Economic Crisis during the French Revolution

A revolution can be described as a time when the masses, consisting of ordinary men and women, grow weary of the current political system and begin to take their lives and destinies into their own hands. Abraham Lincoln once commented about the masses under a political system that, “Whenever they shall grow weary of the existing government, they can exercise their revolutionary right to overthrow it.” This applies to many of the uprisings in history, but it is especially prevalent in the roots of the French Revolution. The distinct condition of the masses could be seen through the many eyes of France, and the various conditions posed on the Third Estate were the foundations for the French Revolution.

Participation in the American Revolution and after King Louis XIV’s and Louis XVI’s enormous expenses, the country of France fell into much accumulated debt in the late 18th century. The effect left from the debt upon the country could be seen in its people. Marie Antoinette, wife of Louis XVI, described a large portion of the masses when she wrote, “Tenderness and earnestness of the poor people, who, in spite of the taxes with which they are overwhelmed, were transported with joy at seeing us.” The upper class, therefore, set up large taxes to save get them out of debt. In order to save France from bankruptcy, Louis XVI called on the Estates General for help. The Estates General was made up of the First (clergy), Second (nobility), and Third (everyone else) Estate. However there was a lot of conflict within the Third Estate, because it was made up of everyone who was not part of the royal family, clergy, or nobility. The Third Estate was very unsatisfied because although it contained over 80 percent of the population, it still had the same one vote as the other two Estates with fewer people.
When King Louis XVI came into power, he realized that these problems existed. At first he did not know what to do, until he found a man by the name of Robert Turgot. Described as “tactless, high-minded, impatient and touchy,” he had difficulties when he tried to introduce a major reform, that of taxing the nobles. After Turgot was rejected, the king fired him from his office. The taxing still persisted, and only the Third Estate got taxed, excluding the nobility and clergy. Marie Antoinette again describes the patient masses to make their lives better by writing, “What happy thing it is for persons in our rank to gain the love of a whole nation so cheaply.”

Jacques Necker, a protestant banker from Geneva, was made Director-General of Finance. It has been maintained that he financed the American war and borrowed huge sums of money. This only increased the Crown's debt, so much so that fifty per cent of its income went to pay the interest on the debt. Necker was to cause future Controllers serious trouble. As Necker was seen to run a costly war without raising taxes, they could no longer increase taxation in peacetime. Necker wanted to replace the independent financiers by dependent, salaried officials, whom the Controller General could appoint and dismiss. He was successful in getting rid of 50 of the most powerful Receivers-General.

This led Louis XVI to summon the Estates General in 1789. The Estates General was the place where representatives from each social class could be represented. Here, many issues would be discussed, and at this time in French history, it would be centered on the economic crisis. When the Estates General met in 1789, the deputies, or representatives, from the Third Estate demanded that the three estates meet together, with
each deputy having an equal vote. That way, the First and Second Estates could outvote the Third Estate.

Many of the laws that were passed in France had also become extremely burdensome to the common people because they excluded the clergy and nobility from paying taxes. Harvest was also poor and food very expensive. People were enraged of hearing stories of lavish parties at the fine houses and palaces, where a lot of food was served, which was either wasted or given to the dogs afterwards. The demand for manufactured goods fell, and many artisans, traders and farmers were without work. A trade tax was also instilled upon the peasants where they would be taxed from province to province, much like the earlier taxes posed in America. Arthur Young describes in his Travels in France “On a great road in thirty miles I have not seen one diligence, and met but a single gentlemen’s carriage, nor anything else on the road that looked like a gentleman.” Among his many observations of the Third Estate in France, he also noted “It was said, at present, that something was to be done by some great folks for such poor ones.” This was a direct prediction towards a revolution.

People were angry and began to revolt. In July of 1789, they stormed the Bastille killing many people, and in October of 1789 angry middleclass women marched to Versailles demanding that the royal family move to Paris and action be taken to help feed the people. Bread riots were also common among the hungry poor.

The continuous competition between social classes was another problem that led France toward a Revolution. The nobility wanted to regain their place in society, and the middleclass wanted political power along with their economic power. The peasants were bothered by the constant disrespect from the nobility and other groups. They were
annoyed because everything that they had and earned, they owed to their noble landowners. The higher social classes were also very uneasy, because of the spread of the great fear, during which hungry peasants wandered around killing citizens and pillaging homes and businesses. Society was corrupt and dishonest.

The unlawful conduct of King Louis XVI was the ultimate problem that led France toward a Revolution. Louis XVI granted special privileges, licenses and trades to specific individuals. He took away government positions from the middleclass and gave them to the nobility, who were regaining influence in society once again. Jean-Marie Roland writes, “Heavy fines were laid on the manufactured goods.” Nobles as a result acquired monopolies of manufactured goods and some even demanded that the peasants living in their region purchase their goods only from them. Arthur Young describes the people as “almost as wild as their country…their own town of Coumbourg one of the most brutal, filthy places that can be seen; mud houses, no windows, and a pavement so broken as to impede all passengers.” Thus, the unhappiness of the peasants increased, and they were prevented from advancing and were forced to stay at their low level.

Eventually the economic crisis created by the government created a Revolution. The strong belief that there could be no liberty, if legislative and executive powers were placed into the hands of a single monarch or a body of magistrates proved to be true. Consequently, the people of France got rid off an absolute monarchy and a dictatorial rule and entered the stage of the Napoleonic era.