

How successful were french kings in dealing with financial problems in the period...



In the period from 1498 to 1559 three kings ruled France, Louis XII from 1498 to 1515, Francis I from 1515 - 47 and Henry II who was king from 1547 to 1559.

All three of these kings were faced with many difficulties, although none so difficult as their financial problems and although each king strived hard to tackle this problem, they were unsuccessful because the overall debt was much worse in 1559 than it had been 1498, despite their efforts. Louis XII came to the throne in 1498 and as well as the crown, he inherited Charles VIII's claim to Naples and so Louis continued with the wars with Italy. War is a great expense and therefore Louis soon was in debt. He increased the Taille and taxed people with war costs.

He also used the new states he gained at the time to pay for his expenses. For example when Louis invaded Milan in 1507 the economic value of the newly French, Genoa, meant that there were no serious reprisals. By the time of his death however, Louis had built up debts of 1. 4m livres, which Francis inherited.

Louis XII therefore was not successful at dealing with his financial problems. This debt was not the only thing inherited by Francis, he also inherited the duty to pay for his predecessor's funeral and then had to pay for his own coronation. Therefore making his debt, before he even really started his reign, much worse. He also inherited the Italian wars, when Francis I (Louis XII's cousin) succeeded him, the pattern of French military involvement with Italy was so established, and the claims of the kings of France to Milan and

Naples so vaunted, as to make it impossible for the new ruler to discontinue the war.

Even though War with Italy would indebt the crown even more. Strengths of France at this time were the French economy - which had a basic strength and that trade was booming. However, inflation was destabilising society and therefore there was a great deal of unemployment, beggars and vagrants and by 1520 there was a risk to French prosperity. Francis I was a strong ruler and therefore made many aims to try solve these problems, they were firstly to get more money, then to make the financial system more centralised and efficient in Paris and to finally assert his authority. The king's sources of revenue were finances ordinaires (from the royal demesne) - feudal rents and variable dues owed to the King as lord and Finances extraordinaires - which was tax.

There were three main types of tax, the Taille, which was an annual direct tax, the Gabelle, which was a tax on salt and Aides, which were paid on goods regularly sold in large amounts. During Francis' reign the Gabelle raised from 400000 livres in 1515 to 1500000 livres in 1547. Aides also increased from 1515, 800000 livres to 2000000 livres in 1547. Francis' lifestyle was a serious problem for the French treasury and it was a shame that he did not plan to reform his extravagance as well as the financial system in Paris. He spent money to serious excess with his use of generous patronage and gifts to his friends and family.

Francis spent painful amounts of money on the ornate things in life such as magnificent buildings (he restored the Palace of Fontainebleau) and clothes

(being a young king, he felt he had to be a “ fashion icon”). Francis was increasingly short of cash; so to raise money he had to use expedients because the tax he collected simply was not enough, as it said previously. So, he resorted to selling offices, land and even titles, which angered the older aristocracy and this was the beginning of the future “ two-tier” nobility. He also introduced “ 1 off taxes” and “ 1 off loans” and encouraged benevolences, which were “ gifts” to the king for his good will and benevolence. Francis sold off 20 councillorships of the Parlement de Paris and called in annual taxes early (the Taille) in 1522. He had 2.

6 million livres of expenses put onto the 1523 budget and demanded that towns paid for infantry. The clergy had to pay 1. 2 million livres to Francis and he took control of the churches – melting down some treasures to make coins. He also raised loans from the Parisian people (called “ rentes”) in 1526, 1537 and 1543.

He collected 200000 livres from them and this contribution meant that Francis promised to make annual payments to the Parisian people for life. Francis could not tamper greatly with taxes, which was why expedients were used to such excess. In 1542 he tried to tamper with the Gabelle in Guyenne – an area of salt marshes and the people rebelled. He went to Guyenne in person to resolve the matter and pardoned all except the central ringleaders.

He could not afford civil war because of the Italian wars that were a burden enough on him as it was. Francis’ reforms were a mixture of failures and successes, although he did try. In March of 1517 he proposed protectionism, he wanted a national finance to protect French interests and reduce foreign

imports and ban imports of luxury. There was very little change, although, by 1544 there was a customs house at Lyon, which only lasted a year, but this was a sign of things to come.

In 1523 Francis created the Tresorier de l'Espargue, which was a new level finance official who had to report every week to the royal council. This 'extra' layer at the top was what they really needed as it gave the king and council more power over finances. Although it did mean that the officials - the Tresorier and Generaux, lost power. In 1542 the king proclaimed the Edict of Cognac, another reform prompted by the continuing wars. It said that all the king's revenues - extraordinary and ordinary, were to be kept in one place and paid to the Tresorier de l'Espargue.

Even with all of Francis' efforts he still left his son with debts because he did not finish the costly wars in Italy and therefore, Henry II, inherited debts in 1548, of 2. 4 million livres. Henry II's aims as a ruler were to improve his credit with the Grand Parti de Lyon so he could receive loans off the bank. (He would then pay monies and interest back, 5% of the loan every 3 months.) He wanted to do this to create stability, so he would have a regular commitment.

To raise money, like Francis, his father, he raised expedients. He was famed the most for selling one office to two people, to therefore double the income he would usually get. This soon proved to be a bad decision by Henry but for financial reasons it was relatively successful. However, like his predecessors, he did not solve his financial problems very successfully. None of the three

kings in this period debased the coin - which could have been a valuable source of income.

Nor did they introduce new, or more taxes to any great extent and they did not encourage trade or industry, which could have also be a great help to their financial burdens and the inefficiency and corruption of the tax collection system was never really resolved properly. The main reason they were so indebted were the wars with Italy and Henry, before he died, signed the Treaty of Cateau-Cambri;½sis in 1559 which eventually stopped the fighting. This treaty was made far too late however because Henry, at the time of his death in 1559 owed 12 million livres. His death destroyed all confidence in the financial system and it collapsed in late 1559. In conclusion, these three kings, as has been said, all inherited debt then added to it due to their extravagant lifestyles of war, diplomacy and flamboyance.

The tax system was inefficient, corrupt and never rectified. Their attempts at reforms were weak; the kings were not able to efficiently exploit the tax system and their expedients could not bring in the income they needed. Therefore, it can most definitely said, with debts soaring to 12 million livres from only 1. 4 million at the start of Francis' reign, that the French kings were very unsuccessful in dealing with financial problems in this period, although they did try.