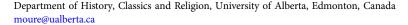


ARTICLE



# 'Economic Tyranny' and Public Anger in France, 1945–1947

Kenneth Mouré (D)



French price controls and rationing after the Second World War sparked opposition from a broad range of economic actors – farmers, shopkeepers, manufacturers and consumers. Towns rang their church bells to mobilise residents against controllers, whom they attacked with verbal abuse and physical violence. They associated the controllers with Vichy and collaboration with the Nazis, and rejected controls as 'economic tyranny'. Implicitly, they accepted moderate inflation as the path to economic recovery. This article explains the development of hostility, from wartime frustrations to the violent conflicts that forced the state to retreat and relax controls in 1947.

The slow pace of economic recovery after the Second World War disappointed popular hopes in Western Europe and alarmed American diplomats. European governments struggled to restore production and consumption in coping with protracted shortages. They needed to continue price controls and rationing, faced growing labour unrest, and lacked the financial and material resources to speed up reconstruction programs. Secretary of State George Marshall announced new US financial aid in his speech introducing the European Recovery Program on 5 June 1947, offering aid to provide for 'the revival of a working economy in the world so as to permit the emergence of political and social conditions in which free institutions can exist'. The programme's origins lay in the growing Cold War tensions with the Soviet Union and alarm that shortages and stalled recovery would decrease US exports and destabilise democratic governments, especially in France. 'Without further prompt and substantial aid from the United States', Will Clayton, the Undersecretary of State for Economic Affairs, insisted in May, 'economic, social and political disintegration will overwhelm Europe'. Clayton deemed US aid essential 'to save Europe from starvation and chaos'. The danger of starvation, two years after the war's end, was a telling indicator of the faltering pace of recovery. Food aid figured prominently in the arguments for and the initial benefits from the Marshall Plan.

In France, a series of political and economic crises in early 1947 linked to food supply and the rising cost of living shifted the political orientation of the early Fourth Republic and forced the state to relax its efforts to contain inflation with marketplace controls. The 'tripartism' which since 1945 had combined the political forces of the communists [Parti communiste français; PCF], socialists [Section française de l'Internationale ouvrière; SFIO], and Christian Democrats [Mouvement républicain

<sup>&</sup>lt;sup>1</sup> Foreign Relations of the United States, 1947 vol. III, The British Commonwealth; Europe (Washington, DC: The Government Printing Office, 1972): W.L. Clayton, 'The European Crisis', 27 May 1947 (231–2); text of Marshall's speech from copy released by the State Department on 4 June 1947 (237–9); and C.P. Kindleberger, 'Memorandum for the Files: Origins of the Marshall Plan', 22 July 1947 (241–7).

<sup>&</sup>lt;sup>2</sup> Food, feed and fertiliser accounted for nearly 50 per cent of the first purchases with Marshall Plan funds; Harry Bayard Price, The Marshall Plan and Its Meaning (New York: Cornell University Press, 1955), 96.

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populaire; MRP], fractured in May 1947. Socialist premier Paul Ramadier ejected the communist deputies from his cabinet; escalating labour unrest threatened the 'battle for production' in which unions had accepted wage constraint and increased hours to increase output. With the communists no longer in government, the political logic for wage constraint was gone and strike activity resumed on a large scale in June and November 1947.<sup>3</sup> This political and economic conflict was deeply rooted in the sacrifices imposed by the state efforts to contain inflation. These efforts clashed with labour demands for increased wages to compensate for their declining purchasing power, with consumers' demands for more goods, and underestimated the importance of price incentives to raise output. Price controls and rationing became a critical domain to contest state authority.

Popular discontent with shortages and economic controls, particularly for food, had undermined state authority during the Occupation. Greater liberty after Liberation made possible larger demonstrations by mothers demanding food for their families; food protests increased in size and frequency. So too did black market use to meet everyday needs and the incidence of physical violence against state controllers. Protests culminated in public anger and violence in April–June 1947, including a 'riot' in which thousands of demonstrators in Dijon protested price controls, food shortages, and the state confiscation of illicit profits. Several hundred protestors broke into state offices, destroyed furniture and burned case files.

Herrick Chapman, in *France's Long Reconstruction*, shows how waves of protest after Liberation demonstrated popular support for the reconstruction of state authority. The popular mobilisation for local purges, the workers' demands to turn collaborationist businesses to 'patriotic production', and the demands for increased rations and suppression of the black market assisted in the restoration of state authority in 1944–5. The increasing resistance to state controls, particularly by shopkeepers in 1947, became a 'rehearsal for revolt', a major step towards the broader tax revolt of the Poujadist movement in 1953. The shopkeepers played a vital role in organising the popular discontent.

The popular reaction against controls after Liberation provides an interesting case study in the context of Philip Nord's analysis of the remaking of the French state after Vichy, and the ways in which the Liberation constituted a moment for both rupture and continuities in state development. In *France's New Deal*, Nord makes a nuanced argument that continuities in ideas and personnel from the 1930s through the Vichy period contributed significantly to the remaking of the state, combining Resistance aspirations and new men with a strong current of more traditional and 'not-so-Left' figures and policies. In the realm of price controls, state actions in the marketplace clearly followed Vichy policies and practice. The continuity in controls met with increasing popular resistance, as a continuity not just in Vichy policies, but in state perseverance with policies that were visibly failing and needed public support to be effective.

This article focuses on the popular resistance to controls and controllers after Liberation to emphasise the significance of the resistance to state food policies and economic controls, and the reasons for the breadth of popular protest. The first section establishes context in Vichy's economic controls during the Occupation, and the alienation of public support and attacks on controllers at that time. The following sections examine the rising anger and frequency of attacks on controllers after Liberation, reaching its peak in 1947. The nature and timing of this opposition to state controls expose how state policies and enforcement practices alienated a remarkably wide range of producers, consumers and intermediaries whose interests often diverge, and how insufficient food supply catalysed popular

On the strikes in 1947 and the disputes within the communist-led Confédération général du travail, see Annie Lacroix-Riz, La CGT de la Libération à la scission de 1944–1947 (Paris: Éditions sociales, 1983) and Val R. Lorwin, The French Labor Movement (Cambridge, MA: Harvard University Press, 1954), 115–25.

<sup>&</sup>lt;sup>4</sup> Danielle Tartakowsky, *Les manifestations de rue en France 1918–1968* (Paris: Publications de la Sorbonne, 1997), and Danielle Tartakowsky, 'Manifester pour le pain, novembre 1940–octobre 1947', in *Le temps des restrictions en France (1939–1949)*, special issue of *Les Cahiers de l'IHTP*, 32–33, ed. by Dominique Veillon and Jean-Marie Flonneau (1996), 465–78.

<sup>&</sup>lt;sup>5</sup> Herrick Chapman, France's Long Reconstruction: In Search of the Modern Republic (Cambridge, MA: Harvard University Press, 2018), 29–37 [quote at 34], and 75–87.

<sup>&</sup>lt;sup>6</sup> Philip Nord, France's New Deal: From the Thirties to the Postwar Era (Princeton: Princeton University Press, 2010).

opposition to controls. By mid-1947, popular resistance had weakened the state's capacity and will to administer the control regime, and forced a retreat from strict enforcement.

The evidence for the breadth of protest leads to two conclusions. First, the legitimacy for Vichy's economic controls, contested during the Occupation, fell even further after Liberation, as evidenced by the popular resistance. Controls came to be seen as 'economic tyranny', ineffective, and impeding economic recovery. Second, moderate inflation, with its potential to stimulate production and draw goods to market, was implicitly preferred as more effective, in satisfying consumer demand and fostering recovery, than the strict enforcement of price controls and rationing. As Michel-Pierre Chélini observed in his study of postwar inflation, the failure of price controls was inescapable in 1947. The reasons for this failure are clear in the breadth of opposition, especially when the effort to effect lower prices by decree in early 1947 provoked a broader level of hostility that mobilised greater opposition and compelled the state to retreat from enforcement and punishment in the summer of 1947.

# Vichy Controls and Popular Resistance

Vichy's economic control regime built on measures to organise the economy for war in 1938. Restrictions enacted by decree in September 1939 set controls on French prices, and subsequent measures developed preliminary civilian rationing during the phoney war (*drôle de guerre*), including preparations to ration food. German military authorities imposed a price freeze in France in June 1940, and forced French authorities to implement a national food rationing system in September. They set adult rations to punish French civilians, with rations to replicate those of the German 'turnip winter' of 1917. These measures had two immediate consequences. The first was to require a substantial bureaucracy to manage food supply and enforce controls. The second was to inspire, indeed to *require*, adaptation to the shortages in production, distribution, and consumption, particularly for food to supplement the starvation rations. Conflict between the new bureaucracy and economic adaptation was inherent in the controls. The balance between public compliance with and resistance to controls would depend on their perceived legitimacy and their success in allocating essential goods.

The initial measures to allocate raw materials and consumer goods had to be improvised. The ministry of agriculture created the Office of Food Supply (*Ravitaillement général*) in September 1939 to assure food supply for the military, and expanded it to organise food production and distribution for civilians after the defeat. The ministries of industry and commerce needed to allocate scarce raw materials and set output targets. The ministry of the interior developed departmental administrations and policing efforts, including a new economic police (*Police économique*). The *Gendarmerie nationale*, under the authority of the army, took responsibility for policing in rural areas. The ministry of finance developed its price administration, the price control (*Contrôle des prix*), to monitor market-place transactions and combat the growing black market. In mid-1942, the enforcement of economic controls by these agencies was given centralised direction under the price control administration, renamed the Administration of Economic Controls (*Direction générale du contrôle économique*; CE), to coordinate the measures needed to suppress increasing black market activity.

Michel-Pierre Chélini, Inflation, État et opinion en France de 1944 à 1952 (Paris: CHEFF, 1998), 396–405.

<sup>&</sup>lt;sup>8</sup> For the control regime see Jean-Marie Flonneau, 'Législation et organisation économiques au temps des restrictions (1938–1949)', in *Les cahiers de l'IHTP*, 32–3, 43–58, and the chronology in Philippe-Jean Hesse and Olivier Ménard, 'Contrôle des prix et rationnement: l'action du gouvernement de Vichy en matière de régulation de l'offre et la demande', in Bernard Durand, Jean-Pierre Le Crom and Alessandro Somma, eds., *Le droit sous Vichy* (Frankfurt am Main: Vittorio Klostermann, 2006), 165–204.

On the inadequate rations and the black market for food, see Dominique Veillon, 'Aux origines de la sous-alimentation: pénuries et rationnement alimentaire', in Isabelle von Bueltzingsloewen, ed., 'Morts d'inanition': Famine et exclusions en France sous l'Occupation (Rennes: Presses universitaires de Rennes, 2005), 31–43, and Kenneth Mouré, 'Food Rationing and the Black Market in France (1940–1944)', French History 24, 2 (2010), 262–82.

The most important note to this effect was addressed to prefects by René Bousquet on 2 July 1942, in Archives Nationales, Paris [AN] 3W/90. The work of the Contrôle économique under its various names is explained well by Fabrice Grenard in

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The Contrôle des prix needed staff to enforce controls. It drew its first controllers in autumn 1940 from retired civil servants who volunteered, and borrowed its most competent agents from other financial administrations, including the customs service (where the contraction of international trade reduced staffing needs). Additional staff, hired on limited-term contracts, often had little training and no experience with financial affairs and accounting fraud. The control efforts concentrated on price and ration violations in market transactions and the illicit transport of rationed goods. Punishing these offences required minimal training to catch price and quantity abuses by retailers and consumers. This was the most visible level of transactions, and the state believed that rapid detection and 'exemplary punishment' would discourage black market activity. It would also provide evidence, in the number of cases filed, of the state success in control enforcement.

Consumers needed sufficient food at affordable prices. They agreed with economic controls in principle and wished to see suppression of the black market in the first months of the Vichy regime. But state practices to enforce controls in the marketplace and their lack of efficacy rapidly alienated the public support essential to make the controls effective. Black market use increased to compensate for market shortages. The CE agents focused on market and transport violations, maximising their interference with consumers seeking essential goods. The CE claimed success against the black market based on the number of infractions recorded and the fines imposed. This encouraged the pursuit of minor infractions. CE director Jean de Sailly insisted that with more staff and exemplary punishments, the CE could contain and repress black market activity. But the black market for essential foods, especially dairy products and meat, attracted an increasing share of output because the low official prices and increasing market shortages encouraged greater diversion of goods. Buyers and sellers shared an interest in evading controls. Closer market supervision increased the number of violations reported and punishments inflicted, but it also increased public irritation and encouraged the diversion of goods to black markets. The state's inability to provide sufficient food and contain black market growth was a major factor in the rapid loss of public confidence in the Vichy regime. It

Controllers faced increasing resistance from consumers and sellers. Initially, the CE had assigned controllers to patrol markets serving their own communities, which made them easily known. Shopkeepers followed the rules when they were present. Controllers assigned to regions where they were not known reported a greater number of violations. As the control measures developed, hostility to controllers increased, including occasional violence against them. In one early instance in July 1941, a crowd of nearly 200 consumers and fishermen in Normandy attacked a controller trying to enforce official prices. Gendarmes rescued him from the hostile crowd. In May 1942, the government decided that controllers in major markets should patrol in groups rather than alone, and be prepared to call on the Gendarmerie for protection.

In its first annual report, the *Contrôle économique* (CE) described the year 1943 as one of increasing violence against controllers; one had been killed and another seriously injured. It blamed the attacks on hostility to the state and the prevalence of weapons and violence in wartime, and saw inadequate manpower as the key constraint on the CE enforcement of controls. He growing opposition in 1942 and 1943 indicates that the system of controls and rationing was inexorably losing legitimacy. More staff to increase enforcement would not solve the underlying problems of poorly designed

<sup>&#</sup>x27;L'administration du contrôle économique en France, 1940–1945', Revue d'histoire modern & contemporaine, 57, 2 (2010), 132–58.

Fabrice Grenard, 'Les implications politiques du ravitaillement en France sous l'Occupation', Vingtième siècle, 94 (2007), 199–215; Mouré, 'Food Rationing', 275–9.

AN BB/18/3290; 858 41/R, Procureur-Général près de la Cour d'appel de Caen to Garde des Sceaux, 9 and 19 Aug. 1941. Fabrice Grenard surveys early popular resistance to control in *La France du marché noir (1940–1949)* (Paris: Payot, 2008), 127–32.

<sup>&</sup>lt;sup>13</sup> AN 72AJ/1852, note of 29 May 1942.

Direction générale du Contrôle économique [DGCE], Rapport sur l'activité de la DGCE au cours de l'année 1943 (Paris: Ministère de l'Économie Nationale, 1944), 34–7. These reports are available at the Service des archives économiques et financières, Savigny-le-Temple [SAEF], in B-0009860.

controls (the low prices and targeting retail sales) and persistent shortages. In a system that purported to equalise sacrifice, the visible inequities and irregularities discredited the system. Buyers and sellers increasingly chose to negotiate prices and quantities on their own terms.

The Paris police recognised that the public held the Vichy administration responsible for shortages. Reports from the Gendarmerie and department prefects routinely noted how low official prices discouraged the delivery of goods to markets, food in particular. Vichy legislation in March 1942 and directives to controllers distinguished two categories of black market offence, in order to allow for minor infractions necessary to feed families and increase the punishment for large-scale traffic. The distinction was not clear regarding scale, and was exploited by traffickers (*trafiquants*) to disguise black market traffic. The CE dealt with the growing black market by imposing harsher penalties. Average fines more than doubled from 1943 to 1944, and further increase was advocated 'to develop a healthy fear in the fraudsters'. They argued for increasing control personnel and powers as France moved from the Vichy regime to democratic government after Liberation, and they ignored the abundant evidence that the control system was flawed and that retail markets were increasingly hostile to controls.

# No Liberation from Shortages

Many believed that shortages were the product of German exactions and that Liberation would bring rapid improvement. But the shortages that fostered black markets and the Vichy controls continued with little change under the provisional government. In the weeks before the Normandy invasion, Allied bombing targeted transport infrastructure to obstruct German development of their Atlantic defences. The transport of material goods became all but impossible in some areas, particularly the food to feed people in Paris and northern cities. Official supplies dwindled, illicit transactions multiplied, and control operations weakened under the combined effects of popular opposition and controllers' lack of transport, especially gasoline for their vehicles. Black market activity declined where transport was impossible, and shortages worsened. As Liberation advanced in 1944, the Allied supply systems prioritised war material to defeat Germany. Consumers seeking more food and producers desperate for raw materials and transport turned again to black markets to meet their needs.

The enforcement of economic controls resumed as most of France was liberated in the summer and fall of 1944. Jean de Sailly, director of the CE, encouraged his staff to contact local authorities in order to help re-establish state authority and price stability. Resuming their enforcement of marketplace controls needed to take place in stages, he warned: 'with tact, and with particular attention to the educational role of the Service'.<sup>19</sup> In other words, effort was needed to avoid the revival of public hostility.

Some CE staff wanted an administrative purge to make clear that the control administration was not a creature of Vichy. De Sailly was attacked in the press and his direction during the Occupation was reviewed by an honour committee (*Comité d'honneur*). Although unsanctioned, he was replaced in January 1945 and appointed to London as a commercial councillor. The union representing CE staff protested that a petition, circulated to staff in November asking the minister to keep de Sailly as director, was a form of political pressure. The union urged that the petition authors be identified and punished, and that the CE be purged of collaborators. This, and clearer identification

<sup>&</sup>lt;sup>15</sup> Archives de la Préfecture de Police, Paris [APP] 220W 4, 'Situation à Paris', 16 June 1941; Mouré, 'Food Rationing', 269–71.

<sup>16</sup> Grenard, Marché noir, 132-7.

DGCE, Rapport sur l'activité de la DGCE au cours de l'année 1944 (Paris: Ministère de l'Économie nationale, 1945), 34; the report proposed that 'the rigour of repression should compensate for the traffickers who count on being able to work with impunity'.

<sup>18</sup> SAEF B-0057659, de Sailly correspondence with the secretary of state for food supply and German Ministerialrat Bauch in the last days of June 1944.

SAEF B-0057659, Directeur général du Contrôle des prix to department directors, 31 Aug. 1944; the CE annual report termed the Liberation a period of 'anarchy'. DGCE, Rapport sur l'activité de la DGCE au cours de l'année 1944, 1–3.

<sup>&</sup>lt;sup>20</sup> Grenard, 'Contrôle économique', 149.

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of the economic controls with Gaullist policies, were needed to gain the confidence of French producers and consumers. Critics in the press claimed that the CE was resuming operations under a leadership that had been in place since its creation 'by the pseudo-government of Vichy that continues to direct a policy that is anti-democratic, harassing small businesses and farmers, while the trusts and big business enjoy protection that is unacceptable'.<sup>21</sup>

Resistance groups and local committees of liberation took over price controls in some regions and imposed their own fines for collaboration and black market activity.<sup>22</sup> In agricultural departments, many farmers considered black market prices to be normal, and necessary to recover production costs. They sold to the black market rather than deliver food to official markets.<sup>23</sup> This was a critical juncture for the legitimacy of controls: shortages would continue, and the provisional government saw no choice but to continue the controls. But new justification was needed for why they remained in place, the purpose they served, and how they would be enforced with the Germans gone.

In the 'starving' departments in southern France, ration levels dropped during the period of Liberation (some departments reduced their adult bread ration to 100 and even to 50 grams per day), and remained low into the winter. The US Army reported conditions in Nice in September to be worse than anywhere else in France. In October they termed the food situation 'catastrophic':

It is a well-established fact that the people ate better under the Nazi occupation, though the black market was running rampant, but we are now employing all facilities to halt the black market and they no longer can rely on this source of food. Many consumers believed that food supply officials deliberately sabotaged the system to prolong shortages and undermine support for the new regime.<sup>24</sup>

Continuing food shortages prompted a revival of public protest. These crested in March 1945, with large protests throughout France organised by the Union of French Women (*Union des femmes françaises*). The UFF called for increased rations, the arrest of 'the kings of the black market' and the elimination of the laws and state agencies like the CE created by Vichy: 'if France remains undernourished, it is mainly because officials from the Vichy regime have kept their positions in the administration'.<sup>25</sup> The Gendarmerie noted of these protests that 'the state of public opinion grows more bitter each day, the critiques more violent, the demonstrations multiply, and the public services held responsible are accused of supporting and even deliberately aggravating a situation which has never been so bad'.<sup>26</sup> This included marketplace vexation with controllers and controls. The ministry of the interior noted that policing the black market was 'ever more unpopular' in March 1945: 'each day the actions of CE agents are frustrated. The reason is they are generally acting against the transport of small quantities of food by consumers'.<sup>27</sup>

According to the Bank of France, black market activity had never been so widespread, and price controls and fines were powerless against it.<sup>28</sup> When local authorities increased prices to draw more

<sup>21</sup> SAEF 5A-0000029, quote from Le Syndicat National des Fonctionnaires et Agents du Contrôle des Prix (signed J. Bureau) to Ministre de l'Économie Nationale (Mendès France), 21 Nov. 1944.

<sup>&</sup>lt;sup>22</sup> Grenard, *Marché noir*, 223–6, 241–3.

<sup>&</sup>lt;sup>23</sup> SAEF 5A-0000183, M. G. Denis, 'Situation Générale', Somme, 17 Oct. 1944; M. G. Denis, 'Situation des prix', Ardennes, 14 Oct. 1944.

<sup>&</sup>lt;sup>24</sup> Civil Affairs reports from Nice on 6 Sept. and 5 Oct. 1944 in Harry L. Coles and Albert K. Weinberg, Civil Affairs: Soldiers Become Governors (Washington, DC: Office of the Chief of Military History, 1964), 782. On sabotage, AN F/1a/4023, Commissaire de la République report for the Marseille region, 15 to 30 Nov. 1944. Sabotage and state corruption feature in explanations of the postwar black market by J. Debû-Bridel, Histoire du marché noir (1939–1947) (Paris: La Jeune Parque, 1947) and Yves Farge, Le pain de la corruption (Paris: Éditions du chêne, 1947).

Archives Départementales [AD] Pas-de-Calais M5416 contains UFF letters from communes throughout the department, in a concerted campaign, most dated 5 Apr. 1945.

 $<sup>^{26}\,</sup>$  AN 72AJ/384, Col. Meunier, 'Synthèse pour la période du 15 Février au 15 Mars 1945', 12 Apr. 1945.

<sup>&</sup>lt;sup>27</sup> AN F/1a/3250, 'Note pour Monsieur le Directeur général de la Sûreté nationale', 22 Mar. 1945.

Archives de la Banque de France, Paris [ABdF] 1069201226 27, Direction générale des études économiques [DGEE], 'Résumé des rapports économiques', Mar. 1945.

goods to market, the CE attempts to enforce price controls met resistance, which increased after the war in Europe ended in May 1945. 'We demand the suppression of the *Contrôle économique*', one liberation committee wrote to the prefect of the Gironde: 'their petty and bureaucratic spirit is shown magnificently in their scrutiny of ordinary commerce, while ignoring the outlaws of the black market with a blindness that borders on complicity'.<sup>29</sup>

#### Violence

Violence against controllers in the summer of 1945 demonstrated the growing frustration with controls. Popular resistance sparked confrontations when controllers tried to enforce official prices and ration restrictions, especially in producing regions, where shops often relied on local produce. They stretched price and quantity rules to improve food supply. Agents arriving to punish control violations interfered with local improvisation.

In Aumale, near Rennes, inspectors closed butchers' shops for selling meat from illicit slaughter in late July. Four food supply inspectors had to be rescued by local gendarmes when a crowd, believing the men had come to shut down meat distribution, attacked them. In La Vacquerie, near Rouen, agents checking prices in a butcher shop were attacked by a crowd, which had been summoned by ringing the town church bells. The agents withdrew under protection from the Gendarmerie while the townspeople burned their car.<sup>30</sup> Near Poitiers, controllers confiscating beef and closing butcher shops that sold more than rations allowed faced a mobilisation of the population of Montendre. A crowd of more than 1000, summoned by the church bells, manhandled the controllers, slashed the tires on their car, and threatened three CE controllers who arrived later that day by train. The Gendarmerie report stated they had saved the men from being lynched.<sup>31</sup> In Saint-Sever, a CE controller investigating clandestine slaughter was attacked, his car overturned, its windshield smashed and tires slashed. The crowd stripped him of his trousers and crowned him with butter they found in his car. One newspaper account described the farmers involved as 'the best sons in the world' and asked the minister of food supply, 'how can they be blamed for wanting to return to a free economy after their experiences with an "économie dirigée"?'32 In September the number and frequency of attacks increased, with customers mounting opposition to controllers in markets, on several occasions pelting them with vegetables. Mayors sometimes joined the protests. In Rives (Isère) in late September, shopkeepers met to organise their opposition to controllers and established an honour committee to supervise prices themselves.<sup>33</sup>

Food supply officials in the Seine-et-Oise explained the conflict in control enforcement as a result of local populations being 'badly informed', taking the side of shopkeepers and butchers against the controllers. The customers did not understand that the controls protected them against the black market.<sup>34</sup> But the number and location of such incidents in the summer and fall of 1945 suggest that the customers understood very well that the controls protected them from access to food produced in their region. Public tolerance for black market activity increased as its utility to supplement inadequate supplies in official markets became clear, and the butchers providing extra meat figured prominently: as essential providers for local consumers and as targets for

AD Gironde 57W/25, 'Ordre du jour' voted by the Comité Cantonal de Libération de Blaye, sent to the Prefect of the Gironde, 26 May 1945.

<sup>&</sup>lt;sup>30</sup> AN F/1a/3250; Directeur départemental du Ravitaillement général to the prefect of Seine-Inférieure, 1 Aug. 1945; prefect of Calvados to Commissaire régional in Rouen, 21 Aug. 1945.

AN F/1a/3250, Charente-Maritime file, note of 30 Aug. 1945; the threat of lynching stated in AN 72AJ/384, Gendarmerie report of 30 Aug. 1945, which says the crowd numbered about 300.

<sup>32 &#</sup>x27;L'affaire de Saint-Sever', Franc-Tireur, 3 Sept. 1945, copy in SAEF 5A-0000029.

<sup>33</sup> SAEF B-0057639, from a hand-written list of incidents in the second half of 1945 (untitled, undated).

<sup>34</sup> AN F/23/527, Direction départementale du Ravitaillement général de Seine et Oise, 'Rapport mensuel concernant le mois d'Octobre 1945', and similar comments in their report for November.

controllers. Controllers closing butcher shops seemed to be protecting hungry consumers from the opportunity to buy more meat.<sup>35</sup>

The CE began its annual report for 1945 with an explanation of the context in which their work met increased resistance: the public believed in an abundance of goods and mismanagement by the state. Consumers frequently obstructed control operations, especially in smaller cities and towns. The most serious concerns were the collective character of these incidents, often involving hundreds of protesters, and the violence. Agents were subject to verbal abuse, threats, and physical assault. The report returned to the issue when it reviewed the reasons for poor CE morale, explained as a product of the public hostility and the seemingly ineffectual results of CE efforts: 'At no time has the personnel encountered more public hostility, endured so much opposition, or faced so many dangers'.<sup>36</sup>

Public animosity intensified when a government move to end bread rationing failed, demonstrating state incompetence. The government promised an end to bread cards and rationing in August 1945, in advance of national elections. This 'end' to bread rationing disappointed consumers - delayed to 1 November, then restricted to plain bread, then rendered inoperative in regions without sufficient supply, and then failing completely. Rationing resumed on 28 December, with adult rations cut from 350 to 300 grams per day. Consumers demonstrated; bakers complained that the measure would encourage black market consumption and urged consumers to burn their ration cards. Workers launched wildcat strikes; mayors sympathised with town protests. Demonstrators turned violent in Tours and Nantes, invading prefectures and food supply offices to destroy records and furniture.<sup>37</sup> The National Security police (Sûreté nationale) described the 'deep discontent' and violent criticism of the government that united bakers, workers and consumers in protest against state policies that seemed to have been an electoral ploy rather than a competent plan for liberalisation.<sup>38</sup> Opinion polls in early 1946 showed the public wanted an end to restrictions on food purchases, and complained frequently about the enforcement of controls in markets.<sup>39</sup> The Office of Food Supply (Ravitaillement général) observed of these marketplace interactions, 'in the majority of cases the populace is hostile to controllers and takes the side of the sellers, regardless of their honesty'. 40

## Price Shock, January 1947

Rising prices after Liberation, with wage increases granted to make up for lost purchasing power, continuing scarcity, and the resurgence in black market activity, led the government to try a psychological shock to stop inflation. Retail prices had risen 38 per cent in 1945 and 64 per cent in 1946. Léon Blum, leading an interim government (before the election of the first president of the Fourth Republic in January 1947), announced a 5 per cent price reduction to take effect on 2 January 1947. Janet Flanner, Paris correspondent for *The New Yorker*, reported the intent was 'to scare the trousers off the black market, which is certainly in part the farmers'. The CE was instructed to step up control enforcement to ensure that the price reduction took place, combining a visible presence, rapid action,

Megan Koreman notes this shift in opinion with regard to butchers in the Jura and Charente-Maritime, as well as local support for grocers in summer and fall 1945; The Expectation of Justice: France 1944–1946 (Durham, NC: Duke University Press, 1999), 186–7.

<sup>&</sup>lt;sup>36</sup> DCEE, Rapport sur l'activité de la DCEE au cours de l'année 1945, 3-4, 21.

AN F/1a/3250, reports from prefects and the police are collected in the file 'Rétablissement de la carte de pain en janvier 1946'; particularly the 14-page report on the violence in Tours by the prefect of Indre-et-Loire, 7 Jan. 1946. Megan Koreman describes the shortages and anger in the Vosges as the end to rationing failed there, Expectation of Justice, 251-5.

<sup>38</sup> AN F/1a/3250, Direction générale de la Sûreté nationale reports of 29 Dec. 1945, 9 and 10 Jan. 1946.

<sup>39</sup> Christian Bachelier, 'De la pénurie à la vie chère, l'opinion publique à travers les premiers sondages 1944–1949', in Les cahiers de l'IHTP, 32–33 (1996), 483.

<sup>&</sup>lt;sup>40</sup> AN F/23/441, 'Rapport des renseignements' no. 58, 24 July 1946.

<sup>41 &#</sup>x27;Letter from Paris' of 2 Jan. 1947, The New Yorker, 11 Jan. 1947, 60.

and stiff penalties to provide exemplary punishment. The control effort in retail markets was to be 'immediate, massive, and continuous' to ensure compliance. 42

The measure met with initial success, followed by a rapid turn in public opinion. For goods other than food, smaller shops objected to the price reduction, while department stores encouraged consumers to buy, needing a larger volume of sales to cover costs. Customers complained that some stores had raised prices before taking off the 5 per cent, and some restaurants reduced portion sizes. January, a seasonal low period for sales, slowed further as many customers deferred purchases, waiting for the second 5 per cent reduction scheduled for 1 March. Some essentials were 'unfindable' in late January, causing working-class consumers to turn to parallel markets.

Commercial discontent was significant, but the greatest disappointment was that of consumers for the measure's impact on food supply. Farmers withheld produce from markets, including meat supplies, and butchers closed their shops because the reduction in retail prices would force them to incur losses. Farmers held onto non-perishable foods, expecting prices to rise. Workers and butchers blamed farmers for the shortages. Jacques Le Roy Ladurie, as a former minister of agriculture, blamed excess regulation, 'the absence of liberty'. Most French people, if given the chance, would vote against 'the official economic tyranny'. 46

The worsening of urban meat shortages, a critical domain for small-scale black market traffic and a cause for widespread public discontent, prompted a change in state policy on 6 February in an effort to improve the supply to cities. The state ended its *priority purchases* that controlled meat purchasing and prices to supply cities, to allow competitive purchasing (at higher prices) to increase supply. The CE advised against this change, predicting that it would damage the entire price reduction program. The combination of the state price reduction and butchers refusing to pay higher prices was wearing down farmers' resistance, with increasing supply coming to markets in late January. 'Any change of government policy would be seen as an abandonment, partial or total, of the efforts accomplished since the start of the year, and a bonus for undisciplined producers'. It could set off a contagious increase in all food prices.<sup>47</sup>

The effects on the price reduction program were immediate and catastrophic. Control agencies at the department level were caught by surprise and felt betrayed by a decision that demolished their recent control efforts. He Finistère, a huge increase in the meat bought and shipped to Paris by out-of-department purchasers with foreknowledge of the policy change produced local shortages. Meat, the prefect insisted, was a key indicator leader for prices (*denrée témoin*): the increase in meat prices would have a contagion effect, raising all food prices. He prefect of the Haute-Garonne had long insisted that meat was the key problem in supply and pricing. The end to priority purchases had 'the most unfortunate effect, losing all the terrain we had gained', and setting off a rise in all agricultural prices. The second 5 per cent reduction in March drew little further comment. The damage had been done, and although inflation had slowed for a time, so too had retail sales. Workers protested the food shortages and demanded higher wages to cover the rising cost of essential goods. The Bank of France remarked on the violence of the critiques of state policy: 'Everywhere, people are calling for the suppression of parasitic organisations and of all sorts of regulations seen

<sup>42</sup> SAEF B-0049896, Note de service no. 510, 4 Jan. 1947; SAEF B-0049890, Note de service no. 916, 30 Apr. 1947; DGCEE, Rapport sur l'activité de la Direction Générale du Contrôle et des Enquêtes Économiques au cours de l'année 1947, quote at 11.

 $<sup>^{43}</sup>$  AN F/1a/4735, prefect reports to the Minister of the Interior on 8, 9, 10 and 11 Jan. 1947.

<sup>&</sup>lt;sup>44</sup> AN F/1a/4735, 'Situation commerciale et industrielle de la capitale', 25 Jan. 1947.

<sup>&</sup>lt;sup>45</sup> AN F/1a/4735, Direction générale de la Sûreté nationale, 'Le problème de la viande', 13 Jan. 1947.

<sup>&</sup>lt;sup>46</sup> AN F/1a/4735, police report of 27 Jan. on Le Roy Ladurie's article published in *Reconstruire* on 25 Jan. 1947.

<sup>47</sup> SAEF 5A-0000028, Directeur général du Contrôle des enquêtes économiques to Sécrétaire général de l'économie nationale, 5 Feb. 1947.

<sup>&</sup>lt;sup>48</sup> AN F/60/674, prefect of Hautes-Alpes to Président du Conseil, 14 Feb. 1947.

<sup>&</sup>lt;sup>49</sup> AN F/60/674, prefect of the Finistère to Président du Conseil, 17 Feb. 1947. The Contrôle économique saw this change as critical to the failure of the price reduction effort for this reason in its annual report, DGCEE, Rapport sur l'activité de la DGCEE au cours de l'année 1947, 12.

<sup>&</sup>lt;sup>50</sup> AN F/60/674, prefect of Haute-Garonne to Président du Conseil, 18 Feb. 1947.

as constraints that were stifling the economy'. Producers, retailers and consumers condemned the 'excessive intervention'. 51

### **Backlash**

This was the context for the major demonstrations that shocked the state in May 1947. The tempo of attacks on controllers had varied with the season and state enforcement policies, with surges of protest in August and September 1945, January 1946, relative calm, and then a new wave in the period from April to June 1947.<sup>52</sup> These protests paralleled rising worker discontent with the food shortages and the declining purchasing power of hourly wages.<sup>53</sup> Food costs consumed an increasing share of workers' fixed wages. The important Renault strike from 25 April to 16 May, which triggered the expulsion of communists from the Ramadier government, would be followed by significant strike waves in June and November.<sup>54</sup>

In the new wave of resistance, shopkeepers coordinated to resist controllers. One speaker warned: 'Economic controllers, pay attention ... remember the gendarmes of Verdun ... This isn't a threat, but a warning'. He claimed that local consumers had hanged five gendarmes in Verdun in 1916 when they tried to arrest a butcher.<sup>55</sup> The CE met shopkeeper resistance 'almost everywhere', organised by local committees of self-defence who alerted their members when controllers arrived and resisted verifications, often using force. The CE counted fifty-nine hostile demonstrations in April, May and June 1947, including physical assaults that resulted in eight cases of serious injury and fourteen cases where protesters destroyed files. <sup>56</sup>

On 19 May in La Roche-sur-Yon (Vendée), after a meeting of shopkeepers organised by the Departmental Union for Action by the Middle Classes of the Vendée (*Union départementale d'action des classes moyennes de la Vendée*), an estimated crowd of 7000 demonstrated in front of the prefecture. The crowd broke into the offices of the CE, where they seized and burned files. Others broke into tax offices for the direct and indirect tax administrations (*Contributions directes*), setting fire to files and stealing office property. They tried to break into the department's Committee for the Confiscation of Illicit Profits (CCPI), without success.<sup>57</sup>

The next day, eight to ten thousand demonstrators answered the call by a Action and Liaison Committee (Comité d'action et de liaison) for a 'decisive day' (journée décisive) in Dijon to protest Vichy-era economic controls. Posters called for a demonstration of 'the will to live of those who are the economic backbone of the country', in protest against the shortages caused by state regulations and interference in the economy. 'We can no longer produce, manufacture, sell, transport, circulate, without going through countless requirements imposed by BUREAUCRATS WHO INCREASE IN NUMBER DAILY'. Government bureaucracy and regulations cost 40 billion francs, they claimed. 'We must allow the French to WORK, to PRODUCE, to RECONSTRUCT'. The tradesmen know more about how to do this than the BUREAUCRAT'. The demonstrators began by singing 'La Marseillaise', the standard opening for Vichy era protests. After listening to speeches at the Bourse

 $<sup>^{51}\,</sup>$  ABdF 1069201226 29, DCEE, 'Résumé des rapports économiques', Apr. 1947.

My count is based on the ministry of finance list of attacks compiled to show region and date in the period 1945 to 1950. From that record, 38 of 68 such attacks took place in August and September of 1945; in 1946 there were 62 attacks, and in 1947 there were 103, with 54 in the period April to June, 29 in May. SAEF B-0057639. This record is incomplete; the DGCEE annual report on 1947 stated there were 59 such attacks.

Lorwin states that purchasing power for hourly wages, from an index value of 100 in Jan. 1946, had fallen to 80 in Jan. 1947, improved to 84 in Apr., and fell to 68 in Oct. 1947. Lorwin, French Labor, 120–1.

<sup>54</sup> Cyrille Sardais provides detail on the Renault negotiations; as a nationalised firm it followed controls more closely than rivals and wanted a wage increase to retain workers; 'Autopsie d'une négociation. Le règelment de la grève d'avril-mai 1947 à la Régie Renault', Le Mouvement Social no. 232 (2010), 47–73.

<sup>&</sup>lt;sup>55</sup> AN BB/18/3737, case 33A47/F-95.

<sup>&</sup>lt;sup>56</sup> DGCEE, Rapport sur l'activité de la DGCEE au cours de l'année 1947, 12-13.

<sup>57</sup> SAEF 30D-0000002, Procureur général près la Cour d'appel de Poitiers to Ministre de la Justice, 22 May 1947.

<sup>&</sup>lt;sup>58</sup> AD Côte d'Or 40M/278, copy of poster, emphasis as in original.

de Commerce, they delivered their complaints to the prefect's office. Several hundred then attacked state offices: the CE, the Office of Food Supply, and the CCPI. Forcing their way past police, they taunted officials with cries of 'Vive la liberté!' They ripped bars from the windows to gain entry and threw files and furniture outside, set fires, and destroyed all the documents they could find.<sup>59</sup>

This was the largest and most violent in a wave of protests and attacks on government offices. Many began with individual shopkeepers gathering their fellow retailers and customers to threaten controllers who arrived (often in pairs) to enforce controls, especially if they were closing a shop for violations. Threatened verbally and roughed up by a crowd, the controllers generally withdrew, often giving up their case reports and briefcases, their paperwork then being burnt. Shopkeepers organised on a local basis to resist the enforcement of controls and to organise for quick response when summoned to face a controller. The scale of damage in Dijon attracted national attention. In the days following the riot in Dijon, the CE office in Périgueux was saved from damage by a guard of police and gendarmes; there was an attempt to burn down the CE office in Saint-Quentin; and a bomb destroyed the offices of the tax administration in Périgueux. Controllers in Paris on 20 May were told 'we're no longer in the time of the Germans' and 'we've had enough of the Contrôle Économique'. Flyers pasted to store windows in Nantes declaimed: 'Death to state direction. Liberty! Liberty! Liberty!' ('À mort le Dirigisme. Liberté! L

The violent demonstrations like that in Dijon combined with the danger of a national strike by shopkeepers to shock the control administration into a retreat from strict enforcement. Léon Gingembre's Confederation of Small and Medium Businesses (CGPME), established in October 1944 to give voice to the small business owners who felt their interests were neglected in the National Council of French Employers (Conseil national du patronat français), had added shopkeepers to its membership in 1946.<sup>62</sup> Gingembre provided charismatic leadership and united shopkeeper opposition in threatening to close their stores across France on 4 June in a strike to demonstrate their opposition to state controls. In early June the ministries of finance, national economy and industrial production met with Gingembre from the CGPME and representatives from the Confederation of French Artisans and the Paris Food Committee (Confédération générale de l'artisanat français and the Comité de l'alimentation parisienne), and reached an agreement to avert the strike. The government agreed to relax state controls and to discuss further measures for a 'return to liberty' for commerce. 63 An interministerial committee met in mid-June with these same three groups, to discuss 'proposals for reform' of CE practice in the investigation and punishment of control infractions. The CE promised to change policy on several issues: to end the use of deception (posing as buyers to 'provoke' illicit sales); to allow legal representation in meetings with owners; to enter locked premises only if the proprietors were present; and to modify their use of transactions (the fines imposed by controllers), allowing for reductions on the basis of new evidence.

The concessions dealt with matters where abuses had been frequent and keenly resented. Some had long been issues on which the CE's repeated claims to change policy suggest persistent problems and resentment by shopkeepers.<sup>64</sup> Defending the continued existence of the CE in October 1947, director René Burnod cited the agreement with the CGPME as evidence that necessary controls would not

<sup>59</sup> SAEF 30D-0000002, 'Des manifestants mettent à sac des services du Contrôle économique du Ravitaillement et du Contrôle laitier', Le bien public, 21 May 1947; AD Côte d'Or, 40M/278, prefect report of 21 May 1947.

Many incidents follow this pattern, summarised in case notes in SAEF B-0057639.

<sup>61</sup> Summary for incidents that took place on 21 and 26–27 May in Périgueux, 21–22 May in Saint-Quentin, 20 May in Paris and 5–6 June in Nantes.

Sylvie Guillaume, Confédération générale petites moyennes entreprises: Son histoire, son combat, un autre syndicalisme patronal 1944–1978 (Talence: Presses universitaires de Bordeaux, 1987), and Henry W. Ehrmann, Organized Business in France (Princeton: Princeton University Press, 1957), 172–84.

<sup>&</sup>lt;sup>63</sup> 'La grève du 4 juin aura-t-elle lieu?' and 'Tous ouverts le 4 juin', Le Monde, 2 and 4 June 1947.

<sup>64</sup> SAEF B-0049890, DGCEE, 'Résultats des pourparlers', Annex to Note de Service no. 980, 17 Sept. 1947. The annex cites a series of *Notes Communes* issued in June to change enforcement practices.

result in 'a series of irksome and paralyzing interventions'. <sup>65</sup> In addition to the negotiated changes, the CE reduced the frequency and intensity of verifications, and shifted to a policy of giving more warnings in place of fines for low-level infractions, where the fines would have been less than 10,000 francs. <sup>66</sup> In July and August, many products were exempted from the price reduction decrees and had their prices freed from control. <sup>67</sup> The case reports filed in 1947 (*procès-verbaux*) dropped dramatically. In the first half of 1947, officials filed reports on 129,324 cases; in the second half, 62,567 (down by 51.6 per cent). <sup>68</sup> Although the CE was not the only state administration under attack, by its own account it was the target for 'a particular hatred and that CE action in many departments was all but impossible'. <sup>69</sup>

The retreat from strict enforcement did not end confrontations. On 25 September, in St-Aignan-sur-Cher, two CE inspectors who had written citations for infractions by a butcher open on a day he was required to be closed and a baker selling white flour, stopped for lunch in a hotel nearby. During lunch, they were warned that it was not safe to return to the town, where a crowd of 150 residents had mobilised to confront them. The butcher found them in the restaurant, demanded to see their identification, and fought to take their briefcase and files. The crowd gathering outside threatened to hang them (cries of '20 metres of rope'), and set fire to their car. To In other incidents, agents from the Office of Food Supply and the Economic Police (*Ravitaillement général, Police économique*), and in several cases from the cereals administration (ONIC), all suspected of being CE controllers, were threatened physically and had their files destroyed. In Margerit-à-Rosières, two tax inspectors from the indirect tax administration, checking grain and flour stocks, were swarmed by a crowd of 300, forced to surrender their files and promise they would not return. The crowd believed they were CE controllers, and would have done worse had the officials not been able to prove that they worked for the tax office.

Such incidents declined in 1948, especially in the second half of the year (the Ministry of Finance listed forty-four in the first half of 1948, twenty-four in the second and eleven in November), and they became sporadic in 1949 (nine incidents). Official prices converged with falling black market prices as agricultural output returned to prewar levels, transport capacity improved, and rationing measures were lifted. The *Revue d'économie politique* (*Journal of Political Economy* - the period's most important academic journal for attention to economic conditions and policies) noted that increased bread rations allowed the virtual elimination of the black market for bread. In late 1948 they expected the black market for food to shrink rapidly as rations increased. Less illicit traffic meant less need for enforcement and fewer cases to report.

## Conclusions

The concerns for shortages and the potential for political discontent fostering communist advances in 1947 prompted the US commitment to provide new aid through the Marshall Plan, to establish the

<sup>65</sup> SAEF 5A-0000029, director of DGCEE, 'Note pour le Ministre', 29 Oct. 1947.

As reported in DGCEE, *Rapport sur l'activité de la DGCEE au cours de l'année 1947*, 42, which states that the policy began at the end of 1946 for fines up to 5000 francs and the ceiling was revised in May 1947 to 10,000 francs. The report gives no monthly breakdown to see when and how this policy became effective, noting only that the cases ending in a warning had risen from 14 per cent in 1945 to 22 per cent in 1946 and 41 per cent in 1947.

<sup>&</sup>lt;sup>67</sup> Jacques Dez, 'Économie de pénurie et contrôle des prix: le contrôle des prix dans l'économie française de 1935 à 1949', (Thèse de doctorat, Université de Poitiers, 1950), 35–7.

<sup>68</sup> DGCEE, Rapport sur l'activité de la DGCEE au cours de l'année 1947, 11-14.

<sup>&</sup>lt;sup>69</sup> DGCEE, Rapport sur l'activité de la DGCEE au cours de l'année 1947, 13.

<sup>&</sup>lt;sup>70</sup> AN BB/18/3737, case 33A47/F-91.

AN BB/18/3737, case 33A47/F-88. Jacques Dez reported a similar case in 1947, a Contribution indirectes inspector attacked at a flour mill in Saint Amand-sur-Sèvres because the crowd believed he was a CE controller. Dez, 'Économie de pénurie', 175, n. 25.

<sup>&</sup>lt;sup>72</sup> SAEF B-0057639, listing of incidents by location.

<sup>73</sup> R. Rivet, 'L'évolution des prix (janvier 1947 - octobre 1948)', Revue d'économie politique, 58 (1948), 688, 707.

essential foundations for 'free institutions'. In the first half of 1947, popular unrest was highly visible in French markets as consumer and seller frustrations reached a climax in their conflicts with the controllers interfering in transactions. The violence against state controllers and controls was one worrisome element in broader socio-economic discontent that appeared to threaten political stability and economic recovery.

The reasons for resistance to controls in this period clarify the enforcement challenges for the state and the importance of 1947 as a transitional phase in state economic direction. The shortages after Liberation had renewed black market practice by hungry consumers, by farmers for whom black market prices were normal and necessary to cover costs, by producers needing raw materials, and by retailers seeking goods for their customers. In 1945, black market activity reached new levels, a resistance to controls that seemed for many to be ineffective, especially for essential goods. Some blamed shortages on the manipulation of supply and the continuity in Vichy-era controls by administrators trying to sabotage the recovery. But rather than sabotage, the controls and distribution were inept, frustrated consumers, and obstructed the recovery that vital economic forces of the nation were eager to generate. The relaxation of controls in mid-1947 gave greater reason for the revival of labour demands for wage increases, to compensate for declining purchasing power, and strike waves in June and November.

The violent attacks targeting the CE came most often in response to the enforcement of controls on food supply. Producers, intermediaries and consumers shared an interest in evading regulations, especially in producing regions where low ration quantities increased consumer anger when supplies available in the region were denied to buyers. Attacks on controllers in the summer and fall of 1945 usually involved sales of meat and bread, and manifested frustration and anger against controllers for their interference in the distribution of local food supplies. Violence was not premeditated, but escalated in some cases from obstruction to threats, and occasionally to violence, more often against property than personnel. In early 1947, state controllers targeted shops and markets as the principal locations for sales, to enforce the price reduction. The intended 'psychological shock' did not work as planned: it produced outrage and mobilised resistance to the intensification of retail controls. Retailers, after seven years of controls, organised in self-defence. The threats and the mobilisations of hundreds of townspeople are important. They show the frustration with shortages and the common interest of buyers and sellers to work around the regulations, and work against controllers limiting their consumption.

In 1947 the protests included more organisation by commerce, to challenge state controls and in late May threaten a nationally coordinated strike and force a state retreat from strict controls. In the eyes of shopkeepers and consumers, the control system was a remnant of the Vichy regime of controls and state direction that had protected the privileged (Germans, collaborators and state officials). The purge of economic collaborators was seen as a failure and the state wound down its administration to confiscate illicit profits. Inflation eroded purchasing power and increased workers' demands for higher wages. As recovery advanced, inflation also stimulated new production, and as official prices converged towards those of the black market, traffic came back to legal markets. Strict controls were unpopular politically and less important economically as the recovery gained ground.

The CE, as the main target for public anger, lamented that its mission was misunderstood and met with exceptional public resistance. One controller, Raymond Leménager, wrote a detailed internal history of the CE to rehabilitate their work, which he thought had been 'misunderstood, unjustly slandered, and sometimes odiously attacked'.<sup>75</sup> Another controller, Jacques Dez, in his dissertation on the use of controls to manage shortages, stated in his introduction, 'there are few administrations that have drawn such cumulative disfavour'.<sup>76</sup>

Kenneth Mouré and Fabrice Grenard, 'Traitors, Trafiquants, and the Confiscation of 'Illicit Profits' in France, 1944–1950', Historical Journal, 51, 4 (2008), 983–4.

SAEF files B-0016038 to B-0016042 have documents on the development of Leménager's study, with a complete version of his report (1953) in B-0016039. Quote from SAEF B-0016041, 'Essai sur le Contrôle Économique', a preliminary outline for his report.

<sup>76</sup> Dez, 'Économie de pénurie', i.

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The reasons for the hostility and for the demoralisation of CE staff can be briefly summarised as a coda for the fate of the economic controls. First, and most important, the CE was the control agency most frequently interacting with buyers and sellers in markets. Under various titles, it was *the* agency identified with control enforcement. As its purpose and practices became increasingly unpopular, other state agencies and police were frequently associated with the CE, especially in cases of agent misconduct. Second, its creation under Vichy and the continuities in its staff and policies associated it durably with Vichy, collaboration, and the priority given to German interests. This came at the expense of the farmers, small producers, shopkeepers and consumers who were the foundation of the French economy and felt victimised by controls. Workers protesting a CE team sent to investigate company accounts for a wholesaler in Saint-Étienne in April 1947 declared, 'they have had enough of Vichy laws and controls'. Their 'committee of self-defence' warned the next day that a larger crowd of workers would greet the agents if they returned.<sup>77</sup>

The violence against controls in 1947 marked the climax for frustration with the continuing shortages and the interference of controllers in market transactions. Although the retreat from strict control eased an explosive situation, the 'general climate' remained hostile to controls, with the danger of further violence. The convergence of diverse interests in opposition to controls – consumers, shopkeepers, producers, farmers, and even unions – was notable for its breadth and its impact. Opposed to the 'tyranny' of Vichy controls that prolonged shortages, they wanted to negotiate prices in order to improve their access to goods and speed up the economic recovery. Inflation, of primary concern to the state, was implicitly accepted in moderate form. Paying higher prices gave access to needed goods through exchanges between friends (marché amical) and the black market (marché noir) and offered a more promising path to recovery.

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 $<sup>^{77}\,</sup>$  SAEF B-0057639, report for incident in Saint-Étienne on 24 Apr. 1947.

<sup>&</sup>lt;sup>78</sup> DGCEE, Rapport sur l'activité de la DGCEE au cours de l'année 1947, 14.