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Nicolas Delalande, *Les Batailles de l'Impôt: Consentement et résistances de 1789 à nos jours*. Paris: Éditions du Seuil, 2011. 445 pp. 24.00€. (pb). ISBN 978-2-02-096448-7.

Review by Martin Horn, McMaster University.

Gérard Depardieu, twice winner of the César for best actor, left France and took up residence in a village just across the Franco-Belgian border in December 2012. He did so to avoid paying tax, specifically the threat of a looming seventy-five per cent tax on higher incomes. Jean-Marc Ayrault, the French premier, told the French television channel France 2 “there was something rather pathetic about this act.” One socialist deputy went further, suggesting that Depardieu’s French citizenship should be revoked, an idea dismissed by the Minister of Culture, Aurélie Filippetti, who remarked that French citizenship was too important to become embroiled in politics.[1] The Depardieu saga is grist to the mill of Nicholas Delalande’s *Les Batailles de l'Impôt*. Delalande undoubtedly did not have a discontented actor in mind when he began work on this book, but Depardieu and his tax flight encapsulates the story he seeks to tell. How has the taxation policy of the French state sought consent from its citizens since 1789? What resistance has taxation generated over time? Beyond these questions looms a larger issue: if Eugen Weber’s classic account *Peasants into Frenchmen* attributed the creation of modern France to the intrusion of modernisation into the French countryside, what role has taxation played?

Delalande opens with a well-chosen quote from Henry Morgenthau, Franklin Delano Roosevelt’s secretary of the treasury from 1933 to 1945: “Taxes are the price to pay for a civilized society. Too many citizens want civilization on the cheap” (p. 7). Delalande’s sympathies are evidently with Morgenthau and not with Depardieu in this lively account of the French state and its efforts to maintain order and cultivate legitimacy through taxation. A brisk opening chapter whisks the reader from 1789 to 1870. A condensed final chapter covers the years from 1945 to the present. Revealingly the latter is listed as an epilogue in the table of contents. What matters to Delalande are the years of the Third Republic, 1870 to 1940. This is a study of consent, resistance, and taxation during the Third Republic and not “de 1789 à nos jours.” Perhaps not surprising as the book began life as a doctoral dissertation completed at the Sorbonne in 2009 under the title “Consentement et résistance à l’impôt: l’État, les citoyens, et le problème de la confiance sous la IIIe République.” This description more accurately captures the book’s contents than that bestowed by the publisher. To be sure, Delalande portrays the critical developments in the relationship between the state and its citizens as occurring during the Third Republic, allowing him to finesse this objection, but readers expecting to find an even-handed treatment of the period as a whole will be disappointed.

The book is both more and less than it claims as the hawering in the title suggests. Delalande argues that the principles of the French Revolution, which rested on the triad of equality, justice and progressivity and which was manifested in the *quatre vieilles* direct taxes that remained the foundation of French taxation until 1914, were employed by the revolutionaries of 1848 and the men of 1870 to stabilize shaky regimes. However, after 1870, discussion about the suitability of the *quatre vieilles* grew as the needs of the state mushroomed. Taxation seemed inadequate to discharge the indemnity of the Franco-Prussian war; perhaps what was needed was an income tax. In the 1890s the debate about the

introduction of a progressive income tax in France metamorphosed, as the function of tax became identified with inculcating equality of sacrifice and redistribution of income.

These ideas were linked to patriotism and citizenship. This “profound intellectual transformation,” as Delalande labels it, underpinned the twentieth-century conception of tax in France (p. 20). But acceptance did not come easily, for the introduction of a progressive income tax was contested bitterly. Joseph Caillaux’s 1907 legislative proposal was not passed until 1914, encountering stiff opposition outside the National Assembly and within it. The coming of war allowed Alexandre Ribot, the Minister of Finance from 1914 and a pre-war opponent of the income tax, to postpone it even further citing the travails of the *patrie* as mandating a more propitious moment. It was not until 1916 that the tax was implemented. In 1917, *impôts cédulaires* were introduced complementary to the income tax. The *impôts cédulaires* extended the principle of taxation to encompass incomes earned from professional salaries to the profits of industry and agriculture.

When war ended in 1918, it did not mean the coming of peace financially. Delalande cites a senior official in 1922: “as far as Finance is concerned, the war continues” (p. 274). From 1914 to 1945, the cycle of war, economic instability, depression, and war again strained the French state’s ability to impose and collect tax. Since 1945, open resistance has been infrequent even if the odd Poujadist spasm makes the point that acquiescence could never entirely be assumed. The *impôts cédulaires* were suppressed in 1948, while the progressive income tax has lost much of its former importance. The creation of the TVA (value-added tax) in 1954 rapidly altered central government revenues and the TVA is now the single most substantial source of tax revenues for French governments. The concluding chapter makes it plain that Delalande’s concerns are now those of income inequality and the threat that it poses to French society.

Along the way the reader learns about the debates among economists, politicians, and the *monde des affaires* over the introduction of progressivity in taxation in the decades between 1870 and 1900; of the tax strike of the Aude in 1907; of the formation of leagues and groups protesting the introduction, scope, and scale of taxes before 1914 and through the interwar years; of the incidence of fraud and tax evasion in France during the 1930s. Ideas about tax are traced, with an emphasis throughout on the ways in which these notions were received and modified in light of the consent or resistance that they generated. The forging of a social compact is what matters to Delalande. A good example is his discussion of the notion of voluntary contributions to solve the financial and budget crisis of the mid-1920s, an idea associated with the perfume magnate François Coty even if it did not originate with him. Voluntarism was meant to appeal to the patriotic and national impulses of citizenry by harkening back to the rhetoric of 1789 and 1848. The Left, socialists and communists disliked the idea and so too did Coty and the Right more generally as the idea was co-opted by government. While an account was set up, the yields were small. For Delalande, this episode is evidence of a remobilisation of patriotic and civic sentiment despite its meagre financial returns (pp. 285-292).

All of this is done elegantly in readable, engaging prose. Delalande’s is a portrait painted in sweeping, bold strokes that produces a sparkling effect. If the style is admirable, it is not always convincing. Delalande is careful to stress that his work is not a study in the development of taxation policy. Economic historians looking for detailed reconstructions of the ways in which French tax policy has evolved, will not find such material. Fair enough. But is the divide between the realm of ideas about taxation and the construction of tax policy quite so surgical? The tortured history of the introduction of the progressive income tax suggests otherwise. Delalande’s definition of taxation is one that is resolutely parochial. Virtually nothing is said on tariffs, the Méline tariff of 1892 being the sole exception—for Delalande taxation is a domestic issue. Clearly this is questionable. To cite one example, in the 1920s and 1930s successive French governments imposed taxes on a range of imported goods to protect domestic manufacturers. While these choices shielded French manufacturers, the French consumer paid higher prices. Did this generate resentment?

There are also reasons to wonder if the portrait of resistance that Delalande sketches is compelling. Tax evasion was frequent in the interwar years and this may well justify the label resistance. Less certain is the open resistance to the demands of the state, of which Henri Dorgères's movement in the 1930s is a well-known instance. Delalande discusses Dorgères and his call for a tax strike by the French peasantry in a chapter on the fiscal crisis of the state in the 1930s (pp. 351-356). Delalande frames this discussion as evidence of resistance, but Robert Paxton has observed that even in the heartland of the Dorgères protest, the tax strike never came off. In the Calvados tax receipts in 1935 outpaced 1934, despite Dorgères's efforts.^[2] The French peasantry continued to pay their taxes even while protesting. Paris, as both Delalande and Paxton note, was undoubtedly nervous and undoubtedly did not wish a repeat of 1907. In the event, resistance faded in the countryside. This raises the question of the degree to which tax resistance ever really threatened consent and the state. Delalande fudges. In his conclusion he remarks: "Malgré la persistance de visions négatives dans les discours et les idéologies politiques, l'impôt est plutôt bien accepté dans la pratique après 1850" (p. 418).

If this is so, is the central argument persuasive? If consent had existed since 1850, the transformation of taxation into an instrument of remaking society along more equitable lines that Delalande lays out as a defining feature of the French acceptance remains blurry. Perhaps the key lies in understanding who paid tax in France between 1870 and 1940, or more specifically who paid income tax. In the decades before 1914 wealth became ever more concentrated in France, with income inequality yawning.^[3] These were the years of the *rentiers*. War and the introduction of income tax in 1916 overlapped, but Thomas Piketty has calculated that in its first few years less than 5 percent of French households paid income tax. For the interwar period as a whole 10-15 percent of French households paid the tax.^[4] Few of the French paid income tax before 1945. Those who did were affluent, educated, likely to raise a ruckus, but small in number. In positions to air their views about progressive income tax, they did so, in the leagues, journals, newspapers, and speeches so ably charted by Delalande. But their concerns were never likely to mirror those of most of the French. Consequently traction was hard to come by for those who opposed the introduction of the progressive income tax. For most in France, income tax made no difference to their lives.

It was after 1945 that paying the income tax became a mass phenomenon. The fate of the *rentiers* may well have been linked to the gradual acceptance of the redistributive powers of taxation. Piketty has demonstrated that across the twentieth century, French income inequality dropped. This outcome was not an even, regular process, but was concentrated in the period 1914-1945 and was due principally to the decline in the income enjoyed by those at the top of the income scale, the famous 1 percent and even more narrowly, the top 0.01 percent. As a group, their incomes suffered massively. The *rentiers* ceased to exist in France between the wars. It was they who most feared the introduction of the income tax but they were gone by 1945. This suggests that the carnage--human, economic, and fiscal--of these years is as responsible for the acceptance of taxation in France as anything else. Accident rather than deliberate policy may have produced consent and broken resistance.

This is a book that should be read. Its challenge may lie in finding readers outside of France. Historians of the Third Republic, especially those interested in the contest of ideas, will benefit the most from its pages. Delalande's work lends credence to those historians who see the Third Republic as a regime adept at managing conflict, suggesting that its plasticity allowed for its longevity. Managing the tensions engendered by taxation was part and parcel of this achievement. Beyond this, it needs to be appreciated that this book, unlike most academic studies in the Anglo-American world, was written partially to engage with contemporary debates. Delalande is interested in participating in the discussion about the wisdom of pursuing the American model in an era of straitened state finances. In his last sentences, Delalande wonders whether acceptance of taxation's function as a socially cohesive force is in danger of giving way in France (pp. 421-422). Depardieu's example suggests that such concerns are not groundless.

NOTES

[1] “Les critiques se multiplient après l’annonce du départ de Depardieu en Belgique,” *Le Monde*, 12 December 2012.

[2] Robert Paxton, *French Peasant Fascism: Henry Dorgères’s Greenshirts and the Crises of French Agriculture, 1929-1939* (New York: Oxford University Press, 1997), p. 133.

[3] Thomas Piketty, Gilles Postel-Vinay, and Jean-Laurent Rosenthal, “Wealth Concentration in a Developing Economy: Paris and France, 1807-1994,” *American Economic Review*, 96(2006): 236-256.

[4] Thomas Piketty, “Income Inequality in France, 1901-1998,” *Journal of Political Economy*, 111(2003): 1006.

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