

## The Genevans in the financial crisis of the monarchy

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The presence of Genevans in key positions in French finance, and the weight of Genevan capital in the royal debt, made Geneva a party to the financial crisis that led to the Revolution.

Genevan capitalists had lent massively to the monarchy, directly or through the bankers of Paris. The loans launched by Necker, in particular the life annuities, had attracted a substantial share of Genevan savings. The prosperity of many Genevan families therefore depended, at the end of the 1780s, on France's ability to honour its commitments.

The Revolution at first upheld the principle that the public debt would be respected. The National Assembly proclaimed that the creditors of the state would be paid. The war, the depreciation of the assignats and the financial difficulties, however, led to reductions in the real value of claims. In 1797 the Republic carried out a reduction of the debt by two thirds, known as the "bankruptcy of the two thirds".<sup>1</sup> The Genevan creditors suffered considerable losses.

These losses struck a financial centre already shaken by political troubles and by the annexation of 1798, which Chapter V describes. The Archives d'État de Genève indeed note the economic decline of the city during the French period.<sup>2</sup> Part of the Genevan fortunes nevertheless survived, thanks to the diversification of investments towards England, the Netherlands and other countries, and thanks to the prudence of certain families.

### 1 Notes

1. Wikipedia (fr), "Tiers consolidé" [Consolidated third]: law of 30 September 1797 (9 Vendémiaire Year VI), decided by the Directory on the proposal of the Minister of Finance Ramel-Nogaret; claims were repaid "up to two thirds of their capital in national Treasury bonds accepted in payment of taxes or of national property, the remaining

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third, consolidated, being entered in the great ledger of the public debt”; state debt of roughly 4 billion francs. ↩

2. Archives d'État de Genève, “Économie” page, [archives-etat-ge.ch](https://archives-etat-ge.ch) (accessed September 2026). ↩

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