

## 6 Takeaways About Haiti's Reparations to France

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A failed state. An aid trap. A land seemingly cursed by nature and human nature alike.

When the world looks at Haiti, one of the poorest nations on the planet, sympathy for its endless suffering is often overshadowed by scolding and sermonizing about corruption and mismanagement.

Some know how Haitians overthrew their notoriously brutal French slave masters and declared independence in 1804 — the modern world's first nation born of a slave revolt.

But few know the story of what happened two decades later, when French warships returned to a people who had paid for their freedom with blood, issuing an ultimatum: Pay again, in staggering amounts of cold hard cash, or prepare for war.

For generations, the descendants of enslaved people paid the descendants of their former slave masters, with money that could have been used to build schools, roads, clinics or a vibrant economy.

For years, as New York Times journalists have chronicled Haiti's travails, a question has hovered: What if? What if the nation had not been looted by outside powers, foreign banks and its own leaders almost since birth? How much more money might it have had to build a nation?

For more than a year, a team of Times correspondents scoured long-forgotten documents languishing in archives and libraries on three continents to answer that question, to put a number on what it cost Haitians to be free. Here are the takeaways from a series of stories appearing this week.

### The Double Debt That Started It All

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When a French warship bristling with cannons sailed into the port of the Haitian capital in 1825, an emissary from King Charles X came ashore and delivered an astonishing demand: France wanted reparations from the people it had enslaved.

Ordinarily, the defeated are the ones who pay reparations, not the victors. Just a decade earlier, France had been forced to pay them to its European neighbors after the failed military campaigns of Napoleon — the very emperor whose forces were also defeated by the Haitians. But Haiti was virtually alone in the world, with no powerful allies. It was fearful of being invaded and eager to establish trade with other nations, so it agreed to pay.

The demand was for 150 million French francs, to be turned over in five annual payments, far more than Haiti could pay.

So France pushed Haiti to take a loan from a group of French banks to start paying. That Sisyphean weight came to be known as the double debt.

## The True Cost to Haiti Then — and Today

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The Times tracked each payment Haiti made over the course of 64 years. In all, they added up to about \$560 million in today's dollars.

## The Ransom

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**How much did Haiti's independence from France truly cost? A team of Times reporters tried to put a number on it.**

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- **The Root of Haiti's Misery:** In 1791, enslaved Haitians ousted the French and founded a nation. But their freedom came at a price. Read in [Creole](#) or [French](#).
- **A Staggering Debt:** After Haiti's independence, the French demanded reparations. Their request helped cement the country's path to poverty. Read in [Creole](#) or [French](#).
- **Crédit Industriel:** A Parisian bank was central to Haiti's financial exploitation, siphoning tens of millions of dollars out of the country. Read in [Creole](#) or [French](#).
- **American Gains:** In the 20th century, Haiti fell under U.S. control. Wall Street's financial interests played a role in the occupation. Read in [Creole](#) or [French](#).
- **Demanding Justice:** In 2003, Jean-Bertrand Aristide, Haiti's president, began calling for reparations from France. It was part of his undoing. Read in [French](#).
- **6 Takeaways:** This Times investigation saw reporters scouring documents in archives and libraries on three continents. Here are the key findings. Read in [French](#) or [Spanish](#).
- **Bibliography:** The project drew on original documents, as well as the work of historians and researchers. Here is the list of sources.

But the loss to Haiti cannot just be measured by adding up how much was paid to France and to outside lenders over the years.

Every franc shipped across the Atlantic to an overseas bank vault was a franc not circulating among Haiti's farmers, laborers and merchants, or not being invested in bridges, schools or factories — the sort of expenditures that help nations become nations, that enable them to prosper.

After reviewing thousands of pages of archival documents, some centuries old, and consulting with 15 of the world's leading economists, our correspondents calculated that the payments to France cost Haiti from \$21 billion to \$115 billion in lost economic growth over time. That is as much as eight times the size of Haiti's entire economy in 2020.

“Neocolonialism through debt,” is how Thomas Piketty, one of the economists we spoke with, put it. “This drain has totally disrupted the process of state building,” he said.

And that was only the beginning. The double debt helped push Haiti into a cycle of debts that hobbled the country for more than 100 years.

## **The French Bank That Struck Gold**

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The French government sapped Haiti with its demand for reparations, but in later years the French approached Haiti with a different tactic: the outstretched hand of a business partner.

After half a century of crushing payments tied to the double debt, Haitians celebrated the news that at last the country would have its own national bank, the sort of institution that in Europe had financed railroads and factories.

But the National Bank of Haiti was Haitian in name only. It was a creation of *Crédit Industriel et Commercial*, a Paris-based bank commonly known as C.I.C., and its investors. They controlled Haiti’s national bank from Paris and took a commission on nearly every transaction the Haitian government made. Original records uncovered by *The Times* show that *Crédit Industriel* and its investors siphoned tens of millions of dollars out of Haiti, while saddling the country with still more loans.

It did not take long after the initial celebrations for Haitians to realize that something was wrong.

“Isn’t it funny,” one Haitian economist wrote, “that a bank that claims to come to the rescue of a depleted public treasury begins not by depositing money but by withdrawing everything of value?”

## **The U.S. Treated Haiti Like a Cash Register**

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When the American military invaded Haiti in the summer of 1915, the official explanation was that Haiti was too poor and too unstable to be left to its own devices. Secretary of State Robert Lansing made little effort to mask his contempt for the “African race,” casting the occupation as a civilizing mission intended to end “anarchy, savagery and oppression.”

But a hint of other motives had come the winter before, when a small team of Marines entered Haiti’s national bank and strolled out with \$500,000 in gold. Within days, it was in the vault of a Wall Street bank.

“I helped make Haiti and Cuba a decent place for the National City Bank boys to collect revenues,” the general who led the U.S. forces in Haiti, said years later, describing himself as a “racketeer for capitalism.”

National City Bank was the predecessor of Citigroup, and along with other powers on Wall Street, it pushed Washington to seize control of Haiti and its finances, according to decades of diplomatic correspondence, financial reports and archival records reviewed by The Times.

For decades to come, the United States was the dominant power in Haiti, dissolving parliament at gunpoint, killing thousands and shipping a big portion of Haiti's earnings to bankers in New York while the farmers who helped generate the profits often lived near starvation.

Some historians cite tangible gains for Haiti during the U.S. occupation, like hospitals, 800 miles of roads and a more efficient civil service. But they also point to the American use of forced labor, with soldiers tying up workers in ropes, making Haitians build roads for no pay and shooting those who tried to flee.

For a decade, a quarter of Haiti's total revenue went to paying debts controlled by National City Bank and its affiliate, according to nearly two dozen annual reports prepared by American officials and reviewed by The Times.

At times, the American officers who controlled Haiti's finances spent more of its money paying their own salaries and expenses than on public health for the entire country of about two million people.

## **The Scourge Within: Corruption**

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"They were betrayed by their own brothers, and then by foreign powers."

Those are the words of Georges Michel, a Haitian historian who, like many Haiti experts, says the country's troubles cannot be explained without acknowledging the deeply embedded culture of corruption.

The 19th-century Haitian official who engineered a sweetheart deal for a bank in France — and then retired there?

"That's not the first case of a Haitian official selling the interest of his country for personal gains," Mr. Michel said. "I would say it's almost a rule."

Haiti's leaders have historically ransacked the country for their own gain. Elected legislators have spoken openly on the radio about accepting bribes and oligarchs sit atop lucrative monopolies, paying few taxes. Transparency International ranks it among the most corrupt nations in the world.

It is a problem of long standing.

In an 1875 loan, the French bankers took a 40 percent cut off the top. Most of the rest went to paying other debts, while the remainder lined the pockets of corrupt Haitian officials who, historians say, enriched themselves at the expense of their country's future.

Nearly a century later, when a bookish doctor named François Duvalier was elected president, the country's prospects looked good. For the first time in more than 130 years, Haiti was unburdened by crippling international debt.

That was in 1957.

For the next 28 years, Duvalier and his son shared a dictatorship notorious for corruption and brutality. Professionals fled the country. A desperate country became still more desperate, and the Duvaliers looted hundreds of millions of dollars.

Haiti was perhaps poorer than ever.

## **The History the French Don't Teach**

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The double debt has largely faded into history. Generations of French profited richly from the financial exploits of their forebears, but that is rarely taught in classrooms. The Times spoke to more than 30 descendants of families that received payments under Haiti's double debt. Most said they had never heard of it. "This is part of my family history I never knew," said one sixth-generation descendant of Napoleon's first wife.

That is no accident. France has worked hard to bury this part of its past, or at least play it down.

Even in Haiti, the full story was long unknown. Then in 2003, President Jean-Bertrand Aristide stunned Haitians by denouncing the debt imposed by France and demanding reparations.

France moved quickly to try to discredit him. Talk of reparations was alarming to a nation with other former colonies still suffering the legacy of exploitation. The French ambassador to Haiti at the time recalls the reparations demand as "explosive."

"We had to try to defuse it," he says.

Mr. Aristide even offered a precise figure for what France owed, eliciting mockery. But Haiti's long-term losses, The Times found, turned out to be surprisingly close to his estimate. He may even have been too conservative.

In 2004, Mr. Aristide found himself being hustled onto a plane in an ouster arranged by the United States and France. The Americans and the French have defended the move by citing the need for stability in Haiti, which was torn by unrest. But with the passage of time, another former ambassador acknowledged that there may have been other factors.

The Haitian president's abrupt removal, he told The Times, was "probably a bit about" his call for reparations, too.