

# **Debt and Imperialism in Pre-Protectorate Tunisia, 1867-1870. A Political and Economic Analysis\***

Giampaolo Conte, Gaetano Sabatini  
*University of Roma Tre*

## ABSTRACT

Historians are familiar with the story of Tunisia's debt crisis between 1867 and 1870 and its political and economic implications at both national and international levels.<sup>1</sup> However, a less-well-known aspect of the debt crisis concerns the creditors, principally Italian and British *protégés*, who held Tunisian local financial guarantees and debt. The financial collapse of the Regency led to a complex diplomatic struggle among European powers – above all Italy, Britain, and France – backing their respective nationals' competing claims on Tunisian assets that the Regency had granted them. This paper examines how between 1867 and 1870 the debt crisis led to the establishment of an international financial commission to adjudicate creditors' claims and to handle Tunisian finances following the economic collapse of the Regency, and it analyzes the political and economic implications of the entity in which Italy, Britain, and France participated.

---

\* Research for this article was funded by the Università degli Studi Roma Tre and by the Istituto di Studi Politici "S. Pio V", Rome. Giampaolo Conte wrote Section 1 and Gaetano Sabatini Section 2. They collaborated on the concluding observations set out in Section 3. The authors thank the Faculty of History at Cambridge University for access to its collections.

<sup>1</sup> J. Ganiage, *Les origines du protectorat française en Tunisie (1861-1881)*, Press Universitaires de France, Paris, 1959; M. Emerit, "Les crises des finances tunisiennes et les origines du protectorat", in *Revue africaine*, (1949), pp. 247-276.

## 1. The Political and Diplomatic Questions of Tunisian Debt

Among the sovereign-debt crises in the Middle East, the case of Tunisia is the most interesting. The financial collapse of Tunisia in 1867 was the first in a series of defaults that beset the Ottoman Empire, the Empire itself (1875), Egypt (1876), and Greece (1893). There were external and internal factors common to these sovereign defaults. One was an exponential increase in unproductive public spending, which ultimately came to absorb the greater part of available financial resources. Another was the burdensome loans contracted through the main European financial centers or from wealthy international, Levantine and local trading houses. These loans were bound up with the profound reform movement in the Ottoman Empire best exemplified by the Edict of Gülhane in 1839.<sup>2</sup> The desire to keep pace with the growing military and political might of Europe drove these countries toward financial collapse. Tunisia in particular pursued the Ottoman model of reform, though only some of the administrative and military measures adopted in Constantinople were applicable to Tunisia.<sup>3</sup>

At bottom, the story of Tunisia's financial collapse is simply that of a small regency (formally tied to Constantinople since 1574)<sup>4</sup> driven into bankruptcy by trying live beyond its economic and material means. More specifically, the ambition to achieve military reform was a sword of Damocles hanging over the head of Tunisian finances.<sup>5</sup> In the reformism of Ahmad Bey (1837-1855) one sees a constant rummaging for resources to fund reform measures but little at-

---

<sup>2</sup> The edict of Gulhane (1839) signaled the beginning of the reformist period called *Tanzimat*. D. Quataert, *The Ottoman Empire, 1700-1922*, Cambridge University Press, Cambridge, 2005.

<sup>3</sup> R. Della Vecchia, *Impero ottomano e reggenza di Tunisi con inventario di documenti su Tunisi (1840-1860) conservati presso l'Archivio di Stato di Napoli*, Centro stampa litografico, Naples, 1991, p. 50.

<sup>4</sup> S.M. Torelli, *La Tunisia contemporanea*, il Mulino, Bologna, 2015.

<sup>5</sup> M. El-Mesawi, "Muslim Reformist Action in Nineteenth-century Tunisia", in *The American Journal of Islamic Social Sciences*, 25, 2008, pp. 49-82.

tention paid to the economic sustainability of this pursuit.<sup>6</sup> In particular, the Bey's abiding desire to create a modern army drew him into an unceasing search for new domestic funding sources:

"[The Bey] believes in making his state equal to any of the European sovereign states, but without considering whether his own can afford to undertake such financial burdens, especially given the administration of a county that already despoils its people of their very substance in order to gather resources, and has nothing left to take from the poor but their very bones. It must invariably bankrupt or reduce its people to a desperate state to pay for its excesses."<sup>7</sup>

The Bey couldn't find new financial sources in the markets of Paris and London, perhaps because he lacked sufficient guarantees for the loans, perhaps because of opposition from Constantinople.<sup>8</sup> Unable to access more dependable lenders, Tunis was driven to borrow from less reliable local bankers and merchants, among its Jewish and Christian subjects, who granted small loans to the Regency at exorbitant, predatory rates.<sup>9</sup> Nor was the Bey averse to exploiting more modern financial tools in pursuit of his goals, for instance the issue of paper money, often seen as a means to expand the state's spending capacity and to increase liquidity. The Bey, in fact, "put out word that he would have set up a bank giving the Europeans the freedom to accept or reject the paper money issued by the Moors."<sup>10</sup>

The vast public works Tunis undertook with these loans re-

---

<sup>6</sup> L.C. Brown, *The Tunisia of Ahmad Bey, 1837-1855*, Princeton University Press, Princeton, 2015.

<sup>7</sup> De Martino to Cristina, no. 42, 4 September 1846. Archivio di Stato di Napoli (henceforth ASN), Ministero Affari Esteri (henceforth MAE), fs. 3095, in R. Della Vecchia, *Impero ottomano e reggenza di Tunisi*, Centro stampa litografico, Naples, 1991, p. 113.

<sup>8</sup> The Ottoman Empire did not contract an international loan before 1854, for fear of becoming vulnerable to political and moral extortion. In 1854, however, the exigencies of the Crimean War forced Constantinople to overcome its scruples and negotiate its first loan in London. O. Anderson, "Great Britain and the Beginnings of the Ottoman Public Debt, 1854-55", in *The Historical Journal*, 7, 1964, pp. 47-63.

<sup>9</sup> J. Ganiage, "La Crise des finances tunisiennes et l'ascension des Juifs de Tunis (1860-1880)", in *Revue africaine*, 1955, pp. 153-180.

vealed a deep structural flaw: much of the funding so vigorously amassed by the Bey was poured down the drain of unproductive spending. The capital he invested in creating a modern army was frittered away in the aftermath of the Crimean War (1853-1856). Though the Ottoman Empire “won” that war, the Tunisian army suffered enormous losses.<sup>11</sup>

The disastrous financial situation that resulted drove the Tunisian government to resort to issuing treasury bonds, *Tescheré*, guaranteed by the chief government revenues such as customs duties and olive-oil export licenses.<sup>12</sup> Mounting fluctuating debt under the reign of Muhammad al-Şādiq (1859-1881)<sup>13</sup> made the fortunes of Mustapha Khaznadar (1837-1873), treasurer and strongman of the Regency, who managed to profit from every loan, every enterprise, and every tax collection arrangement.<sup>14</sup>

Notwithstanding the role played by Khaznadar in Tunisia and the corruption that plagued the two loans contracted in 1863 and 1865, it is essential to recall that the financial crisis that led to the default of 1867 stemmed from five profound structural problems:<sup>15</sup>

- 1) the accumulation of fluctuating debt with a high interest rate;
- 2) the predatory rates on the international loans negotiated in 1863 and 1865;<sup>16</sup>

---

<sup>10</sup> De Martino to Cristina, no. 28, 28 June 1847. ASN, MAE, fs. 3095, in R. Della Vecchia, *Impero ottomano e reggenza di Tunisi*, Centro stampa fotografico, Naples, 1991, p. 112. This bank never saw the light of day, despite several attempts to create an Anglo-Tunisian bank.

<sup>11</sup> C. Badem, *The Ottoman Crimean War (1853-1856)*, Brill, Leiden, 2010.

<sup>12</sup> In contrast to Tunisia, Egypt used the expedient of treasury bonds extensively to fund the construction of the Suez Canal and later to meet current expenses. Though high interest rates made this a costly way of raising funds, Egypt had to rely on treasury bonds until 1873, when the Ottoman Empire gave Egypt permission to negotiate international loans. M. Campanini, *Storia dell'Egitto Contemporaneo. Dalla rinascita ottocentesca a Mubarak*, Edizioni Lavoro, Tivoli, 2005, p. 31

<sup>13</sup> Ahmad Bey was succeeded by Muhammad II ibn al-Husayn (1855-1859). K. Perkins, *A History of Modern Tunisia*, Cambridge University Press, Cambridge, 2004.

<sup>14</sup> C. Alexander, *Tunisia: Stability and Reform in the Modern Maghreb*, Routledge, London-New York, 2010, p. 16.

<sup>15</sup> “Foreign Correspondence”, in *The Economist*, 14 September 1867.

<sup>16</sup> Besides high commissions and various bonuses, the banks that negotiated these loans,

- 3) the mortgaging of the Regency's principal sources of revenue in order to meet debt payments;
- 4) the financial uncertainty that came in the wake of the crisis of 1866;<sup>17</sup>
- 5) outbreaks of cholera, drought, and crop failures.<sup>18</sup>

The fluctuating debt and the foreign debt were, in fact, interconnected problems. The Bey decided to negotiate the 1863 loan so as to restructure and liquidate the "domestic," fluctuating debt. But this expedient only temporarily buffered the problem, since the old debts were repaid at an exorbitant price. To pay for its new spending, the government still had to resort to *Teschéré* and to increase the much-resented personal tax, the *mejba*.<sup>19</sup> It also began to debase the local currency, which caused a general increase in prices.<sup>20</sup>

On close inspection, the financial crisis and the internal debt were really symptoms of the Regency's inability to meet its current spending needs, having mortgaged its principal sources of revenue

---

especially Erlanger & Co., only managed to achieve low issuance rates, making the loans still more burdensome for the Regency. According to *The Economist*, the Comptoir extracted the highest commissions ever contracted, higher than "any that has yet been got out of loans to Egypt, Turkey, Mexico, or other hazardous borrowing countries." "Foreign Correspondence", in *The Economist*, 25 March-1 April 1865.

<sup>17</sup> As in the case of Tunisia, the Ottoman Empire defaulted as a result of an international financial crisis that had reduced its credit in the international markets and a loss of confidence in the weakest sovereign bonds, those of states at the fringes of the capitalist world. S. Pamuk, "The evolution of financial institutions in the Ottoman Empire, 1600-1914", in *Financial History Review*, 11, 2004, pp. 7-32. M. Flandreau, S. Ugolini, "The Crisis of 1866", Graduate Institute of International and Development Studies Working Paper No. 10 (2014). [http://repository.graduateinstitute.ch/record/285126/files/Flandreau\\_HEIDWP10-2014.pdf](http://repository.graduateinstitute.ch/record/285126/files/Flandreau_HEIDWP10-2014.pdf).

<sup>18</sup> The Ottoman Empire also was hit by an agricultural crisis caused by drought and flooding (1873-1874) that lowered its revenues, derived principally from agricultural production. E.J. Zürcher, *Turkey: A Modern History*, I.B. Tauris, London-New York, 1997, p. 72; A. Mikhail, *Under Osman's Tree: The Ottoman Empire, Egypt, and Environmental History*, University of Chicago Press, Chicago, 2017.

<sup>19</sup> This per-capita tax was introduced by Muhammad al-Şādiq to meet the expenses of the Regency. Increase in this tax sparked widespread protests. A. Brunialti, *Tunisi. Il Mare Sharico e la spedizione italiana in Tunisia*, Fratelli Treves Editori, Milan, 1867.

<sup>20</sup> Archivio Storico Diplomatico Ministero Affari Esteri (henceforth ASDMAE) Ambasciata d'Italia a Londra (henceforth AIL), box 20, Consul General Luigi Pinna to Minister of Foreign Affairs Emilio Visconti Venosta, no. 1, Tunis, 25 September 1866.

to domestic and foreign creditors in order to service its existing foreign debt. Tunisia was simply unable to balance its revenues and expenditures sufficiently to meet the costs of its debt.<sup>21</sup>

The need to manage and to limit the domestic debt forced the Regency to negotiate with local merchants and bankers, especially Italians, with whom they contracted four debt conversion agreements.<sup>22</sup> Nonetheless, the state defaulted in 1867 when the Regency could no longer meet the interest payments on Tunisia's public debt.

While it is true that Tunisia's foreign debt was a consequence of its excessive internal debt, it is important to remember that the bankruptcy of the Regency was caused by the Bey's inability to honor its foreign debt obligations.

By repeatedly issuing treasury bonds and debasing its currency, the Regency made Tunisia's finances ever more precarious. The inflationary spiral not only put pressure on the finances of the Regency; it also devalued the *Tescheré* held by local bankers and merchants, including many Italians.<sup>23</sup>

There were protests by the local Italian community, supported by the Italian government, which feared that the French military would intervene if the Regency failed to repay loans negotiated in Paris. Consequently, in March 1867 the Bardo<sup>24</sup> decided to reach a compromise with its creditors.<sup>25</sup> The arrangements handed over

---

<sup>21</sup> A.J. Zouari, "European Capitalism Penetration of Tunisia, 1860-1881: A case study of the Regency's debt crisis and the establishment of the international financial commission", Ph.D. thesis, University of Washington, 1998, p. 139.

<sup>22</sup> N. Pasotti, *Italiani e Italia in Tunisia prima del protettorato*, Edizioni Corriere di Tunisi, Tunis, 1964, pp. 27-31. According to Pasotti, the four conversions brought the debt of the Tunisian Regency to 170 million francs, plus 20 million francs of interest to be paid annually.

<sup>23</sup> For a description of the domestic debt, see C.M. Reinhart, K.S. Rogoff, "The Forgotten History of Domestic Debt", in *The Economic Journal*, 121 (2011), pp. 319-350. C.M. Reinhart, M.B. Sbrancia, "The Liquidation of Government Debt", National Bureau of Economic Research Working Paper no. 16893, Cambridge, 2011.

<sup>24</sup> The term Bardo comes from the Spanish *pardo*, meaning a garden. The Bardo became the official residence of the Tunisian court starting in the 18<sup>th</sup> century, with the Husaynide dynasty.

<sup>25</sup> This compromise came about after strong pressure from the Italian government. For

much of the Regency's domestic sources of income to its creditors by means of four operations.<sup>26</sup> For example, in the first agreement, the Bey concluded a contract of five million Italian lire that the Regency owed in order to pay off expired *Tescheré*.<sup>27</sup> In return, the Regency conceded control over licenses to export olive oil, taxed at a rate of 12% of anticipated returns.<sup>28</sup> The Italian consul, Luigi Pinna, was skeptical about this agreement, but he believed it was necessary to find a definitive solution to the debt crisis rather than to fall back on stop-gap, short-term transactions.<sup>29</sup> Many Italians took part, attracted by the guarantees being offered in place of their already devalued notes. This transaction, however, hardly assured the future of Tunisia's finances:

"I am troubled by the instability of the finances, the devaluations of the market and the Treasury Bonds, the loss of credit. There is a shortage of grain, of uniforms for the troops, forage for the horses, coal for steam; the best proposals and the promise of large profits no longer draw the interest of speculators. The exi-

---

example, Consul Pinna even suggested to the Italian government in Florence that Italy might temporarily occupy the island of Djerba so as to force the Bey to honor his commitment and to increase Italian influence in Tunisia. Documenti Diplomatici Italiani (henceforth DDI), Prima Serie 1861-1870, vol. VIII, Pinna to Visconti Venosta, no. 124, Tunis, 15 January 1867.

<sup>26</sup> These transactions served not only to produce a temporary remedy for the economic situation of Tunisia, but also to come to terms with the powerful local merchants who had invested in the Regency's treasury bonds, some of which had once not been paid on the due date. The losses for this non-payment were felt not only by the local Italian community, but also in Genoa and Livorno, where there were investors who had strong ties with the Italian community in Tunisia. DDI, Prima Serie 1861-1870, vol. VIII, Visconti Venosta to the ministers of war, Cugia, and of the navy, Depretis, no. 147/22, Florence 30, January 1867.

<sup>27</sup> For example, Aron Daniel Moreno, one of the most powerful members of the local Italian Jewish community and a future member of the International Financial Commission, regularly handled as a third party sales and buybacks of devalued bonds. Archivio di Stato di Livorno (henceforth ASL), Archivio Moreno (henceforth AM), box 2, G. Fiorentino to A.D. Moreno, Tunis, 14 June 1867.

<sup>28</sup> ASDMAE, AIL, box 20, Pinna to Visconti Venosta, no.5, Tunis, 5 March 1867.

<sup>29</sup> Some bonds that had depreciated by as much as 40% later recovered as much as 90% of their original value. ASDMAE, AIL, box 20, Pinna to Visconti Venosta, no. 7, Tunis, 19 March 1867. ASDMAE, AIL, box 20, Luigi Federico Menabrea to Pinna, no. 16, Florence, 29 March 1868.

gencies of the moment, and ever growing needs, make me tremble for the preservation of Tunisia; for four years there have been one European loan after another [...] and the treasury turns to ever tightening austerity.”<sup>30</sup>

These financial policies had the merit of briefly alleviating the Regency’s difficulties, freeing the market from inflated notes, and not consolidating the domestic debt. (“Not consolidated” means that it was not part of the French banks’ program between 1865 and 1867 to consolidate domestic and fluctuating debts.) Having dealt with its most urgent problems, and having satisfied Italian creditors involved in loans to Tunisian principals, the Regency still had to face the hostility of its French creditors.<sup>31</sup> In fact, to attain his ends, the Bey had granted to his Anglo-Italian creditors much of the same revenues that he had already ceded to his French creditors.<sup>32</sup> This made Paris lenders nervous, given that in August of 1867 Tunisia had not met the deadline for the semi-annual interest payments on its consolidated debt.<sup>33</sup>

The problem was that the Regency, coping with a state of financial emergency, admitted to the conversion not only its older guarantees, but also the new ones pledged to the house of Erlanger & Co. From the point of view of the Italians, the fact that Erlanger & Co. had failed to deliver on its promise of a loan of one hundred million francs to the Regency should have released the Bey from any obligation to Erlanger and its associates, including any promised guarantees. The French, on the other hand, felt that they were now being deprived of the most important revenues that had been granted to them in payment of older loans negotiated in Paris. Indeed, according to the French newspaper *Le Temps*, the Bey had

<sup>30</sup> ASDMAE, Fondo Moscati VI (henceforth FMVI), box 232, Pinna to Pompeo di Campello, no. 14, Tunis, 1 October 1867.

<sup>31</sup> ASDMAE, AIL, box 20, Pinna to Pompeo di Campello, no. 10, Tunis, 22 April 1867. ASL, AM, box 2, G. Fiorentino to A.D. Moreno, Tunis, 2 October 1867.

<sup>32</sup> ASDMAE, AIL, box 20, Pinna to Pompeo di Campello, no. 13, Tunis, 10 September 1867.

<sup>33</sup> ASDMAE, AIL, box 20, Pinna to Menabrea, no. 7, Tunis, 24 March 1868.

granted “to the terrible Italians of Livorno the same guarantees that were already promised for the older loans contracted in France.”<sup>34</sup>

The wrangling among Tunisia’s creditors escalated into a diplomatic and political battle. France, through its foreign minister, the Marquis de Moustier, began to put pressure on the Bey to prioritize the rights of French creditors over those of others, in effect, those who had concluded the conversions, chiefly the Italians and the British *protégés*.<sup>35</sup>

As a consequence, what for the Italian government (still located in Florence, not yet in Rome) had been a relatively minor question now became one of the more urgent matters of state. The government in Florence did not want to run the risk of seeing France using unpaid loans to French creditors as an excuse for military intervention in Tunisia.<sup>36</sup> To counter the French threat, Italy asked Britain for support. A French military intervention would have prompted London, notoriously reluctant to intervene in support of British investors in situations where there were no clear political interests at stake, to take more vigorous steps.<sup>37</sup>

In substance, Paris demanded that the Bey of Tunisia do two things: give back the guarantees that had already been granted to French creditors, and accede to the creation of an international financial commission for the payment of public debt under French protection and influence.<sup>38</sup> The creation of this international financial commission was unacceptable to both the Italian consul Luigi Pinna

---

<sup>34</sup> “Lettres d’Italie”, in *Le Temps*, 4 June 1869.

<sup>35</sup> ASDMAE, AIL, box 20, Menabrea to Pinna, no. 19, Florence, 8 April 1868.

<sup>36</sup> It was standard practice in the nineteenth century for a creditor nation to use unpaid debt as a pretext for military intervention. This ended in 1907 with the Drago-Porter convention, following the Italian-English-German intervention in Venezuela. M. Weller (ed.), *The Oxford Handbook of the Use of Force in International Law*, Oxford University Press, Oxford, 2015, p. 467.

<sup>37</sup> H. Feis, *Europe, The World’s Banker 1870-1914*, Yale University Press, New Haven, 1930.

<sup>38</sup> Though the commission would officially have to limit itself to handling the public debt, such a body plainly would wield enormous influence over the financial and political administration of the Regency. ASDMAE, AIL, box 20, Nigra to Menabrea, no. 31, Paris, 17 April 1868.

and the British consul Richard Wood, for it would have meant unequal standing among creditors and given France a commanding role in influencing the Regency against other states.<sup>39</sup> Under such a commission, the French would have taken from the Bey “all liberty in matters of finance, would have reduced him to a mere instrument in the hands of the French commission composed and presided over by French agents who would take into account only French interests in Tunisia without any regard for the rights that obtained to other foreigners.”<sup>40</sup>

The Bey, for his part, sought to temporize, but under strong French pressure he was compelled to sign a decree that provided for the unification of the Tunisian debt and to revoke the guarantees that had been granted in the conversions.<sup>41</sup> The Italian-British alliance, which initially was aimed at opposing the French plan of seizing predominance in Tunisia, soon grew into an open diplomatic confrontation.<sup>42</sup> While Florence and London were reaching an agreement on their Tunisia policy, Pinna confided to Khazandar that “Italy will not accept any project the consequences of which would be to put Italy in an inferior position to any other foreign power, and in no way and in no case could Italy consent to a situation in which rights already obtained by Italians would be placed in doubt or negotiation.”<sup>43</sup>

Italy and Britain made common cause in the following three propositions:

---

<sup>39</sup> ASDMAE, AIL, box 20, Menabrea to Taparelli d’Azeglio, no. 33, Turin, 29 April 1868.

<sup>40</sup> ASDMAE, AIL, box 20, Menabrea to Costantino Nigra, no. 21, Florence, 12 April 1868. See also “Esteri”, in *La Stampa*, 19 May 1868.

<sup>41</sup> ASDMAE, AIL, box 20, Pinna to Menabrea, no. 49, Tunis, 5 May 1868. ASDMAE, AIL, box 20, Menabrea to Pinna, no. 52, Florence, 11 May 1868. See also “Foreign Correspondence”, in *The Economist*, 9 May 1868.

<sup>42</sup> According to remarks coming from Tunis and Paris, the Italian Minister of Foreign Affairs, Menabrea, confided to Pinna that Khazandar proposed the idea of the commission to the French consul. Such a move would have been in keeping with the opportunism of that powerful Tunisian politician and businessman. ASDMAE, AIL, box 20, Menabrea to Pinna, no. 75, Florence, 20 May 1868.

<sup>43</sup> ASDMAE, FM, box 232, Menabrea to the Council of Ministers, Rome, 4 June 1869.

- 1) they must be equally represented and be given equal offices with equal power in any financial commission proposed;
- 2) the concessions already granted to and contracted with Italy and Britain must be respected;
- 3) the powers of the international commission must be limited to overseeing the administration of Tunisian finances.<sup>44</sup>

Thus, Britain and Italy sought to safeguard the economic interests of their own communities and the guarantees already granted to those creditors. At the political level, the two powers also wanted to prevent France from achieving a dominant influence over the Regency and using its financial influence as a means of turning Tunisia into a protectorate or colony, as it had done in nearby Algeria.

Unable to ignore the pressure now being brought to bear on him by the Anglo-Italian alliance, the Bey tried to delay implementing the decree that had been extorted from him by France. Meanwhile, the French foreign minister, the Marquis di Moustier, was assuring the Italian ambassador in Paris, Costantino Nigra, and the British ambassador, Richard Lyons, that France sought a joint solution to the problem of the Tunisian sovereign debt, yet meanwhile France also broke off diplomatic ties with the Tunisian government.<sup>45</sup>

The French strategy was clear. They wanted to make the Tunisians believe that Paris had come to an agreement with Florence and London and thus convince the Tunisians that there were two separate, unconnected issues to deal with: one between the French government and the Bey, the other between the French on one side and the Italians and British on the other. In effect, this was to create the impression that France already had proprietorial influence over the Regency.<sup>46</sup>

---

<sup>44</sup> This last clause was important to the Italians, who feared giving France a tool for exerting exclusive control over the Regency. ASDMAE, AIL, box 20, Menabrea to Maffei, no. 99, Florence, 8 July 1868.

<sup>45</sup> For an overview of France's imperialist politics, see H. Brunschwig, *French Colonialism, 1871-1914. Myths and Realities*, Frederick A. Praeger, New York, 1966.

<sup>46</sup> This hypothesis is confirmed by the willingness of the French to proceed based on the complaints of the French creditors in Paris, demonstrating that France felt entitled

## 2. The International Financial Commission and Debt Unification

Prussia had also sought a place at the negotiating table on the strength of a few Prussian creditors who had a stake in Tunisian revenues. This Prussian attempt to enter the negotiations was squashed, but the principal creditor states – Italy, Great Britain, and France – remained locked in a stalemate until 1869.<sup>47</sup> France's inability up to then to predominate in Tunisia opened the door to an international financial commission in which power would be shared by the Bey and the three principal foreign creditor nations. In fact, Luigi Pinna believed that this commission removed any political or financial pretext for France to attempt a unilateral intervention in Tunisia.<sup>48</sup>

The Marquis de Moustier proposed that the financial commission be divided into two committees: one administrative and executive, composed of Tunisian officers and a French commission governor, the other a supervisory committee composed in equal measure of Italian, British, and French representatives of the creditors, thus limiting interference by local consuls. While it is true that this would give France alone a political role on the administrative committee,<sup>49</sup> in practice France would not be able to dictate policy without the assent of the other two powers.

The Italians were concerned by the political predominance this arrangement allowed the French to continue to exercise in Tunisia, but their objections were not backed by Britain, which was inclined to accept the French proposal. The Italians, finding the British to be “very yielding toward the French,” thus found that they could not

---

to handle matters tied to Tunisian sovereignty. This sort of demand met with strong opposition from Britain, which had its own acknowledged claims. ASDMAE, AIL, box 20, Nigra to Menabrea, no. 96, Paris, 2 July 1868.

<sup>47</sup> ASDMAE, AIL, box 20, Nigra to Menabrea, no. 51, Paris, 7 May 1869. According to the Italian ambassador in Paris, Prussian creditors were owed approximately 4 million lire. ASDMAE, FMVI, box 232, Nigra to Menabrea, no. 129, Paris, 11 December 1868.

<sup>48</sup> Further plans and proposals for an accommodation of Tunisian finances were energetically put forward to the Bey by France. For example, one was advanced by the bankers William Hope and William Blachmore, representatives of a syndicate of English, Italian, and French bankers. ASDMAE, FMVI, box 232, Pinna to Menabrea, no. 106, Tunis, 4 August 1868.

<sup>49</sup> ASDMAE, FMVI, box 232, Nigra to Menabrea, no. 112, Paris, 9 October 1868.

undo but only weaken France's predominant political position in Tunisia.<sup>50</sup>

With the question of how to structure the international finance commission apparently resolved, attention turned once again to the problem of unifying and restructuring the Tunisian domestic and foreign debts. From the viewpoint of the Italians, it was clear that the Italian creditors who were the authors of the financial conversions were in danger of incurring substantial losses from the unification of the debt. In the first place, the 12% interest paid to holders of the converted securities backed by solid guarantees was a benefit few creditors would wish to relinquish.<sup>51</sup> It was well understood that the French were interested in the collateral that was in the possession of Italian and British creditors, and that financiers in Paris would do all they could to seize those guarantees. This could only be accomplished by means of a new financial operation, one that would entail generous commissions and large bonuses from which international banks (mainly French) and Khaznadar stood to profit greatly.<sup>52</sup>

Actually, the privileges that had been granted to holders of the domestic debt by means of the conversions were excessively onerous for the Tunisian treasury. Facing imminent financial disaster and hounded by both domestic and foreign creditors, not to mention the European powers, the temporizing Bey had given away too much in order to buy time. Once the short-term benefits of these expedients were exhausted, the Regency was worse off than before. Indeed, the Tunisian government:

“is not paying its debt, not even a fraction of the interest due.

<sup>50</sup> ASDMAE, Ministero Affari Esteri (henceforth MAERI), box 1439, from the President of the financial commission to the Bey of Tunis, 12 April 1869.

<sup>51</sup> ASDMAE, FMVI, box 232, Pinna to Menabrea, no. 109, Tunis, 24 August 1868.

<sup>52</sup> In general, the Regency paid very high interest rates. In addition to the conversions which bore 12% interest, Tunisia paid between 7% and 24% interest on its other bonds. ASDMAE, FMVI, box 232, Nigra to Menabrea, no. 151, Paris, 11 April 1869. “To prove to me the bad faith of Khaznadar, the Minister of Foreign Affairs added that he now pretended that his own son was creditor for a large sum to the Regency, thus ready to profit from state revenues under the pretense of this credit”. ASDMAE, FMVI, box 232, Count of Puliga to Menabrea, no. 119, Paris, 22 October 1868.

The decline of olive-oil revenues [on which a substantial part of the collateral provided by Tunisia was based] brings about a new mistrust, no less among foreign investors than among native cultivators. Nevertheless money pours out of the Regency Treasury every day, though no one knows for what or how much. The consuls ceaselessly remonstrate on behalf of their respective administrations: before one got promises of payment and even occasionally a small disbursement; now one gets nothing but an absolute *non possumus*.<sup>53</sup>

While Florence was still seeking support from London,<sup>54</sup> the Marquis de Lavellette, who had replaced Moustier, had already secured an agreement between the Bey and the banking house of Pinard (Comptoir d'Escompte's general director) for a huge project of unifying the Tunisian debt. This project had already sparked a great deal of speculation in Paris, largely unbeknownst to the British and Italians. Thus, while conjecture about a new financial deal was still in the air, Lord Stanley confessed to the Italian ambassador in London, Maffei: "[B]etween us, I must confess to you that under all of this doing, I believe there was hidden financial speculation. I am not speaking of the Marquis de Moustier, but of others who were interested in Tunisian affairs."<sup>55</sup>

The accord between Lavellette and the Bey, quickly put together without taking strict account of the distinct categories of debt, would have given the guarantees of all creditors equal standing. Italian creditors, holders of the converted securities, who found themselves unable to block the deal, were dismayed and angry.<sup>56</sup> Not only did they stand to lose the guarantees they had received, but they would also have to wait out a longer period of amortization and would see their guaranteed interest rate reduced from 12% to 5%.<sup>57</sup> Pinna came

<sup>53</sup> ASDMAE, FMVI, box 232, Pinna to Menabrea, no.135, Tunis, 19 January 1869.

<sup>54</sup> ASDMAE, FMVI, box 232, Maffei to Menabrea, no. 141, London, 8 February 1869.

<sup>55</sup> ASDMAE, FMVI, box 232, Maffei to Menabrea, no. 108, London, 17 August 1868.

<sup>56</sup> The National Archives (henceforth NA), Foreign Office (henceforth FO) 339/102, British creditors to Wood, Tunis, 21 April 1869.

<sup>57</sup> ASDMAE, MAERI, box 1439, Nigra to Menabrea, no. 157, Paris, 25 April 1869. "Foreign Correspondence", in *The Economist*, 5 June 1869.

under fire from many of his compatriots, especially members of the Jewish communities of Livorno and Genoa: "In these last twenty-four hours I was assaulted from one hour to the next by our merchants who saw both their fortunes and their honor under threat."<sup>58</sup> The merchants, for their part, stated their position in no uncertain terms:

"The Tunisian government cannot, with the mere stroke of a pen, violate the accords it freely negotiated and solemnly agreed to, and this without the consent of the parties with which it contracted: we don't know what inspired him to think he could allow himself, in this the 19<sup>th</sup> century, to decree a measure that even the most ardent partisans of Communism would have hesitated to adopt."<sup>59</sup>

Despite initial French opposition (inasmuch as this seems credible) to the hastily drawn up Pinard agreement, announced before yet another decree by the Bey, Lord Clarendon appeared content with this solution which brought London and Paris together on the question of Tunisian debt.<sup>60</sup> The new arrangement could not but leave the Italian creditors at the mercy of French financiers and speculators who stood to profit from it:

"Meanwhile it is said that new speculators are getting into Tunisian streets, so-called by some of the influential eminences, a nice place to give the appearance of negotiating loans, but in reality to collude in this wretched scheme which has no real name but usury, consisting of microscopic anticipation of funds and colossal obligations [...]. And singular enough that the obligations of the Tunisian loans of 1863 and 1865 that were negotiated in Europe, with an issue of 360 [francs], now, after Lavallette's speech [about the unification of the debt] cannot find buyers at 115 [francs], though earlier they were going at 170."<sup>61</sup>

---

<sup>58</sup> ASDMAE, FMVI, box 232, Pinna to Menabrea, no. 155, Tunis, 21 April 1869.

<sup>59</sup> ASDMAE, MAERI, box 1439, the Italian Conversion Association to Pinna, Tunis, 21 April 1869.

<sup>60</sup> ASDMAE, FMVI, box 232, Menabrea to the Council of Ministers, Rome, 4 June 1869.

<sup>61</sup> ASDMAE, MAERI, box 1439, Castelnuovo to the Italian Prime Minister, memoran-

Plainly, the Pinard deal was hardly improvised or casually arranged. Rather, it was known that these bankers (who operated mainly as intermediaries) had been prepared before the date of issue to buy back the devalued securities with the prospect of exchanging them for new ones with a higher value.<sup>62</sup> Pinard, Erlanger, and their associates would indeed have benefited from this accord to the extent that unification provided for the acquisition of the old certificates with a value not exceeding 150 francs and their substitution by new certificates worth 500 francs.<sup>63</sup> Article VII of the decree signed by the Bey gave the Tunisian finance minister a free hand in the registration of obligations to be entered in the Great Book: an outright gift to the shady dealings of Khaznadar and the speculators of the Comptoir d'Escompte.<sup>64</sup>

Italian objections to the operation and the damage it entailed for Italian creditors did not, however, affect the formation of the international finance commission. The Italian government, not on the spot, took a more pragmatic approach than did the consul in Tunisia, Luigi Pinna, who was directly exposed to the anger of the local Italian creditors. In any case, unification of the debt was necessary to enable Tunisia to regain the functions of public finance and meet its obligations. For all that the government of Federico Menabrea condemned

---

dum no. 994, Tunis, 10 April 1869. Castelnuovo, a doctor from Livorno who had the Bey in his care, proved to be a useful intermediary between the Regency and the Italian government in Florence. Pinna wrote of him to Visconti Venosta: "The Cavalier Castelnuovo could not serve in a more advantageous moment; he is often in attendance upon the Bey and enjoys a longstanding and deserved esteem from the Court. I hope he will be able to prevent the worst and even land a blow for the good of our business with the Tunisian government." DDI, Prima Serie 1861-1870, vol. VIII, Pinna to Visconti Venosta, no. 314, Tunis, 26 March 1867.

<sup>62</sup> *Ibidem*.

<sup>63</sup> This operation by the Comptoir d'Escompte gave Pinard some notoriety in France. Many French creditors who felt damaged by the devaluation of notes in their possession (from the loan of 1865) decided to bring action before the French Commercial Tribunal in Paris. They accused the Comptoir of having encouraged subscription of the loan under the pretext of securing guarantees offered by the Tunisian government. The French court exonerated the bank, finding that it was acting only as an intermediary in the affair. "Foreign Correspondence", in *The Economist*, 24 October 1868.

<sup>64</sup> ASDMAE, MAERI, box 1439, Pinna to Menabrea, no. 161, Tunis, 26 April 1869.

Khaznadar's speculative activity, the interests of Pinard and Erlanger were hardly dented by the complaints from Italian creditors.

The disconnect between the high-level diplomatic approach taken in Florence and the stance of the country's representatives in Tunisia was not unique to Italy. In the negotiations conducted in Paris for the formation of an international finance committee, all the chancelleries were willing to conclude the matter quickly. But this conciliatory spirit was barely felt in Tunisia, where the differences among France's Bautmiliau, Italy's Pinna, and Britain's Wood were quite evident.

The political accord came to fruition. It was accepted on all sides largely along the lines set forth by the French, with a few modifications in response to Italian and British objections. From 1868, when the international finance commission was instituted by decree, nearly a year and a half passed before a solution was reached with the consent of all parties. In substance, the decree issued on 5 July 1869 was the product of a financial commission (composed of two committees), the only one of its kind in the Mediterranean. The commission had an executive committee (Article III), composed of two Tunisians and a French inspector of the Treasury chosen by the emperor, empowered to determine how all the revenues of the Regency were to be used, whether for payment of the debt or to cover ordinary expenses. Flanking the executive committee was a control committee (Article X), composed of two representatives of French creditors of loans made in 1863 and 1865, as well as two Italian and two British representatives of the holders of converted domestic debt.<sup>65</sup> The control committee did indeed exercise oversight powers over the executive committee, which could not make a binding decision without submitting it to control committee for review.<sup>66</sup>

---

<sup>65</sup> The Italian representatives were Fedriani and Guttières, the British were Santillana and Levy. Interestingly, some of the British representatives had roots in the Jewish community of Livorno. E. Boccara, *In fuga dall'inquisizione. Ebrei portoghesi a Tunisi: due famiglie, quattro secoli di storia*, Giuntina, Florence, 2011, p. 225.

<sup>66</sup> E. Borchard, *State Insolvency and Foreign Bondholders*, Yale University Press, New Haven, 1951, pp. 285-286.

This international finance commission rigidly restricted the political and economic freedom of the Regency; the Bey could not contract an international loan without the authorization of the executive committee.<sup>67</sup>

The international commission, with the power to combine public and private interests, opened the door for the intervention of the French inspector Victor Villet.<sup>68</sup> Appointed by Paris, Villet immediately understood the need to drastically reduce the public debt, which amounted to some 160 million francs in nominal terms.<sup>69</sup> Villet's views brought together the creditors of the foreign and domestic debt, who stood to see a two-fifths reduction of principal. The French financiers Pinard and Erlanger, Guttierèz (acting for the Italians), and Santillana and Levy (for the British), benefitting from substantial diplomatic support, succeeded in obtaining a concession that the new certificates of the unified debt would exchange for 500 francs rather than 290, as feared by Villet.<sup>70</sup> Thus the situation returned to the proposal for unification which had met with so much hostility from holders of the domestic debt when it had been submitted to the Comptoir d'Escompte. These creditors ultimately reckoned that, with the older guarantees bound to be lost anyway, it was more advantageous to join with the powerful French financiers.<sup>71</sup>

The end of the debate about unifying and restructuring the Tunisian public debt did not dispel Tunisia's financial troubles. The reforms set in motion by the international commission, though they did achieve some progress, did not substantially solve the financial

---

<sup>67</sup> M.H. Broughall, "The Problem of Tunisia in Franco-Italian Relations, 1835-1938", doctoral thesis, University of Maryland, 1942, pp. 86-92.

<sup>68</sup> ASDMAE, MAERI, box 1439, Macchiavelli to Menabrea, no. 220, Tunis, 3 September 1869. For a fuller account of the role Villet played in French politics in Tunisia, see G.S. Van Krieken, *Khayr al-Dîn et la Tunisie: 1850-1881*, Brill, Leiden, 1976; M. Ferro, *Colonization: A Global History*, Routledge, London-New York, 1997; J.M. Abun-Nasr, *A History of the Maghrib in the Islamic Period*, Cambridge University Press, Cambridge, 1987.

<sup>69</sup> "Foreign Correspondence", in *The Economist*, 3 September 1870.

<sup>70</sup> A.J. Zouari, *European Capitalism Penetration of Tunisia, 1860-1881*, op. cit., pp. 261-271.

<sup>71</sup> ASDMAE, MAERI, box 1439, Pinna to Visconti Venosta, no. 246, Tunis, 12 January 1870.

and economic situation of the Regency.<sup>72</sup> Subsequently, with the French conquest of Tunisia in 1881, the financial commission was abolished; from then on, the administration of Tunisia's public debt was to be handled directly by Paris.

### 3. Conclusion

The story of Tunisia's debt crisis illustrates the burden of fluctuating debt, fed by the repeated issuance of Treasury bonds, which caused the default since it prevented the Regency from meeting its obligations to foreign creditors, holders of the foreign debt. The financial conversions were but a clumsy attempt to find a short-term answer to local creditors' requests for payment. As in the Ottoman sovereign debt default,<sup>73</sup> personal ties and dealings between the bankers on one side and local government on the other rendered officials more disposed to first satisfy creditors who were within their personal or professional circles before trying to meet the claims of creditors who were far away.

It was only when the powerful groups of financiers and their respective governments entered the fray, particularly the French, that the game took a different turn. To get new loans, Tunisia had to provide collateral, the quality of which was to be negotiated by intermediaries. There was speculation in devalued certificates, fat bonuses and fees, all of which made financiers aggressive and acquisitive toward the debtor nation. This way of doing business was typical of

---

<sup>72</sup> C.C. Harber, "Reforms in Tunisia 1855-1878", doctoral thesis, Ohio State University, 1970.

<sup>73</sup> One could cite as an example the Convention of November 1879, when Constantinople decided to concede the Empire's richest and most secure revenues to local creditors, to bankers of Galata, and to the Imperial Ottoman Bank. It was only vigorous intervention by Parisian financiers and European diplomats that persuaded the Ottoman Empire and bankers to leave these guarantees in the hands of the Council for the Administration of the Public Debt. G. Conte, "Politica e finanza italiana nel tardo Impero Ottomano: il caso del Consiglio di Amministrazione del Debito Pubblico Ottomano ed il ruolo del Banco di Roma e della Società Commerciale d'Oriente (1881-1914)", doctoral thesis, University of Roma Tre, 2016.

Erlanger and Pinard in Tunisia. They exerted all possible pressure until the financial commission was established and capable of managing most if not all of the Regency's revenues. Although the Tunisian debt crisis saw much collusion between government officials and bankers, both local and international, local government played only a marginal role in the negotiations to create a supervisory commission. As in the case of the Ottoman default, the matter was decided in the principal European chancelleries and financial markets.<sup>74</sup>

The cynicism prevailing in European diplomatic circles made them take an aggressive stance in Tunisia, especially in the case of the Italians and the French. Florence used the issue of protecting the rights of Italian holders of converted debt as a pretext for its larger aims, trying to undermine and sabotage French expansion in the Mediterranean. The creation of a two-part international financial commission, one part representing the political interests of France, the other the interests of creditors from all three major powers, was a unique event in the history of financial commissions in the Mediterranean in the nineteenth century. The only common denominator in European politics in this episode, apart from the interest of each nation in plundering resources, was a shared acknowledgment of the need to apply profound administrative and financial reforms to the Tunisian system, to restructure Tunisian finances and bring them into line with European rules and norms, if only to facilitate exploitation of Tunisia's resources.

## Appendix

The data sources available for determining the actual amount of the Tunisian public debt are various and the data inconsistent. For this study we have used data from diplomatic dispatches sent by the Italian and British consulates in Tunisia over the course of the debt crisis. These dispatches can be found in the Historical and Diplo-

---

<sup>74</sup> G. Conte, G. Sabatini, "The Ottoman External Debt and Its Features under European Financial Control", in *The Journal of European Economic History*, 43, 2014, pp. 69-96.

matic Archive of the Italian Ministry of Foreign Affairs in Rome and the National Archives in London.

The value of the converted domestic debt of Tunisia amounted to between 32 and 40 million French francs. Italian creditors held some 60% of the total. Sources are inconsistent, and the margin of error for these figures may be as large as several million francs. Let us assume for the moment that the figures were somewhat inflated in order to apply more pressure in Italian and other government circles. The amounts of the local conversions were as follows:

**TABLE 1**  
In French francs

	Issue date	Value	Guarantees
1 <sup>st</sup> Conversion	2,7 March, 8 April 1867	12,000,000	Oil, wool, dates, etc.
2 <sup>nd</sup> Conversion	1 August 1867	10,000,000	Stamps
3 <sup>rd</sup> Conversion	1 September 1867	10,000,000	Wool and sundry
4 <sup>th</sup> Conversion	1 January 1868	8,000,000	Sundry

Source: ASDMAE, MAERI, box 1439, Pinna to Menabrea, no. 161, Tunis, 26 April 1869.

Assuming that the consolidated debt was in fact 40 million francs and that the total public debt of the Regency came to 160 million francs, as was reported by *The Economist*, then the converted domestic debt amounted to approximately 25% of Tunisia's total public debt.

Generally, the Regency had a large gap between state revenues and expenditures. Again, according to Italian diplomatic sources:

**TABLE 2**  
In French francs (State liabilities/assets)

French loans (1863, 1865) and outstanding bonds	63,000,000	
Expired coupons	8,200,000	
Expired coupons in June 1869 and arrears	4,100,000	
Erlanger, Pinard & Co. current account	8,000,000	
Floating debt in Treasury bills	120,000,000	
Debt owed to employees and various current accounts	7,000,000	
Consolidated internal debt - 1 <sup>st</sup> , 2 <sup>nd</sup> 3 <sup>rd</sup> conversions	36,000,000	
Total	246,300,000	27,985,500

Source: ASDMAE, MAERI, box 1439, Castelnuovo to the Italian Prime Minister, memorandum no. 994, Tunis, 10 April 1869.

## Sources and bibliography

### Primary sources

#### *Unpublished*

Archivio Storico Diplomatico Ministero Affari Esteri (Rome, Italy).

Archivio di Stato di Livorno (Livorno, Italy).

The National Archives (London, UK).

#### *Published*

Documenti Diplomatici Italiani, XXXXXX.

DELLA VECCHIA R. (1991), *Impero ottomano e reggenza di Tunisi con inventario di documenti su Tunisi (1840-1860) conservati presso l'Archivio di Stato di Napoli*, Centro stampa litografico, Naples.

BRUNIALTI A. (1867), *Tunisi. Il Mare Sharico e la spedizione italiana in Tunisia*, Fratelli Treves Editori, Milan.

#### *Newspapers*

*The Economist* (UK)

*La Stampa* (Italy)

*Le Temps* (France)

### Secondary Sources

ABUN-NASR J.M. (1987), *A History of the Maghrib in the Islamic Period*, Cambridge University Press, Cambridge.

ALEXANDER C. (2010), *Tunisia: Stability and Reform in the Modern Maghreb*, Routledge, London-New York.

ANDERSON O. (1964), "Great Britain and the Beginnings of the Ottoman Public Debt, 1854-55", in *The Historical Journal*, 7, pp. 47-63.

BADEM C. (2010), *The Ottoman Crimean War (1853-1856)*, Brill, Leiden.

BOCCARA E. (2011), *In fuga dall'inquisizione. Ebrei portoghesi a Tunisi: due famiglie, quattro secoli di storia*, Giuntina, Florence.

BORCHARD E. (1951), *State Insolvency and Foreign Bondholders*, Yale University Press, New Haven.

BROUGHALL M.H. (1942), "The Problem of Tunisia in Franco-Italian Relations, 1835-1938", doctoral thesis, University of Maryland.

- BROWN L.C. (2015), *The Tunisia of Ahmad Bey, 1837-1855*, Princeton University Press, Princeton.
- BRUNSCHWIG H. (1966), *French Colonialism, 1871-1914. Myths and Realities*, Frederick A. Praeger, New York.
- CAMPANINI M. (2005), *Storia dell'Egitto Contemporaneo. Dalla rinascita ottocentesca a Mubarak*, Edizioni Lavoro, Tivoli.
- CONTE G., SABATINI G. (2014), "The Ottoman External Debt and Its Features under European Financial Control", in *The Journal of European Economic History*, 43, pp. 69-96.
- EL-MESAWI M. (2008), "Muslim Reformist Action in Nineteenth-century Tunisia", in *The American Journal of Islamic Social Sciences*, 25, pp. 49-82.
- EMERIT M. (1949), "Les crises des finances tunisiennes et les origines du protectorat", in *Revue Africaine*, 3, pp. 247-276.
- FEIS H. (1930), *Europe, The World's Banker 1870-1914*, Yale University Press, New Haven.
- FERRO M. (1997), *Colonization: A Global History*, Routledge, London-New York.
- FLANDREAU M., UGOLINI S. (2014), "The Crisis of 1866", Graduate Institute of International and Development Studies Working Paper, 10.
- GANIAGE J. (1959), *Les origines du protectorat française en Tunisie (1861-1881)*, Press Universitaires de France, Paris.
- HARBER C.C. (1970), "Reforms in Tunisia 1855-1878", doctoral thesis, Ohio State University.
- HUNTER F.R. (1987), "Capital Accumulation and Power in Pre-Protectorate Tunisia (1850-81): Notes from the Tunis Archives", in *Middle Eastern Studies*, 23, pp. 108-115.
- MIKHAIL A. (2017), *Under Osman's Tree: The Ottoman Empire, Egypt, and Environmental History*, University of Chicago Press, Chicago.
- PAMUK Ş. (2004), "The evolution of financial institutions in the Ottoman Empire, 1600-1914", in *Financial History Review*, 11, pp. 7-32.
- PASOTTI N. (1964), *Italiani e Italia in Tunisia prima del protettorato*, Edizioni Corriere di Tunisi, Tunis.

- PERKINS K. (2004), *A History of Modern Tunisia*, Cambridge University Press, Cambridge.
- QUATAERT D. (2005), *The Ottoman Empire, 1700-1922*, Cambridge University Press, Cambridge.
- REINHART C.M., ROGOFF K.S., "The Forgotten History of Domestic Debt", in *The Economic Journal*, 121, pp. 319-350.
- REINHART C.M., SBRANCIA M.B. (2011), "The Liquidation of Government Debt", National Bureau of Economic Research, Working Paper no. 16893, Cambridge MA.
- TORELLI S.M. (2015), *La Tunisia contemporanea*, il Mulino, Bologna.
- VAN KRIEKEN G.S. (1976), *Khayr al-Dîn et la Tunisie: 1850-1881*, Brill, Leiden.
- WELLER M. (ed.) (2015), *The Oxford Handbook of the Use of Force in International Law*, Oxford University Press, Oxford.
- ZOUARI A.J. (1998), "European Capitalism Penetration of Tunisia, 1860-1881: A case study of the Regency's debt crisis and the establishment of the international financial commission", doctoral thesis, University of Washington.
- ZÜRCHER E.J. (1997), *Turkey: A Modern History*, I.B. Tauris, London-New York.