

# Charles alexandre de calonne: a fortunate failure in the french revolution

[History](#), [French Revolution](#)



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### Part 1: Description of Calonne's Plan for Reform

Charles Alexandre de Calonne was born on January 20, 1734 to an upper class family in Douai, France. Today, Calonne is best known for his direct influence on the course of the French Revolution and, ultimately, modern society. His impact on the French Revolution started on November 3, 1783 when he assumed the position of Controller-General of Finances under King Louis XVI. Upon entering his new, prestigious role in the French government, Calonne faced a substantial challenge: repaying the 112 million livre debt that France owed (Louis XVI 8). Calonne soon put his mind to work and devised a three-part plan to generate revenue by cutting spending and increasing major taxes. As it turns out, Calonne's plan was primarily built to achieve long-term financial stability, and in order to execute it additional short-term loans were needed. Given France's enormously high debt, Louis XVI feared the political repercussions of assuming additional debt in the short-term. Calonne knew he would need the persuasive strength of the most powerful men in France to get his plan approved—so he called together “ The Council of French Notables”. This council would ultimately not only decide the fate of Calonne, but also of the entire French Revolution. Throughout this paper I will discuss Calonne's attempted reformation of France's policy and the impact the “ Council of French Notables” had on France and the French Revolution. When Calonne took office as France's Comptroller of Finances in 1783, the country was in severe trouble. In Calonne's own words, “ The coffers were empty, public securities devalued, circulation at a standstill; alarm was wide-spread and confidence had been destroyed” (Manceron, 41). One of the main

sources of France's massive debt was its involvement in other wars in various parts of the world. King Louis XVI knew that a radical change had to be put in place—and Calonne was willing and able to construct such a plan. Calonne soon drafted a three-part plan that he thought to be a perfect remedy for France's financial crisis. The only hitch was that he needed the King's approval. In the fall of 1786, King Louis XVI did approve his reform plan which consisted of the following three parts. First, Calonne looked to fix the structural problems hampering royal French finances by reforming fiscal and administrative policy. For this to be accomplished, Calonne proposed a reorganization of the tax system. In his system, Calonne eliminated the flat 5% *vintième* income tax. In its place, Calonne proposed a permanent land tax which allowed no compounding. To reduce opposition from the landowners who would pay most of the tax, Calonne made them part of the tax's main administration. Assemblies would be elected by landowners on the parish, district, and provincial level to negotiate and assess the distribution of the land tax and the administration of public works. According to Calonne's calculations, this one aspect of his reformation would increase annual revenue from taxes by 35 million livres. This projection would increase substantially with Calonne's additional plan to place a tax on stamp duties and the redemption of debt. Second, Calonne thought that he would increase the aforementioned tax revenue by initiating two key economic stimulus programs. The first program was to eliminate the internal customs barriers that essentially prohibited free trade inside France. Essentially, these were originally established because they were the most simple and direct form of taxation (Bosher 1). These customs soon became confusing,

corrupted, and economically detrimental to France (Bosher 5). He also wanted to exhaust the forced labor for road construction, or *corv e*, and place an additional tax in its place. Thirdly, Calonne asked that the French Government relax their controls on the grain trade to the extent that it could be traded freely both internally and externally (Doyle 91). While this measure would reduce income generated from internal customs, Calonne believed that it would act as an economic control rather than a tax (Bosher 103). More importantly, it would take control of the administration of the tax out of the hands of the suspiciously corrupt Farmers General and into those of the Royal Administration (Auget de Montyon). While Calonne's plan seemed logical, optimistic, and potentially successful, it was not designed to show instant results. Calonne was pressured to find a remedy for France's debt that was approaching maturity in 1787-1797. Calonne's solution was to assume additional short-term debt to pay off the debt coming due. He was confident that his financial reformation plans would ensure the easy repayment of these additional loans. The problem, however, was to convince the French Parliament and potential lenders that France will be "good for the money". In order to build this confidence, Calonne assembled the "Council of French Notables" made up of the brightest and most powerful men in France. Filled with optimism and confidence, Calonne made an early assumption that no one would question his plan. This assumption, however, proved to be premature. On December 29, 1786 the "Assembly of French Notables" was officially announced with 144 men invited including: thirty-six noblemen; seven princes; fourteen bishops; twelve members of the Council of State and intendants; twenty-five mayors and civil figures; thirty-eight

magistrates; and twelve representatives of the *pays d'états*. The Assembly finally met officially on February 22, 1787. Calonne began the Assembly with a description of France's financial situation. According to Calonne's calculations, the French government only collected 475 million per year, but spent 600 million (Manceron 42). At the end of 1776 the deficit was 37 million livres, and since then the government had borrowed 1, 250 million livres (Manceron 42). Calonne, however, overestimated his ability to influence, control, and be respected by the 144 notables present. There were three main aspects of the Assembly that Calonne had not taken into account. First, the clergy and *pays d'états* felt threatened by the unconventional reform plan and wanted to maintain their privileged and tax-exempt societal status. The clergy did not want to have to pay tax on the redemption of debt that the King previously " ignored" for the church (Hardman 143). Secondly, the clergy alone would have been manageable enemies to Calonne, but some of his personal enemies were within the 144 Notables. Thirdly, many of the men in the Assembly wanted to advance themselves by discrediting Calonne and others wanted to take credit for Calonne's idea. He proved to be easy prey because of his inability to establish himself in front of such a powerful group of Frenchmen. Furthermore, many of the Notables denied France's current financial crisis and did not agree to take such radical action. Another main source of the Assembly's inability to embrace Calonne's ideas were the blackmailing, sarcastic, and extremely popular pamphlets written by the French author Mirabeau (Manceron 43). The main criticism that the Notables had with Calonne was his inability to accept their criticism—they did not want a minister that only wanted his opinion confirmed. Essentially, the

underlying theme of most opposition was to, "(W)elcome equality, but deplore uniformity" (Bosher 152). These feuds and attempts to discredit Calonne continued for months and culminated on April 8th, 1787 when King Louis XVI removed Calonne from his position. On that day Calonne's impact on the French financial system ended, but his impact and influence on the French revolution began. Calonne's rejection, as history shows, made the Royal French Government learn from their mistakes and ultimately recognize Calonne's innovative and logical plan for French reformation. Part 2: Analysis of Calonne's Impact on the French Revolution Although not directly attributed to Calonne, his plan for French reformation substantially altered and paved a way for the entire course of the French Revolution. The biggest impact that Calonne had on the course of the French Revolution was his critique of traditional government policy. He opened the door for national collaboration even though his revolutionary stubbornness led to his dismissal from office. Calonne, whether he meant to or not, was able to start a revolution not with guns and militia, but with politicians, notables, and fiscal policy (Kaiser 2). The "prerevolutionary" years of the Assembly caused the long awaited end to the Old Regime (Gruder 1). After dismissing Calonne from his position as Comptroller of Finances, King Louis XVI replaced him with Lomenie de Brienne on April 30, 1787. Ironically, King Louis XVI and de Brienne structured their new plan on a foundation that was undeniably similar to Calonne's. As adjustments were made to Calonne's reform plan, Louis XVI started noticing that the Notables began to be much more cooperative. As the King tried to reform Calonne's original plan by altering the land tax and the way it was distributed, the Notables began to share

ideas of their own. An example of these ideas was an implementation of permanent auditors to monitor the government's financial affairs. King Louis XVI's financial ego took control and he did not allow the auditors to be placed inside the government's financial affairs. Regardless of the King's opinion, the Assembly agreed that an advisor commission be created as a preventive measure against another financial crisis. The King was enraged at the Assembly's lack of support. The main problem, one that Calonne tried to stress repeatedly, was that France was actually in major financial trouble. Calonne's relentless arguments with the assembly carried over to Lomenie de Brienne when he released a statement of all the royal accounts—the Assembly of Notables now saw how grave France's financial situation was. After the Assembly finally admitted that there was in fact a severe financial crisis, they agreed that an increase in taxation was a complete necessity in order to fix the situation. Instead of admitting that France's situation was a cumulative mistake, the Notables blamed the entire thing on the government and expected to be compensated for the government's lack of control and financial responsibility. Naturally, they received none. Instead of avid supporters, the Notables soon became aggressive prosecutors (Gruder 19). Next, an interesting change had occurred in the hierarchy in the financial reform in France. The very people that had opposed Calonne's plan were now leading it. The Assembly kept insisting that a meeting of the "Estates General" be called, but more and more its importance was being diminished by the independence of the Assembly of French Notables. As France took steps toward financial reform, it simultaneously took steps backward—providing the net effect of a standstill. A battle formed between

parliament and the regime of King Louis XVI. These battles showed lenders that the French government was volatile, unreliable, and fundamentally unstable. King Louis XVI was the source of most of the distrust...he refused to accept the idea of a balance of power—an idea that Calonne manifested in his calling of the “ Assembly of French Notables”. The King’s stubbornness was exemplified when he stated, “ I don’t care... that’s up to you... yes... it is legal because I wish it” (Louis XIV). It was clear that the King refused to accept the purpose of the Assembly. If the King’s words were absolute law, then the Assembly or the Estates General had no purpose. Over the next few months, the Parliament acted almost as one, and uniformly reduced the government and financial reform to utter chaos. It was clear that a form of drastic revolution was needed. Calonne was undoubtedly credited, whether or not anyone admitted it, with sparking a revolutionary plan to critique everything that was seen to be “ conventional”. These next few months were crucial in shaping the overall course of the French Revolution. In August of 1788, de Brienne was informed that the French treasury was completely empty. This was a turning point of the old regime. France’s situation called for it to deviate from the norm and substantial reformation needed to begin...not only of financial policy, but the governmental organization itself. The debt had grown to 240 million livres (138 million more than when Calonne took office) because of the constant clashes between the King and the Assemble of French Notables. The King’s credibility and the government financial solvency were tarnished and the French were denied every loan that they requested. Instead of climbing out of their financial crisis, they were forced to give their creditors promissory notes to pay. In his book, “



Origins of the French Revolution" Doyle describes this span of time not as one of France's financial turmoil, but "(T)he logical culmination of two decades of experimenting with eliminating the role of private business in public finance" (Doyle, 107). The failure of the financial reformation, the brainchild of Charles Alexandre Calonne, led many " Old Regime" officials to willingly resign and make way for new, modernized ideas. It was because of the actions and ideas of Calonne that France was forced to ultimately confront the nonsensical and illogical methods of the old regimes. Calonne's influence was epitomized during the last few weeks of August 1788 when the ancient régime collapsed. At the end of one of his speeches during the Assemble of Notables, Calonne closed by saying that King Louis XVI's motto was, " As the people's happiness wills, so wills the King" (Manceron 42). Calonne soon saw that this was not the case, and it would not be until after the French Revolution that these words would bear truth within the French government. While Calonne's impact may not have been necessarily in the exact form that he desired, his insistence on financial reform ultimately led to the fall of the Old Regime. From this point forward, France had the opportunity to completely rebuild its political philosophy, ideology, and policy. Calonne was truly the initial force that led to the fall of the Old Regime and made way for the French Revolution. In the words of Thomas Kaiser and Dale Van Kley, " Until the end of the Old Regime, those outcomes had always ended ultimately with the survival, and even increased authority, of absolute monarchy. In 1788 that pattern changed" (Kaiser 34).