Profit for a King

A few considerations on the king's fiscal and commercial revenues in New France

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Were the Ancien Régime kings fit for profit? To say that Kings needed money is hopelessly banal: monarchs consumed with unquenchable thirst gold, silver, credit, resources, and men. But could they turn a *profit*? Such a – naive? – question requires a minimal circumscribing of the notion of early-modern "profit" itself, both conceptually and technically, something which, even at a low level, remains easier said than done. Still, this brief enquiry wants to explore the insight that there is a certain reluctance to ascribe to the process of channelling countless resources – money – into the King's , or the State's, coffers, the same quality as one would characterize a similar gain in the commercial, or more broadly, "business" realm.

Certainly, the language and rhetoric of taxation benefits from a long history which separates it from its historical roots as tribute, seigneurial duties or rights[1]. A not inconsiderable part of the intellectual resources mobilized from the late Middle Ages to establish the right of kings to tax their subjects drew from the role of the monarch as the guardian, embodiment or dispensator of the public good, and the related capacity to take from one and give to another[2]. As 17th and 18th centuries thinkers drew more and more on the notion of *interest* to engulf, or dissolve, both the notions of private and public good (thereafter shaped as common interest, the interests of men), it should not be surprising that the later

[1]See, for instance, A. Guéry, "Le roi dépensier. Le don, la contrainte et l'origine du système financier de la monarchie française d'Ancien Régime", *Annales*, 1984, 39:6, 1241-1269 and J.-P. Genet, "État moderne: un modèle opératoire?" in J.-P. Genet, *L'État moderne. Genèse.* (Paris: CNRS, 1990), 261-281.

[2]The historiography of these terms is considerable. For a useful summary, see Jacques Krynen, *L'empire du roi. Idées et croyances politiques en France, XIIIe - XVe siècles* (Paris: Gallimard, 1993) and and Alain Guéry, "L'État. L'outil du bien commun", in Pierre Nora (ed.), *Les lieux de mémoire*, vol. III, *Les France,* t. III, *De l'archive à l'emblême* (Paris: PUF, 1992), 819-867.

insistence in portraying the King – or the State – as making "profits" was aimed at knocking them both off their pedestal. Thus, they unveiled either their subordination to individual, or collective greed, and the unworthiness of their claims to the common good[3]. On the other hand, if profit was unbecoming to the King, or the State, it should therefore be left in the more proper hands of individual and businesses. More recent analysis of the State, drawing from business models where profit is not only legitimate, but is seen as its very soul, have therefore fallen back on cutting and parcelling pieces of the State[4].

Still, how were these things worked out, in the practice of the Ancien Régime administration, where quantities of hybrid existed, which made tax collection a business in and of itself, capable of making "profits" or when the king himself engaged, or had to engage, in the buying and selling of goods? It is in order to explore the cluster of meanings associated with such questions that I turn to New France – not because it could be somewhat representative of the fiscal-financial worlds of France in the 17th and 18th century, but rather because colonies, with their seemingly simpler governmental forms and lacking the historical "depths" of France's provinces, might have helped to reveal, or crystalize to contemporaries themselves some of the underlying assumptions of a profit-seeking, or profit-eschewing, king, and the resulting uneasiness springing from them[5].

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[3] One does not need to root through marxist historiography to find attempts at demythifying the early-modern State (rather than simply the individuals taking advantage of it): Robert Descimon, "Les élites du pouvoir et le prince: l'État comme entreprise", in W. Reinhard, *Les élites du pouvoir et la construction de l'État en Europe* (Paris: PUF, 1996), 133-162. Compare with Daniel Dessert, *Argent, pouvoir et société au Grand Siècle* (Paris: Fayard, 1984).

[4] Sébastien Bernard, *La recherche de la rentabilité des activités publiques et le droit administratif* (Paris: LGDJ, 2001).

[5] Catherine M. Desbarats, "Fiscal Structures in New France", *in* W. M. Ormrod, M. Bonney, R. Bonney, *Crises, Revolutions and Self-sustained Growth: Essays in European Fiscal History, 1130-1830* (Stamford: Paul Watkins, 1999), 323; Louise Dechêne, *Le partage des subsistances au Canada sous le Régime français* (Montréal: Boréal, 1994). For the re-reading of the contemporary world springing from the colonial experience, see Paul J. Cheney, *Revolutionary Commerce. Globalization and the French Monarchy* (Cambridge: Harvard University Press, 2010).

A North American Merchant King

In North America, the king was a merchant. It was a peculiar situation, to be sure, perhaps unique in the lands subjected to the French monarch. Such a condition arose out of a number of historical accidents specific to the distinct histories of Canada and Louisiana[6], but which can be reduced in both cases to a similar cause: the transfer of company property to the king. As the chartered companies given the dominion over Canada and Louisiana foundered or gave up their wards[7], their property, either real, physical (such as warehouses, ships, goods), territorial (domains) or under the form of titles, rights and duties, came to pass on to the king.

From the beginning of their transfer, these properties were shaped to conform to the overarching fiscal "system" of the kingdom in general, and the administrative practices of the Ministry of the Navy in particular, rather to a specific "commercial" objective where higher benefits were legitimate in and of themselves. Thus, they fit within the understanding of what were *les intérêts du roi*. Yet, these commercial enterprises could also be subordinated to much larger goals – strategic considerations, for instance. In a sense, this was nothing new: many of Colbert's early initiatives during his reorganization of the Ministry of the Navy were aimed at building, through close cooperation with artisans and experts, a network of workshops and forges capable to supply the Navy and free it from the dependance of Holland and Venice[8].

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[6]I have found no evidence of similar situations in Île Royale.

[7]The process was a tumultuous one. The king took Canada over from the *Compagnie des Cent Associés* or *Compagnie de la Nouvelle-France* in 1663. The *Compagnie des Habitants*, which had managed the interior beaver trade, ceased in 1664. From then on, the king was reputed to be the owner of the land, rights and duties the companies had enjoyed before, which he then sublet to other companies: the *Compagnie des Indes Occidentales* (1664-1674), the *Compagnie d'Occident* (1674-1675), the *Fermes-Générales* (1675-1718), the *Compagnie des Indes* (1718-1721), and the *nouvelle Compagnie des Indes* (1721-1763). For a narrative of these transfer, see Marcel Trudel, *Histoire de la Nouvelle-France*, t. III, *Les Cent Associés*, vol. 1, *Les événements* and t. IV, *La seigneurie de la Compagnie des Indes Occidentales* (Montréal: Fides, 1972-1997).

[8]As even a cursory reading of Colbert's *leitmotivs* contained in Pierre Clément, *Lettres, instructions et mémoires de Colbert*, t. III, vol.1, *Marine et galères* (Paris: Imprimerie Impériale, 1865) would reveal. See also Jean Peter, *Les manufactures de la Marine sous Louis XIV* (Paris: Economica, 1997).

These, however, were production-oriented facilities, where the king was his own main client, which corresponded moreover to one of the main characteristic of the king as a warrior. The commerce-oriented networks the king inherited in the colonies might have spawned a more cautious, more haphazard approach, when such utility could not be easily seen. Likewise, it might also have opened the way for mobilizing a traditional role of the king in a new way.

Some of these transformations were gradual, owing much to their peculiar history. Indeed, the Canadian fur trade provides a striking illustration of how commerce could be transformed into taxes and duties. During the 17th and early 18th century, and following the vicissitudes of a beaver trade heavily disrupted by European and North American wars, and the difficulties of the companies to find capital, the early beaver monopoly granted to chartered companies of Canada became largely modulated. It thus got divided between interior and exterior trade, its components parcelled out, bundled up, sold and leased and subleased. When, in 1645, the *Compagnie des Habitants*, holder of the interior beaver trade and import trade, allowed all inhabitants to trade with Natives, it did so in exchange for a difference in price of 25% in its favour, between the beaver it received in payments within the colony and the price it was sold for in France. Such a difference, paid in kind, was eventually morphed into a duty, *le droit du quart*, which then survived the dissolution of the *Habitants* by being transferred various tax farms.

Likewise, the *Habitants* had given up its import monopoly to a subcontractor in return for a 10% share of the price at which said subcontractor sold European goods in the Saint-Lawrence valley. Contrary to the *droit du quart*, which would eventually peter out, this 10% tax persisted. It seems to have been transferred from the *Habitants* to the *Compagnie des Indes Occidentales*, in 1664, and, after its own demise in 1674, was thereafter included in a tax farm, the *Domaine d'Occident.* The Canadian portion of the domain was usually subleased, and by 1687, it seems to have been modulated to only weigh on wines, spirits, and tobacco, and then somewhat awkwardly[9]. The *Domaine,* and the tax farm which managed it were then swallowed by John Law's *Compagnie des Indes,* and when it collapsed, the new *Compagnie des Indes* inherited the beaver monopoly, while the *fermiers-généraux* obtained the *domaine d'Occident* tax farm. Then, in 1732, the *fermiers-généraux* got rid of its Canadian portion, which was to be thereafter managed by the ministry responsible for the colonies, the Navy. The king had inherited his own tax farm, and when analysis were conducted to understand the origins of it, Navy personnel were unable to trace the history of the duty they had inherited beyond 1687, nor were they able to find the rationale behind it[10].

Tax farms were known entities, and so were the *domains* on which they were often based. They were constituted by the estates belonging directly to the king, those for which he was the direct seigneur, and a number of duties which had, over time, been aggregated into seigneurial prerogatives – such as a number of duties on notarial acts. These had long lost their relative importance amongst royal revenues (amounting from about 7% to 9% of the Crown's yearly revenues during the 18th century), and were either "half-sold", or "engagés", or farmed out. None seem to have directly managed (a process called "*mise en régie*" whereby the managers were employees of the king, directly answerable to an administrative unit of the Crown) until the creation of the *Régie des domaines* in 1780[11]. This choice, between a *mise en régie* and a farm, would persist within one of the parts of the *domaine d'occident* in Canada, the Tadoussac trade.

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[9] Catherine Desbarats, "France in North America: the Net Burden of Empire During the First Half of the Eighteenth Century", *French History*, 11:1, 1-28.

[10] Mémoire de Hocquart sur le *Domaine d'Occident*, 1er septembre 1733, AN Col. C11a, vol. 50. See also Catherine Desbarats, *Colonial Government Finances of New France, 1700-1750*, PhD dissertation, McGill University, Montréal, 1994 and Marcel Trudel, *Cent Associés*.

[11] The outright sale of the king's domain had long been a political problem reaching back into the fundamental issue of the "king's two bodies", and his liberty to do as he saw fit with "the Crown". Still, "half-sales" (the *domaines engagistes*), whereby the full use of some estates were sold while safeguarding the rights of the king to take possession of them at any time, were common practices in the 16th and 17th century. Jean-Paul Massaloux, *La régie de l'enregistrement et des domaines aux XVIIIe et XIXe siècles* (Genève: Droz, 1989), Jean Barbey, "Domaine Royal", in L. Bély, *Dictionnaire de l'Ancien Régime* (Paris, PUF, 1996), 427.

A Domain of Furs

Tadoussac was the landed part of the *Domaine d'Occident*, once the seigneurie of the *Compagnie de la Nouvelle-France*, with which came fishing and hunting rights, but also a trade – a unique occurrence, it seems[12]. And, contrary to other parts of the *Domaine*, this made the prospective revenue coming out of Tadoussac liable to vary according to the business acumen of the administrators. For usual *Domaine* revenues required little input from the administration. Duties collected in seigneurial lands had been fossilized, sometimes centuries before. Taxes on notarial acts varied with the amounts of notarial activity. Their variation had little to do with any sort of commercial policy.

Yet Tadoussac had almost always been farmed out, subleased from within the large tax farms to which it belonged, with initially little desire from the part of the king to recuperate it from the *Fermiers-Généraux*, until the Minister of the Navy saw it as a way to remove the interference of the *Contrôle Général* in the affairs of the colony, and the *Fermiers* themselves thought it of too little value to be worth their time. Such transfer occurred in 1732: by that time, the value of the sublease, had fallen quite low. For years, Tadoussac was reputed to supply a steady flow of furs, protected from Iroquois pillage and settlers competition (these factors had in fact contributed to its constitution as the seigneurial domain of the *compagnies*), and, true to form, the price of the sublease remained somewhat constant. It suddenly plummeted at the end of the Riverin sublease in 1718[13]. Once worth around 12 000# annually for the king, the new candidate for the sublease was asking for a reduction of about 9 000# of his lease. When his conditions were refused, the Tadoussac trade was auctioned of at the initial price of 500# yearly. No bidders showed up. The *fermiers du domaine* therefore operated Tadoussac as a régie, under their local director François-Étienne Cugnet, from 1719 to 1732, at which time they agreed to cede the whole *domaine* back to the king.

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[12]The only similar trade would be the sale of trees from the royal forests.

[13]Riverin had died in 1718, leaving his caution, Guillimin, to end his term as sublesee. See Ordonnance qui condamne le sieur Cugnet..., ANQ-Q, Fonds des Ordonnances des Intendants de la Nouvelle-France, 7 novembre 1719; and Délibération du Conseil de Marine sur l'affaire de Denis Riverin, député du Canada, 5 mai 1717, AN Col. C11a, vol. 37.

Table 1

Tadoussac sublease price

1680-1687	13 500 ♯
1688-1690	12 000 ♯
1698-1701	15 200 ♯
1701-1708	12 700 ♯
1708-1710 (Auctioned to the highest bidder)	6 100 ♯
1710-1718	12 000 ♯
1718	0 *régie*
1719	*auctioned at 13 000#* *No bidder*
1719-1737	*régie*
1737-1745	4500
1745-1749	6000
1749-1754	7000

Sources: AN, G1, vol. 84, dossier 6 (Bail Domergue); Bail de la ferme et traite de Tadoussac, 2 octobre 1701, AN Col. C11a, vol. 25; Mémoire concernant la sous-ferme des droits du roi en Canada, 1688, AN Col C11a, vol. 10; Mémoire concernant le domaine du roi, 1er septembre 1733, AN Col. C11a, vol. 59; Bail de la ferme de Tadoussac, 9 septembre 1749, AN Col. C11a, vol. 94; Comptes de recettes et dépenses du Domaine, 1754, AN Col. C11a, vol. 98.

By that time, Cugnet had befriended the *intendant* of the colonie, Gilles Hocquart, who decided to continue the exploitation of the Tadoussac trade as a *régie* under him*,* seeing it as the “best way to obtain benefits from this trade”[14]. These benefits, however, seemed to always be understood as a way to nurse back the Tadoussac domain to health, in order to have it contribute as much as it previously did to the colonial treasury. More obliquely, perhaps, the arguments about Tadoussac reveal a different set of assumptions on the king,’s *domaine*. All in

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[14] See D. J. Horton, *Gilles Hocquart, Intendant of New France*, PhD dissertation, McGill University, 1974; Cameron Nish, *François-Étienne Cugnet. Entrepreneur et entreprise en Nouvelle-France* (Montréal: Fides, 1975).

all, Hocquart's analysis, can be summed up as trying not to kill the goose laying the golden eggs – although one can wonder how much golden were the eggs. This might have more to do with the domanial nature of Tadoussac. Whatever entered the king's domain could not get out: while such an analysis had in the pas been heavily contested by kings wishing to do with some parts of the kingdom as they saw fit, it had seemingly come to be recognized as foundational to the relationship of kings to their kingdom. The purpose, then, following Hocquart, was not so much to transform the Tadoussac trade into a moneymaking venture – in fact, obtaining higher benefits from the trade seems mostly an afterthought in Hocquart, and previous advisors, projects and memorandums. It appeared rather as conservatory: the king *had* to do it, if nobody else would, and nobody else would want to do it, unless the trade appeared sufficiently profitable. While there could be another solution – getting rid of the *domain* entirely – it was not seriously considered, perhaps out of consideration for its domanial nature, but also because the Tadoussac trade, like any other fur trade in the French empire, needed to be understood through its strategic implications.

The Strategic Trade in Canada

Strategic implications had gone hand in hand with the extension of the fur trade toward the Great Lakes during the course of the 17th and 18th century. The territorial and commercial expansion had been fueled by merchants seeking better yields and the endemic conflict with the Iroquois during the 17th century. Simultaneously, the lowering of benefits over beaver, the desire to confer benefits upon creatures and political clienteles, and the eventual beaver glut of the 1690s contributed to pressure local officials to maintain a high level of regulations over the trade, creating thereby small, regional monopolies over trading regions. While the convoluted history of the successive regulations is too long to describe here, these regulations all contributed to transform the original trading posts in the West, into a string of forts, built and managed by the king, through the Ministry of the Navy, where traders required an official permit to operate – but contrary to the Tadoussac trade, there doesn't seem to have been any strong claim that these small monopolies belonged to any sort of royal domain: rather, they seemed to have been simply considered as under the care of the Navy.

These permits, eventually called *congés* were first given by fiat of the governors at Quebec. Then, as the beaver crisis struck, they were distributed to "needy" individuals, with the understanding that these individuals would sell them to traders, thereby making the *congés* a species of royal charity. By 1716, these *congés* were juxtaposed to a system whereby military commanders of the forts of the West were given exclusive rights to the fur trade in their region. Commanders then either farmed out their permission to, or associated themselves with, merchants who managed to obtain a *congé*. The *congé* system and the military monopoly proved to be solutions that were highly amenable to their conversion to a fiscal model – much like a tax farm which could produce predictable revenues. *Congés* could be sold, and "farming out" military posts could allow the Crown to defer the repairs and maintaining of the posts to the officers in exchange for the monopoly. Indeed, the discussions that took place regarding the policing of the fur trade often sought to maximise the revenue the legal permissions could provide[15].

In some instances, however, forts could not find bidders or monopolists – it was therefore understood that it fell to the king to provide a trade which could not be interrupted. Such was the case for the posts of Niagara and Frontenac, which had been established by the eponymous governor of the latter fort as a base for his own trade, and a pivot of his Iroquois policy[16]. The trade was conducted there under the supervision of a warehouse keeper, who submitted his accounts to the *intendant* and comptroller in Quebec for verification. There

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[15] S. Dale Standen, "Personnes sans caractère": Private Merchants, Post Commanders and the Regulations of the Western Fur Trade", in H. Watelet (ed.), *De France en Nouvelle-France* (Ottawa, University of Ottawa Press, 1994), 265-295; C. Desbarats, *Colonial Government Finances*.

[16] On Forts Frontenac and Niagara, see Daniel K. Richter, *The Ordeal of the Longhouse*. *The Peoples of the Iroquois League in the Era of European Colonization* (Chapel Hill, 1992), 129-136, Richard White, *The Middle Ground*. *Indians, Empires and Republics in the Great Lakes Region*, *1650-1815* (Cambridge: Cambridge University Press, 1991) and S. Dale Standen, "Francois Chalet and the French Trade at the Posts of Niagara and Frontenac, 1742-1747" in *Proceedings of the 22nd Meeting of the FCHS* (East Lansing: Michigan State UP, 1996), 225-240.

never seems to have been any shame in trying to maximise the benefits of the trade in Niagara, Frontenac – or even Tadoussac. Indeed, Maurepas asked, year after year, to see the balance sheets and inventories of both forts, tracking the price of furs, and asking pointed questions about the size of the “benefits” when they appeared below what he could expect[17]. What it did show, however, was that the king’s benefits were much less a consideration in such a trade than other issues at stake: indeed, for most years, Niagara and Frontenac operated at a loss[18]. Such losses, however, were becoming increasingly intolerable for the Ministry. While part of the disenchantment of Maurepas for royal trades might be attributed to Frontenac and Niagara increasingly high price tag, some of it might also be blamed on the Louisiana fur trade.

Louisiana’s royal boutiques

The transfer of company property to the king had been much more straightforward in Louisiana than it had been in Canada. The succession of companies had simply transferred their complete monopolies over all existing trade (both imports and exports) to one another. Hence, when the *Compagnie des Indes* relinquished its title to Louisiana in 1731 in favour of the Crown, the king simply inherited all of its possessions. Wishing to get out of the Louisiana trade completely, the *CdI* didn’t even want to maintain any sort of right or duty over the Mississippi trade. What the king had inherited, however, was a wide commercial responsibility. The gradual modulations of the regulations over the Canadian trade in the 17th century had succeeded in slowly building a commercial network linking Quebec to France; the progress of agriculture ensured the Canadian farmers could eat. In Louisiana, however, the *CdI*’s hold over the colony’s economy seems to have been considerable – contemporaries believed it had engulfed 15 M livres in the colony – enough so that the task of supplying the colony could not be expected to fall immediately on the shoulders of private merchants from La Rochelle, Bordeaux or Nantes. To obtain their daily pittance, the settlers had to turn to the Natives and

[17] Maurepas à Dupuy, May 24th 1728, AN Col. C11a, vol. 50; Hocquart à Maurepas, 8 octobre 1733, AN Col. C11a, vol. 60; Beauharnois et Hocquart à Maurepas, 3 octobre 1735, AN Col. C11a, vol. 63.

[18] S. Dale Standen, “François Chalet”.

barter with them – a policy actually encouraged by the *CdI* as a means to reduce the cost of unprofitable imports. Yet the situation required the maintaining of the trade network of Louisiana – at least for a time. This meant that the king needed to buy, and sell, goods at what were once the *CdI* warehouse-shops. This also meant that the possibility for yearly profits could be envisioned by colonial and imperial administrators.

Supplying the whole of Louisiana in the stead of the *CdI* did not seem to appear incompatible with the dignity of Louis XV to Minister of the Navy Maurepas. Indeed, if anything, it fit nicely with the responsibility of the father of all his subjects – an image which administrators in New Orleans were quick to latch on[19]. What it did evoke in Maurepas, however, were logistical nightmares and a certain sense that it was more "natural" for the kingdom's *négociants* to trade with the colony than to the king to engage in it – but nothing further. Still, the king's temporary intervention was better than the founding of a new commercial company: Maurepas had, by 1731, developped an aversion to commercial monopolies, which he saw as a dampener of emulation, the *aiguillon* of trade. But before merchants could supply Louisiana, the new royal administration needed guidelines. These were simply provided by mimicking what the *CdI* had done previously.

The *CdI* had operated its monopoly over imports of European goods by way of a tariff, which it had published, and which it had modulated depending upon where the various goods it had brought to Louisiana were sold in the gigantic colony.

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[19]Référence.

Table 2
Official tariffs of the CdI in Louisiana
as a premium over French prices

Location	**1719**	**1721**
New Orleans	55%	50%
Mobile	50%	50%
La Balise	N/A	50%
Fort Toulouse des Alibamons	N/A	50%
Natchez	60%	70%
Yazoo	65%	70%
Natchitoches	70%	80%
Arkansas	100%	80%
The Illinois country	100%	100%

Source: *Ordonnance de la Compagnie d'Occident du 25 avril 1719* ; AN Col. B, vol. 42, fol. 275

There are many hints these percentages were not scrupulously respected under the *CdI*, who, in any case, initially sought to benefit more from the colonial goods trade than from the import trade. Still, these tarifs would become royal policy and practice nevertheless, and from 1731 on, the king's warehouses in Louisiana would (theoretically) sell, at retail, and in bulk, goods marked with a 50%, 70%, or 100% increase over the *prix de la facture* in France. The difference in increase was supposed to cover both the costs of transportation from Rochefort to New Orleans, and from New Orleans to the other posts of the colony, and any loss – theft, spoilage, pillage, etc.

All in all, according to the *bordereau* produced to make sense of the colony's finances in 1744, from 1731 to 1744, it is more than 1 000 000 ₶ worth of goods that were sold in the king's warehouse, making the king the biggest single retailer in Louisiana. These imports would continue until the end of the regime in 1764. Were the increases in price considered *profits* by the administrators? Yes and no. The discussions over the royal trade explore the fuzzy notions surrounding the very word of "benefit". It was sometimes used in a larger sense, as "profits from commerce", although defined qualitatively, as an advantage, rather than a number. Most of the times, it seems to have been used simply as an equivalent of "revenues from the sale of goods". Indeed, if "profit" in itself could only be calculated at the end of a commercial venture, the end of the monarchy in Louisiana was not in sight - yet. But even if one wanted to figure out a way to balance such revenues with the expenses associated with the trade, it remained an arduous task. In fact, the accounting category of such sales remained controversial, and hence, their status either as benefit, expense, revenue, remained in flux.

Without any recourse to numbers – indeed, following only the practices of the *CdI* – the royal tariff was initially term "just compensation". It was supposed to *balance* the efforts and costs deployed for the supplying of the colony, and the example from the previous years seems to have taken the place of any serious calculation of an "appropriate" or "just" profit[20]. While such discussions might not stray too far from the definitions of commercial profit – as a just compensation for the efforts one expended to bring goods from one place to another – it also tied itself to the larger narratives about royal investments in the colonial world. Maurepas, for instance, invoked the lack of "fairness" on the part of Canada's inhabitants, who produced little, and were taxed even less, despite the considerable amounts poured in the colony by the crown. The true benefits of the Crown, it seemed, lay beyond fiscal considerations – indeed, Riverin, the one-time farmer of Tadoussac, agreed: maintaining the colony needed first and foremost to be for "Reasons of State" rather than for whatever it could "benefit" to the king[21]. – but only for a time.

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[20] Bienville et Salmon à Maurepas, 3 avril 1734, AN Col. C13a, vol 19 ; Bienville et Salmon à Maurepas, 12 avril 1735, AN Col. C13a, vol. 20 ; Le Normant à Maurepas, 20 mars 1747, AN Col. C13a, vol. 31.

[21] Mémoire sur le domaine d'Occident, 1696.

Yet, as the imports, and subsequent royal sales, of goods remained fixtures of Louisiana's commercial life, and as a place was required for them in the colonial budget, their nature subtly changed. What had once been gracious help or just compensation became ordinary funds. Seizing on the fact that the goods were for the benefit of the colonial treasury, Maurepas ceased to send specie and reduced the amount of transfer from bills of exchange from the royal treasury. The "true" profits of the sales became hidden, dispersed in at least a dozen different accounts, from the arsenal of Rochefort, where goods were bought, to the King's Ship, by which they transited, to New Orleans, where they were received, to the posts where they were sold, and recorded under "receipts". While the Ministry still held the view that the increase of 50%, 70% or 100% were "just compensation", or even "reimbursements" (a term more and more used in this instance), or even, the effect of the charity of the crown, local administrators complained that their incorporation into the budgetary routine of the colony under evaluated severely their used, and actual value, to the treasury: the sale of goods could never afford the same flexibility that cash, or even letters of exchange, actually did.

More importantly perhaps, the fiscal configuration of the sale of goods, coupled with the increasing budgetary pressures coming in from Versailles, was bound to set on a collision course the requirements of the trade to be profitable with the requirement of it to be unprofitable.

Percentages and advantages

At first, Louisiana's Native trade was simply a part of the whole trade network the king inherited. Yet the same arguments that led the king to engage into an unprofitable trade in Canada were easily applied in Louisiana, with an added dose of urgency which the Natchez war, and the Fort Rosalie massacre, had tragically materialized. If the king insisted upon a profit – his 50% increase – over the trade goods, he could lose the affection of the Natives, and ultimately lose the colony itself. Establishing the right level of profit for the king in the Native trade therefore occupied the first years of the king's royal trade. It required the triangulation of many different “interests”. The first was to establish the price of English goods sent from the Carolinas, and which threatened, so it was argued, to woo the Natives – especially the Choctaws – away from the French. The second was to manage a “just profit” for the Indian traders themselves, a profit that was supposed to motivate them to undertake the trade. The third was to see whether or not a profit was to be kept for the king. The scale of priority ensured that the king’s profit would always be the one to suffer, especially since, contrary to the others, it was the one over which the colonial administration had the most control. Thus, reports coming from Louisiana saw the tariff melt down. Since they were playing with the *“intérêt du roi”*, the steps taken by the colonial administration were especially cautious: the tariff was first reduced over select goods, first and foremost by taking the end price in consideration. The price of *limbourg* – a cloth used as standard – had been 6#15s in France, but the administrators of Louisiana felt they could not ask for more than 8# in the colony, “which we know does not even make 20%, but we could make a lot more over the other goods, as would the trader[22]”. The solution was therefore not to change the tariff over goods being sold, but rather over the terms of exchange with the Natives – an impractical solution in the best of years – letting the king hope for a legitimate “benefit” of around 47%, a number which seemed designed to approximate the initial 50% increase over the price of European goods. As it could be expected, this benefit seems never to have materialized. Only a few years later (1736), the tariff was again reduced, over all goods destined to the Native trade. And than, the tariff was altogether abandoned, with a vanquished Maurepas simply asking to “faire les augmentations que l’on peut” (1737). For the remainder of the French regime, *commissaires-ordonnateurs* would try to increase the king’s benefits over the sale of merchandise, only to be opposed by governors claiming the greater good of the colony to ignore them[23].

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[22]Bienville et Salmon à Maurepas, 12 avril 1735, C13a, vol. 20.

[23]See for instance Vaudreuil to Maurepas, 6 janvier 1746, AN Col. C13a, vol. 30;

Types of benefits

Whether it concerned the strategic Native trade of Canada or Louisiana, or the *domaine* of Tadoussac, the involvement of the king in commerce showed that his profits needed to be calculated using a different scale of benefits. This is, unsurprisingly, one of the main characteristics of the king that intendants, advisors, and other assorted writers kept mentioning. The king had time. Any other investor only sought his own, short-term, advantage. He was willing to ruin the Tadoussac trade for a short bout of profits; he was willing to alienate the Natives and leave the colony to escape their wrath. He was short-sighted. He was greedy. He was willing to see the Indians perish for his own gain, and to let the moose and beaver disappear from the forests in order to make the best out of his lease. The king *could not* be any of these things. Hocquart, and others, insisted upon the capacity of the king to "make something" out of his colonies, yet kept using the vocabulary of the patient investor – or perhaps the patient farmer– speaking of returns, and benefits for the long term, of the need to lose a little in order to gain much in the future.

The king was also disinterested – in a personal sense. His concern for his commercial interests was not out of greed (though it was whispered that Louis XV was in fact, personally greedy, a shocking suggestion). Indeed, the king was beyond greed: he could bear loss when circumstances demanded it. And these circumstances were not limited to strategic thinking. Indeed, only a few years after the king had taken possession of Louisiana, discussions arose on the impossibility of imposing the tariff in times of scarcity. As a small colony, Louisiana had been at various times threatened by limited *de facto* monopolies by a number of rich settlers or merchants, who could purchase entire cargos with the help of credit lines extending across the Atlantic; at other times, the scarcity of goods drove the price extremely high. In these situations, would a king insist upon a profit? The answer was no, of course: the king's warehouse, colonial administrators insisted, was the sole recourse of the poor population when they could no longer pay for their needs. In such instances, it would be cruel to extract a profit out of the sale. The king was a being of liberality.

The king's *interests*, however, were financial, and these in turn related to the *bien de l'État*, either in safeguarding the colony from the English, or contributing generally to the commerce of his subjects through a policing that worked through a direct intervention in the trade. And here is where his own subject's greed and interests might have been useful. The fiscal pressures to maximize the benefits over the king's trade in Canada and Louisiana gave birth to a similar rhetoric around the king's trade. What appeared problematic was not the possibility that he would make profits, since those profits were supposed to contribute to the colonial treasury. It was the possibility that he did not make *enough*, and that a *régie* would never give out as much money as a farm. What now would appear as a truism to some emerged only tentatively. At first, Maurepas seemed to believe genuinely in the possibility of the Louisiana royal trade to make profits – if only it was managed carefully, with honest, wise, administrators and warehouse keepers. On the other hand, farmers and other "intéressés" kept weaving a similar story as those heard in France: a royal *régie* could never produce as much as a farm, because the people managing a *régie* could never be as interested in profits that would not be their own[24]. "Abuse", the Minister was told, was rife at every step of the process – though strangely never by those who reported it... It ammounted to high prices, making the king a bad merchant, the equivalent of the companies Maurepas loathed. In Louisiana, the goods brought from France by the king were dearer than those the colony could obtain from private merchants, even before the tariff[25]. Worse: warehouse keepers used the king's merchandise as financiers did in France, extending credit through merchandise, and owing considerable sums at the end of their terms: 15 000# were owed the king by Pellerin, warehouse keeper at New Orleans in 1736, of which half were sales and the others "lost"; 6 200# for Delaunay, his successor, in 1748; 367 000# for Chevallier, in the Illinois, in 1760[26]. By

[24]See for instance: Mémoire de Riverin, 1713, AN Col. C11a, vol. 34; Raudot to the Minister, October 20th 1707, AN Col. C11g; s

[25]Bienville et Salmon à Maurepas, 4 septembre 1735, C13a, vol. 20.

[26]Salmon à Maurepas, 26 juin 1736, C13a, vol. 21, fo 295-296 Lenormant à Maurepas, 22 mars 1748, C13a, vol. 32, fo 159-159v; Rochemore au Ministre, 17 octobre 1759, AN Col. C13a, vol. 41.

the 1740s, Maurepas believed royal trade not only to be logistically difficult, but economically unprofitable. The results he had seen from Canada and Louisiana had convinced him and his discourse had changed: "one must judge that if such an exploitation was undertaken by private individuals (*particuliers*) it could not help but be advantageous[27]", or more clearly still: "experience demonstrates that abuses will always absorb the profits as long as (a trade) would be exploited on behalf of the king[28]". In 1742, therefore, Niagara and Frontenac would be leased: the leese was soon bankrupt, and the king was back in. In Louisiana, no other experiment of royal farms would ever be attempted.

In the end, a situation where employees of the king could use his goods as they saw fit, where colonial administrators were required to "*faire agir le roi comme [ils] le pensent"*, where the king's royal trade acted as a supreme insurance policy, where the king engaged in unprofitable trade – such as Niagara, Frontenac, and Louisiana –, where the king benefited from a nearly unlimited temporal horizon, and where private négociants and merchants were managed venues into the trade, either through partnerships or in profitable operations – in the end, such a situation might have prevented voices to complain about the king's unfair competition. Or perhaps such complaints could only be heard as the scandals which shook Canada and Louisiana both at the end of the period erupted. Only at that time can we – barely – discern voices against the intrusion of the king, but mostly of his agents, in a commerce that was unworthy of them[29]. This, however, could be – and it was – blamed mostly upon the administrative framework of the colonies, rescuing the image of the king as disinterested (if not completely competent...). What erupted, during those scandals, however, seemed much

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[27]Maurepas à Hocquart, 6 mars 1747, AN Col. B.

[28]Maurepas à Bigot, 18 avril 1749, AN Col. B

[29]For instance, Louisiana merchant declared: "Je ne suis point partisan que les souverains fassent le commerce que leurs sujets peuvent faire", yet he added "mais je vois une nécessité indispensable qui se soit le roi qui fournisse pendant une 10aine dannées des nègres à cette colonie pour ne point la laisser languir après lequel temps les négociants pourront le faire avec avantage". Rivoire to Berryer and Trudaine, 16 avril 1761, AN Col. C13b.

more to conform to Montesquieu's diagnosis as to why the king should not engage in trade – because he could easily have the power, and the will, to renounce his word. Yet, as the king's involvement in trade seemed to be limited – and could remain a theoretical mind game – such a problem manifested itself much more clearly on the jurisdictional aspect of the king-as-an-actor of commerce – either as a buyer or a seller. When the king could renounce the contracts, he engaged in, *often in order to supply his Canadian or Louisiana trade* – it immediately mobilized legal rhetoric and networks of lawyers, for which the consequences seemed much more grave. But this is yet another story.

Alexandre Dubé