



## **Depardieu Goes John Galt: French Movie Star Leaves Homeland Because Of High Taxes On Rich**

By Marian L. Tupy – 12/19/12

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Few Frenchmen are more recognizable at home and abroad than the movie star Gerard Depardieu. Last week, Depardieu caused a great controversy in his native land by moving to Belgium – partly to avoid the 75 percent income tax on the wealthy that was introduced by the socialist President of France, Francois Hollande. Depardieu's move was condemned by the French political establishment, including the Prime Minister Jean-Marc Ayrault who called the actor's action "pathetic."

Depardieu shot back and, in an open letter to Monsieur Ayrault, wrote, "I'm leaving because you think success, creation, talent and anything different should be punished. I am sending you back my passport and social security, which I have never used." The French actor claims to have "paid 85 percent taxes on his revenues this year [2012] and estimated that he had paid €145m (\$189m) in total since he started work as a printer at the age of 14."

The lessons from Monsieur Hollande's debacle should be obvious. The rich are a mobile lot and there are plenty of countries that will welcome them with open arms. The British Prime Minister David Cameron, for example, has promised to "roll out a red carpet" for the French tax refugees. Moreover, as my colleague Alan Reynolds reminds us, high tax rates on income may discourage many wealthy people from remaining in the labor force, since, to use economic jargon, their elasticity of taxable income is much higher than that of low and middle income earners. Translated into English, people like me have to work even if our tax rates go up, because we have to come up with money to pay our mortgages, student loans, etc. The rich people don't.

The French government was warned of the negative consequences of tax increases. It chose to ignore those warnings. Instead, the French socialists

assumed that they could go on plucking the golden goose indefinitely. (Then again, the socialist grasp on reality has never been very good.) Of course, when idiotic policies backfire, politicians feign surprise and then shift the blame onto others. Thus, French Labor Minister Michel Sapin asked in a radio interview “What is more normal than those who earn enormous amounts of money paying lots of tax?” The French Culture and Communication Minister Aurelie Filippetti bemoaned Depardieu’s action by stating that “We shouldn’t be receiving moral lessons from people who abandon the battlefield when we need everyone to be mobilized.”

So, there you have it. A great actor who started with nothing and built a spectacular career that revived the French movie industry and filled the coffers of the French state is condemned for finally standing up for himself by a member of parasitic political elite that has brought a great country to the edge of fiscal ruin. Straight out of Ayn Rand’s novel.