers, it was

³⁵ Fichte, *Foundations of Natural Right: According to the Principles of the Wissenschaftslehre*, ed. Frederick Neuhouser (Cambridge: Cambridge University Press, 2000). This is a translation by Michael Baur of Fichte's *Grundlage des Naturrechts nach der Principien der Wissenschaftslehre* (1796–97).

³⁶ Fichte's draft of a letter to Karl Leonhard Reinhold, 20 February 1793, in *Early Philosophical Writings*, 363; for Fichte's relation to Sieyès's political thought, see Johann Rudolf Steck to Johannes Samuel Ith, ca. fall 1796, in Fuchs, Lauth, and Schieche, *Fichte im Gespräch*, 6.1:228.

³⁷ Albert Hirschman, "Rival Views of Market Society," in *Rival Views of Market Society, and Other Recent Essays* (New York: Viking, 1986), 105–41.

Sieyès, and not his Jacobin opponents, who was the real inheritor of Rousseau, because the kind of egalitarian democracy demanded by Robespierre and others was unable to function as a government of laws in a modern European state. Fichte declared that he had produced the definitive statement of this Sieyèsian constitutionalism and claimed he had captured its true spirit by showing how it did not permanently exclude the possibility of far more egalitarian systems than those proposed by either Sieyès or Kant.

Chapter 2 shows how Fichte's response to Kant's essay *Perpetual Peace* culminated in *The Closed Commercial State*. Kant's essay defined the legal character of a peaceful international community. It also identified the historical processes favoring the emergence of an increasingly legalized and demilitarized European states system. *The Closed Commercial State* elaborated Kant's historical model into an account of the rise of global trade and its impact on state formation. Fichte concluded that the pacification of Europe envisioned by Kant was predicated on a resolution to the conflicts unleashed by heightened economic competition, both between and within states. In making this argument, Fichte developed an account of commerce and international relations that was closely aligned with contemporary pro-French and anti-English views of global trade and the European states system. Like Kant's *Perpetual Peace*, Fichte's *Closed Commercial State* was a highly abstracted theoretical investigation occasioned by a French diplomatic initiative championed by Sieyès. However, Fichte was much more willing than Kant to work out the details of a reform strategy predicated on Sieyès's efforts to engineer a French-led restructuring of the European balance of power.

Chapter 3 reveals that Fichte's proposal for a planned economy was an application of widespread eighteenth-century thinking about the positive possibilities created by modern finance: in this view, the state's ability to control the monetary system created an unprecedented opportunity to bring about a moral transformation of economic relations. It held out the promise of restoring a greater measure of equality to the modern division of labor without requiring massive expropriations or reversing the centuries of growth and development that had been fueled by the expansion of trade. For many other eighteenth-century minds, however, giving a government control over the money supply was a recipe for a new form of complete despotism. In the context of the French Revolution, Sieyès had advanced the position that a carefully designed government could safely manage a limited public debt so long as it was subordinated to the sovereign authority of the nation. Fichte again took a big step beyond Sieyès and Kant in suggesting that this kind of constitutionalism could restrain an administration with a vastly greater responsibility: it would have to control the monetary system and regulate the entire economy in order to realize a significantly more expansive conception of justice.

In making this kind of proposal, as contemporaries realized, *The Closed Commercial State* extended Fichte's rights theory into a critique of political economy.

Chapter 4 describes how Fichte's book was perceived as an important challenge by admirers of Adam Smith because its normative evaluation of market society was grounded in a theory of property rights whose foundational principle was the natural liberty of the individual. Fichte denied that the inequalities produced by the expanding division of labor could be justified by appealing to this principle. However, he was also highly critical of those who prioritized equality over autonomy by discerning inherent moral limits on the nature and scope of individual activity. To claim that property relations had to keep pace with the changing nature of this activity in an industrializing society, Fichte extended his mission to eliminate "the last vestiges of hypostasis still clinging to the Kantian system" into an effort to excise any semblance of natural rights from property theory.³⁸ From this perspective, as Chapter 4 shows, Fichte's *Closed Commercial State* emerges as an important contribution to the nineteenth-century critique of the discipline of political economy. It was a pivotal attempt to reclaim the emancipatory spirit of seventeenth-century natural jurisprudence from its eighteenth-century interpreters and make it available to emerging postrevolutionary discussions of a world of competitively industrializing nation-states.

Fichte's defense of a right to work, as well as his analysis of the economy and the states system, must be understood as a response to the political problems of that world.³⁹ *The Closed Commercial State* told would-be reformers of European monarchies that the legitimacy of the state ultimately depended on its capacity to rein in the insecurities attending modern economic life and prevent them from inhibiting individual flourishing. *The Closed Commercial State* further maintained that only a monetary policy as radical as the one it proposed could head off growing class conflict and bring the European balance of power under control before it was too late. The immodesty of Fichte's ambition should certainly give us pause, but so should the acuity of his imagination. *The Closed Commercial State* claimed that realizing the ideal of a peaceful community of nations entailed not the withering away of the state but the taming of its economic interventions. It claimed that a more peaceful global order could not be established unless the West was exclusively made up of states capable of securing the economic welfare of their own citizens, and of doing so without undermining the economic welfare of the rest of the world. Viewed from this perspective, the world of the closed commercial state appears rather less distant than hindsight might otherwise suggest.

Fichte's vision of perpetual peace was a profound prognosis of the obstacles confronting the pacification of Europe, as well as a radical strategy for over-

³⁸ Frederick C. Beiser, *Enlightenment, Revolution, and Romanticism: The Genesis of Modern German Political Thought, 1790–1800* (Cambridge, Mass.: Harvard University Press, 1992), 57.

³⁹ See Deborah Baumgold, "Hobbes's and Locke's Contract Theories: Political not Metaphysical," *Critical Review of International Social and Political Philosophy* 8, no. 3 (2005): 289–308.

coming them. *The Closed Commercial State* makes for disconcerting reading because it rendered both elements of this vision in the familiar idiom of the social contract. Fichte claimed that bringing *closure* to the theory of the social contract meant securing every citizen's right to work—not only to secure the economic conditions for political citizenship, but also to address the economic causes of international conflicts that posed a manifest contradiction to the internal logic of the social contract. Fichte's further claim was that a strategy for addressing these problems presupposed the *closure* of the economy, or the elimination of most forms of international interdependence. However remote this prospect may often seem, we would do well to recall how vivid it has sometimes become.