Jean-Baptiste Colbert, *Memoirs*, ca. 1680

*Jean-Baptiste Colbert (1619–1683) was a seventeenth-century French political figure who was integral to the development of absolutism under the reign of Louis XIV, France’s “Sun King.” Colbert reformed the French state’s fiscal policies under a system known as colbertisme. The central tenets of his economic ethos were decrying waste and recognizing that financial solvency could be a source of great power for the king.*


As we have had only examples of want and necessity in our finances since the death of Henry IV, it will be well to determine how it has come about that for so long a time there has not been, if not abundance, at least a tolerably satisfactory income—something else than dearth and destitution, some approximation of equality between output and revenue. . . .

During the twenty years immediately following the death of Henry IV, the superintendents of the finances either gorged themselves with wealth—all the other financial officials following their example—or, if they were upright men, they did not have sufficient penetration to perceive the abuses, malfeasance, thefts, and waste which went on under cover of their authority, and even under their eyes, so that the state was always in need. It even happened that the incompetency of the superintendents was commonly more prejudicial to the state and the people than their personal thefts, seeing that there never was a time when the superintendents appeared to be more honest than from 1616 to 1630. . . .
But since the expiration of these twenty years the change in the character of the persons chosen to fill this post has not altered the fate of the state; on the contrary, the most pernicious maxims took root in their minds and controlled their conduct and, in the course of time, assumed such strength that they have come to be considered fixed and unquestionable, and it seems to be assumed that they are not endangering the state. These maxims were:

This realm can exist only in confusion and disorder;

The secret of finance consists solely in making and unmaking, in bestowing emoluments and new honors on old officers, in creating new offices of every kind and character, in alienating rights and sources of income, withdrawing these and then reestablishing them once more;

Causing the payment of taxes on all kinds of pretexts;

Increasing the indirect taxes and tailles, alienating rights, then reducing or withdrawing them to alienate them anew;

Consuming for current expenses the ordinary and extraordinary receipts of the two years following;

Giving prodigious discounts for advances in cash, not only in raising exceptional revenue, but even in the collection of the ordinary revenue, more than half of which is consumed by discounts and interest on money advanced;

Giving the opportunity to the treasurers of the public funds, other financial agents, and farmers of the revenue of making immense profits; maintaining that the grandeur of the state consists in having a small number of persons who can furnish prodigious sums and astonish foreign princes;
Neglecting the farmed taxes and general receipts which constitute the ordinary revenues, in order to apply themselves actively to extraordinary sources of income.

All these pernicious maxims were so firmly established that the most able and enlightened persons connected with the government of the state thought that in a matter so delicate it would be more dangerous to try a new policy than to submit to the existing evils.

It is not astonishing that superintendents of finance regulated their conduct by these maxims, since they found in them two considerable advantages: the first was that in this confusion they enjoyed plenty of opportunity to enrich themselves and to make important gifts to their relatives and friends and to all the persons of the court whose good offices they had need of in order to maintain themselves in all the disorder; and the second, that they were persuaded that this policy rendered their services necessary and that no resolution to remove them could be considered.

QUESTIONS

1. What, according to Colbert, were the greatest weaknesses of Henry IV’s financial policies?

2. How would Colbert promote a more efficient financial system?

3. What is the purpose of enlisting new tax collectors, and what are the benefits for these people? How would this strengthen the power of the state?