

Chapter 6. Finance, money, corruption and the English Exchequer Bill scandals of 1697-1699

A. Graham

England's 'financial revolution' of the 1690s saw an unprecedented growth in the scope and scale of English public and private finance, a change which enabled the projection of power both at home and overseas across the eighteenth century and beyond. It rested on an unprecedented alliance between fiscal and financial interests. The new instruments of long- and short-term public debt worked because investors were now generally confident that they would be repaid out of the English state's burgeoning public revenues, voted by parties in parliament and collected through reasonably effective taxation structures. As Marjolein 't Hart's work has shown, the earlier rise of public finance in the Dutch Republic from the late sixteenth century reflected a very similar aggregation of interests, developed for comparable purposes of military defence, and organised around a flexible network of national, provincial and municipal borrowers and lenders.¹ To the extent that the interaction and operation of these elements in Britain has been studied thought has usually been in the terms set by John Brewer's paradigm of a Weberian 'fiscal-military state' lending bureaucratic rigour to the processes of collecting taxation and managing public debt, and the paradigm of 'credible commitment' established by Douglass North and Barry Weingast.² This argued that England's growing success in public finance reflected an institutional transition from royal to parliamentary governance, which enabled the nation to exploit more effectively and reliably the potential created by the bureaucratisation of the English state. Corruption was a symptom of inefficiency, created by vested interests which had not yet been purged from parliament or the state, and was destructive of credit.

In reality though, the growing bureaucratic rigour of both the revenue services and public finance was incomplete and often cut across the realities of raising money in the desperate days of the 1690s, and even corruption scandals were not always all that they appeared. Examining a series

¹ M.C. 't Hart, *The making of a bourgeois state: war, politics and finance during the Dutch Revolt* (Manchester, 1993); J.D. Tracy, *The founding of the Dutch republic: war, finance, and politics in Holland, 1572-1588* (Oxford, 2008); P. Brandon, *War, capital, and the Dutch state (1588-1795)* (Leiden [etc.], 2015); Wantje Fritschy, *Public finance of the Dutch Republic in comparative perspective: the viability of an early modern federal state (1570s-1795)* (Leiden, 2017).

² J. Brewer, *The sinews of power: war, money and the English state, 1688-1783* (London, 1989); D.C. North and B.R. Weingast, 'Constitutions and commitment: the evolution of institutions governing public choice in 17th century England', *Journal of Economic History*, 49 (1989), pp. 803-32. For a survey of the current historiography, see Aaron Graham and Patrick Walsh, 'Introduction', in A. Graham and P. Walsh (eds.), *The British fiscal-military states, 1660-c 1783* (Farnham, 2016), pp. 1-26.

of related scandals centred on the circulation of the first tranche of Exchequer Bills – a key new instrument of short-term finance - between 1697 and 1699 therefore offers a new perspective on England’s financial revolution, and comparable processes of state formation happening in early modern Europe. This chapter argues that the contradictory demands of the English government meant that its officials were sometimes left with no choice but to break the letter of the new rules in order to follow their spirit, in behaviour which could be seen either as heroically patriotic or treasonably corrupt, depending on the views, interests and loyalties of those involved. Confidence and credit could therefore be the product of corruption, so-called, rather than the kind of strict bureaucratic rules which had made it necessary in the first place. The Exchequer Bill scandals, as this chapter will show, echo Marjolein ‘t Hart’s warning about the need to examine the Dutch – and English – financial revolutions in their political and economic contexts, in order to understand how they came to support the wider power of the fiscal-military state, and frequently in ways which did not conform to later conceptual models.

6.1 Context and Corruption

By 1696 the English state was in deep financial waters. The temporary boost which had been provided by the formation of the Bank of England and the flotation of at least £1.2 million of public debt in 1694 had long since passed, and the country was struggling under the accumulated difficulties of a commercial recession, extremely high taxation and an ongoing effort to recall and recoin the highly debased English coinage.³ ‘Faction and party ... has broken all proper credit’, noted Charles Montagu, the Chancellor of the Exchequer, ‘... so that whereas formerly the paper money in London was more than all the cash in England, at present no bill or note will pass in payment’.⁴ Efforts to establish a Land Bank to provide a further supply of credit in 1695 failed.⁵ In desperation the Treasury adopted Montagu’s suggestion in 1696 for the introduction of a new

³ P.G.M. Dickson, *The financial revolution in England: a study in the development of public credit, 1688-1756* (London, 1967), pp. 46-57; D.W. Jones, *War and economy in the age of William III and Marlborough* (Oxford, 1988), pp. 23-6, 95-161; B. Waddell, ‘The politics of economic distress in the aftermath of the Glorious Revolution, 1689-1702’, *English Historical Review*, 130 (2015), pp. 318-51; R. Kleer, *Money, politics and power: banking and public finance in wartime England, 1694-1696* (London, 2017), pp. 186-92.

⁴ British Library, Add. MS 34355 ff. 1r-4v, Charles Montagu to William Blathwayt, 29 May 1696.

⁵ J.K. Horsefield, *British monetary experiments, 1650-1710* (Cambridge, MA, 1960); Dickson, *Financial Revolution* pp. 56-7; R. Kleer, ‘“Fictitious Cash”: English public finances and paper money, 1689-97’, in C. McGrath and C. Fauske (eds.), *Money, power and print: interdisciplinary studies on the financial revolution in the British Isles* (Newark, DE, 2008), pp. 70-103; A. Graham, ‘Credit, confidence and the circulation of Exchequer bills in the early financial revolution’, *Financial History Review*, 26 (2018), pp. 63-80.

financial instrument called the Exchequer Bill. Backed by the general credit of the Exchequer, the bills would carry interest and served both as a form of short-term credit and a circulating paper currency, thereby addressing both of the problems that faced the English state. Although initially a failure, the second tranche of Bills in 1697 met with more success once the Treasury organised a subscription of cash to ‘circulate’ the bills. Run at arm’s length by twelve Trustees, half nominated by the Treasury and half by the subscribers, the Trustees oversaw the management of the Exchequer Bill issue and paid in cash any Bills which holders presented for payment, relieving the Treasury and helping to keep up the credit and reputation of the Bills. Combined with more competitive interest rates for investors and an agreement to allow the Bills to be received in payment of taxes, the Exchequer Bills were a success and helped to draw England back from the abyss it faced in 1697.

The Exchequer Bills have therefore been accommodated comfortably into the wider scholarly narrative of English (and then British) post-1688 state formation which has emphasised how fiscal and financial institutions enabled Britain to borrow at cheap rates and sustain its war effort. Along with much wider constitutional changes such as parliamentary control of revenue and spending, the new institutional changes demonstrated the ‘credible commitment’ of the English state to paying its debts to investors, while the bureaucratic reforms of the excise gave investors confidence that it had both the power and the will to find money to meet these demands.⁶ These reforms, which introduced new administrative rigour into revenue structures and purged them of corruption and inefficiency, were the model for further reform during the eighteenth century, making the excise the paradigmatic element of the paradigmatic fiscal-military state.⁷ However, recent work has begun to challenge some of these assumptions. Studies of the excise service have argued it remained riddled with patronage networks, which meant that officers could draw upon local social and political resources for their work but were also obliged to various local interest groups.⁸ The vast bulk of excise receipts were collected in London and south-eastern

⁶ See above n. 2 and D’M. Coffman and Larry Neal, ‘Introduction’, in D’M. Coffman, A. Leonard, and L. Neal (eds.), *Questioning credible commitment: perspectives on the rise of financial capitalism* (Cambridge, 2013), pp. 1-20; G. Cox, *Marketing sovereign promises: monopoly brokerage and the growth of the English state* (Cambridge, 2016).

⁷ M. Ogborn, ‘The capacities of the state: Charles Davenant and the management of the Excise, 1683-1698’, *Journal of Historical Geography*, 24 (1998), pp. 289-312; W.J. Ashworth, *Customs and excise: trade, production and consumption in England 1640-1845* (Oxford, 2003), pp. 18-28, 358-75; Brewer, *Sinews of Power*, pp. 100-13.

⁸ C. Brooks, ‘John, 1st Baron Ashburnham, and the state, c.1688-1700’, *Historical Research*, 60 (1987), pp. 64-79; C. Brooks, ‘Interest, patronage and professionalism: John, 1st Baron Ashburnham, Hastings, and the revenue service’, *Southern History*, 9 (1987), pp. 51-70.

England from a small clique of brewers and distillers, facilitating informal bargains between the state and taxpayers, while collecting excises on other items such as imported silks required the excise to work with commercial interest groups such as the London weavers who demanded concessions in return.⁹

Similar reassessments have begun to prevail in relation to the financial revolution, once seen by Dickson and others as a product of the Glorious Revolution of 1688, which introduced systematic fiscal procedures and wider constitutional changes, all modelled on Dutch practices.¹⁰ A growing body of work emphasises that many of these changes had been in train since the 1650s; that new institutions such as the Bank of England did not copy Dutch models but were extensions of existing financial structures and practices; that substantial continuities with past practice remained even after 1688; and that the more systematic institutional methods introduced after 1688 were still backed by informal negotiations and connections between Whitehall, Westminster and the City of London.¹¹ The success of the Exchequer Bills was a case in point. The first tranche, introduced in 1696 to provide the government with short-term credit after the failure of the National Land Bank, was a failure.¹² The second tranche of £1.5 million issued in 1697 was successful due to a number of institutional innovations such as the fund for subscription but also because the Treasury and the Trustees worked behind the scenes to secure subscribers and to manage the introduction of the Bills into London's financial ecosystem. 'The emergency was resolved by the desperate application of both formal and informal measures intended to solve the

⁹ M.J. Daunton, *Trusting Leviathan: the politics of taxation in Britain, 1799-1914* (Cambridge, 2001), pp. 36-8; W. Farrell, 'The silk interest and the fiscal-military state', in Graham and Walsh (eds.), *British fiscal-military states*, pp. 113-30; P. Mathias, *The brewing industry in England, 1700-1830* (Cambridge, 1959), pp. 339-61; V.E. Dietz, 'The politics of whiskey: Scottish distillers, the Excise and the Pittite state', *Journal of British Studies*, 36 (1997), pp. 35-60; J. Hoppit, *The dreadful monster and its poor relations: taxing, spending and the United Kingdom, 1707-2021* (London, 2021), pp. 1-139

¹⁰ For restatements of Dutch financial influence, see S.C.A. Pincus, *1688: the first modern revolution* (London, 2009), pp. 390-5; J. Scott, "'Good Night Amsterdam': Sir George Downing and Anglo-Dutch statebuilding", *English Historical Review*, 118 (2003), pp. 334-56. This has been persuasively rebutted in M.C. 'T Hart, "'The devil or the Dutch": Holland's impact on the financial revolution in England, 1643-1694', *Parliaments, Estates and Representation*, 11 (1991), pp. 39-52; Fritschy, *Public finance of the Dutch Republic*, pp. 251-310.

¹¹ A. Carlos and L. Neal, 'The micro-foundations of the early London capital market: Bank of England shareholders during and after the South Sea Bubble, 1720-25', *Economic History Review*, 59 (2005), pp. 498-538; A.L. Murphy, *The origins of English financial markets: investment and speculation before the South Sea Bubble* (Cambridge, 2009); P. O'Brien, 'The nature and historical evolution of an exceptional fiscal state and its possible significance for the precocious commercialization and industrialization of the British economy from Cromwell to Nelson', *Economic History Review*, 64 (2011); D'M. Coffman, *Excise taxation and the origins of public debt* (London, 2013); C. Desan, *Making money: coin, currency, and the coming of capitalism* (Oxford, 2014); A. Graham, 'The War of the Spanish Succession, the Financial Revolution, and the Imperial Loans of 1706 and 1710', in M. Pohl and M. Schaich (eds.), *The War of the Spanish Succession: New Perspectives* (Oxford, 2018), pp. 299-321; A. Graham, "'I carry a serpent in my bosom, which devours me": finance, morality and the public service in the Nine Years War, 1688-1697', in J. Félix and A. Dubet (eds.), *The war within: private interests and the fiscal state in early-modern Europe* (London, 2018), pp. 45-69

¹² Graham, 'Exchequer bills', pp. 63-80.

problem at any costs’, I have argued elsewhere, ‘rather than the more measured and rational solutions that could be employed after 1698 as the English economy revived, and taxation and public credit with it.’¹³

The complex linkages between the revenue services, fiscal administration and public finance come even more clearly into focus from the series of scandals surrounding the Exchequer Bills between 1697 and 1699. These revolved around the issues of outright forgery on the one hand, and false endorsement or administrative fraud by officials on the other. Forgery is hugely destructive to the circulation of all forms of money, both paper and specie, since it erodes confidence and makes the public less willing to accept the money in payment, reducing its value and thereby making goods and services more expensive. Throughout the early stages of the financial revolution the Master of the Mint, Sir Isaac Newton, therefore organised a network of informants to catch and convict major coiners such as William Challoner, while the Bank of England used skilled engravers and special paper to prevent forgery of its bank notes, and also invested considerable effort in prosecuting counterfeiters.¹⁴ Along with continued reforms of the Treasury and revenue services that clamped down on corruption, these precautions supposedly helped to create the credible commitment that supported new financial instruments such as Exchequer Bills. However, as Malcolm Gaskill has shown, the English state faced an uphill battle in combating these crimes, not just because these instruments were not infallible but also because popular opinion was ambivalent, with coining and forgery generally seen at worst as victimless crimes and at best as beneficial actions that helped alleviate the desperate shortage of circulating specie in the country, making coining and forging a public service.¹⁵

The Exchequer Bill scandals of the 1690s make these dilemmas clearer, and show that the delicate nature of the linkages between revenue, finance and public credit mean that Brewer’s model is inadequate to explain the full complexities of state formation in Britain after 1688. Firstly, its financial successes notwithstanding, the English state continued to rely in the 1690s on informal

¹³ Ibid. p. 77.

¹⁴ R.S. Westfall, *Never at rest: a biography of Isaac Newton* (Cambridge, 1983), pp. 567-75; R. McGowen, ‘From pillory to gallows: the punishment of forgery in the age of financial revolution’, *Past & Present*, 165 (1999), pp. 107-40; M. Gaskill, *Crime and mentalities in early modern England* (New York, 2000), pp. 186-99; Carl Wennerlind, *Casualties of credit: the English financial revolution, 1620-1720* (Cambridge, MA; London, 2011), pp. 123-57; Kleer, *Money, politics and power* pp. 54-9.

¹⁵ Gaskill, *Crime and mentalities* pp. 161-99. For the problems of small change, see C. Muldrew and S. King, ‘Cash, wages and the economy of makeshifts in England, 1650-1800’, in P. Scholliers and L. Schwarz (eds.), *Experiencing wages: social and cultural aspects of wage forms in Europe since 1500* (New York, 2003), pp. 155-82; C. Muldrew, ‘Wages and the problem of monetary scarcity in early modern England’, in J. Lucassen (ed.), *Wages and currency: global comparisons from antiquity to the twentieth century* (New York, 2007), pp. 391-410.

forms of administration to stabilise and manage financial instruments, using informal and *ad hoc* expedients to detect and deter malfeasance by revenue officials and the general public, in much the same way that private connections with the monied interest helped to manage the introduction of the Exchequer Bills in 1697. Secondly, ‘corruption’ is in many ways an inadequate term for such behaviour, which either reflected the manifold weaknesses of the state or was itself an informal expedient intended to support the credit and reputation of the new financial instruments.¹⁶ As a result the scandals reveal, thirdly, the partisan or politicised fashion in the term was applied during this period, in which behaviour which might otherwise have been overlooked or even condoned was openly and publicly condemned. One such accusation of corruption backfired in a speculator fashion during the Exchequer Bill scandals, resulting in a prominent verdict which exposed the inadequacy of the underlying legislation and the political motives of the Treasury in bringing forward the prosecution. Letting sleeping dogs lie would have served the interests of the English state far better.

6.2 The Huddlestons of Whitehaven

The problems facing the Treasury and the Trustees in 1697 were two-fold. Beyond the obvious problem that forged bills drained the fund allocated for circulating the Exchequer bills, there was the problem of ‘false endorsements’ by revenue officers themselves. On the one hand the best way to keep bills in circulation was to limit the opportunities for accepting them. This would cut down the amount of specie that the Trustees needed to hold against the redemption of the Bills. On the other hand, the value of the Bills would fall unless holders had opportunities to pay them away. The Treasury and Trustees therefore instituted a distinction between ‘specie’ bills which had been endorsed by a receiver or collector after they had been received in payment of revenue, which could be turned into cash on being presented to the Trustees or the Exchequer, and the remaining ‘non-specie’ bills, which could not be converted into cash and circulated at a much higher discount as a result. This created the problem though that unscrupulous revenue officers might buy a non-specie bill at a discount, then falsely endorse it as if it had been received by them in the payment of revenues, and resell it to pocket the difference in value, while also lumbering the Treasury and the Trustees with greater demands for cash and leading to speculation in bills that would destabilise

¹⁶ For a discussion of the ambiguities of corruption in Britain in this period, see Mark Knights, ‘Explaining away corruption in pre-modern Britain’, *Social Policy & Philosophy*, 35 (2018), pp. 94-117 and *idem*, *Trust and distrust: corruption in office in Britain and its empire, 1600-1850* (Oxford, 2021)

their price. Faced with these problems however, both depended heavily on *ad hoc* measures and expedients to detect and deter malfeasance, including the use of exemplary punishments and impromptu investigations, rather than the more systematic bureaucratic infrastructure which has been emphasised in studies of the excise and wider fiscal-military state.

For example, in February 1698 the House of Commons ordered the arrest of Andrew Huddleston, receiver-general of land taxes for Cumberland in the far north-west of England, and his sons William and Andrew junior, for falsely endorsing Exchequer bills.¹⁷ Andrew junior had collected £3,446 4s 4¾d by October 1697 as collector of customs at Whitehaven, and should have sent this up to his father in coin to be paid by him into the Exchequer. It was brought to the attention of the Treasury on 1 February however that these had been received in non-specie Exchequer bills which one of them had illegally signed and then paid in, ‘though none of the said bills were signified by you as received upon any branch of the customs’, Andrew junior was told, ‘which tend[s] greatly to the King’s disservice and prejudice of the credit of the Exchequer’.¹⁸ This was established by checking the customs accounts at Whitehaven listing the Exchequer Bills received and signed there, which did not match the lists of the Exchequer or Trustees of the bills paid in London. However, once Andrew junior submitted affidavits disclaiming any knowledge of this, the Treasury switched their attention to his father.¹⁹ On 2 February the Treasury passed the case over to the Trustees, who reported back two weeks later that there was no firm proof of malfeasance by Andrew senior, ‘[but] there appeared a strong presumption that he did buy them up with design to pay them into the Exchequer for taxes’.²⁰ He was dismissed from his post one week later, and Andrew junior followed in June on the advice of the Trustees and the Board of Customs ‘for irregularities and ill practices’.²¹

However, although the growing volumes of paper generated by the Treasury and its revenue and financial departments enabled them to check and confirm malfeasance, all three would

¹⁷ *Calendar of Treasury Books* (1660-1718), W. Shaw (ed.) (32 vols, London, 1904-62) [hereafter CTB] vol. xiii, 60; *Journal of the House of Commons* (London, 1802 onwards) vol. xii, 78, 83. For the Huddlestons, see W. R. Ward, *The English Land Tax in the Eighteenth Century* (London, 1953), pp. 11, 45.

¹⁸ Carlisle Archive Centre [hereafter CAC], Papers of the Huddleston [sic] family of Hutton John, Greystoke, D/HUD/6/2, James Strangeways to Andrew Huddleston, 15 March 1698.

¹⁹ CAC, D/HUD/6/2, ‘Deposition of Andrew Huddleston junior’, ‘Deposition of Joseph Jewell and Thomas Chambers’, ‘Deposition of Leonard Higgins and John Windsor’ [all undated but circa early 1698]; The National Archives of the United Kingdom, Kew [hereafter TNA], T1/51/4, George Tollet to William Lowndes, 30 December 1697 and 3 January 1698.

²⁰ CTB vol. xii, 65; TNA, T1/52/42, Trustees [of the Exchequer Bill Circulation] to the Treasury, 10 February 1698.

²¹ CTB vol. xii, 65, 99; CAC, D/HUD/6/2, Wilfred Lawson to John Smith, Lord of the Treasury, 26 June 1698; Viscount Lonsdale to Charles Godolphin, Commissioner of Customs, 28 June 1698; Viscount Lonsdale to Charles Montagu, Chancellor of the Exchequer, 27 June 1698; TNA, T1/52/21, Richard Taylor to Trustees, 7 April 1698.

have remained in blissful ignorance if an informer, Richard Blake, had not drawn their attention to it. Blake was referred to the Trustees, who reported that they had examined him in depth ‘but do not find the said Blake can prove any particulars against the said Huddleston further than is set down in his memorial’, though it was enough for them to recommend bringing in the Huddlestons for questioning and to start examining their books.²² Andrew senior’s patrons argued Blake had not been motivated by patriotism.²³ ‘His enemies, who would have his employment, have been persuading people to give information against him and have been encouraging all manner of persons to such bad purposes’, Viscount Lonsdale wrote, for example, ‘that they might arrest him with the greatest disgrace and indignity’.

Moreover, the private papers put together by the Huddlestons to respond to these charges suggest a wider story, in which the fraudulent endorsement of Exchequer Bills was both a response to inadequacies of English coinage in 1696 and a measure undertaken to maintain confidence in public finance. Andrew senior had to accept taxes in Cumberland in clipped money and foreign coins, ‘there being little or none else stirring in those countries so far north’.²⁴ As noted at the start, nearly a decade of foreign war had drained specie from the country to pay Allied armies fighting in Flanders, and what coin remained in circulation was heavily clipped, causing its intrinsic or bullion value to move out of alignment with its nominal or face value.²⁵ After a prolonged debate in 1696 which explored whether the face value might be lowered to the present bullion value, the decision was taken to call in the entire remaining stock of gold and silver coin to the Mint and recoin it as new coins of proper weight, which were to be ‘milled’ or machine-struck with various anti-clipping devices. The result was that what little coin remained in the country was taken out of circulation in 1696 and 1697 so that it could be recoin, in a programme overseen by Newton, and though subsidiary mints were set up in Chester and other provincial centres these did not provide sufficient coins to keep up with demand. The Huddlestons were thus forced to accept whatever coins were still in circulation, including clipped and foreign coins, but when William

²² CTB vol. xii, 65; TNA, T1/52/42, Trustees to the Treasury, 10 February 1698.

²³ CTB vol. xii, 65, 99; CAC, D/HUD/6/2, Wilfred Lawson to John Smith, Lord of the Treasury, 26 June 1698; Viscount Lonsdale to Charles Godolphin, Commissioner of Customs, 28 June 1698; Viscount Lonsdale to Charles Montagu, Chancellor of the Exchequer, 27 June 1698; TNA, T1/52/21, Richard Taylor to Trustees, 7 April 1698.

²⁴ This is based on a number of drafts of the case drawn up to be presented to Parliament; the most complete versions are CAC, D/HUD/6/3, ‘The Case of Andrew Huddleston and William his son before the House of Commons, 3 February 1698 and ‘The Case of Andrew Huddleston Esq and William his son before the House of Commons, being different from the case of all the others’, [undated but circa February 1698].

²⁵ See above n. 3.

tried to pay them into the Exchequer in London in late 1697 on his father's behalf, they had been rejected.

To make the payments expected by the state, William therefore struck a bargain with a Jewish broker on the Royal Exchange named Isaac Helbutt to pay him the money at a 3 or 3½ per cent discount in return for non-specie Exchequer bills, then still at 5 per cent discount.²⁶ Helbutt dealt in a wide variety of financial instruments such as bills of exchange and various types of government paper, and may have wanted the specie for various arbitrage or foreign exchange operations where it would be exported to a place where the foreign coins carried a higher value than in England.²⁷ These Bills had to be endorsed though before they could be paid into the Exchequer, so William had fraudulently signed them as if they had been received in payment of taxes in Cumberland, 'by putting the names of such Head Collectors as he did suspect the money to have come from'.²⁸ His purpose in falsely signing the Bills was therefore convenience rather than profit. 'William had no advantage by the bargain because the discount on the Bill will not make up the loss he must sustain', the Treasury was told, '... [and] the King is made a gainer by this bargain', because the Exchequer had received Bills at par purchased at a 5 per cent discount with clipped and foreign coin, then at a 3½ per cent discount, resulting in a net gain to the Huddlestons of 1½ per cent to cover the costs of brokerage. Both father and son firmly insisted 'there were no more Exchequer Bills paid into the Exchequer than was had in exchange for the hammered and foreign money', and that the intention had not been to defraud the Crown of its money or speculate with public cash.

The scandal therefore exposed a loophole in the legal regulations surrounding the Exchequer Bills, but also an important area of ambiguity, where the policy intended to give the Exchequer Bills credit by encouraging their circulation clashed with the impact of a parallel policy intended to restore the standing of English coinage and the temporary shortage of new specie as the old coin was called in. It exemplified the contradictions within the ongoing programme of English state formation and financial revolution, the need to use informal methods to reconcile them, the role of *ad hoc* measures in bringing this methods to light, and the personal factors which

²⁶ For Helbutt, see Dickson, *Financial Revolution*, p. 188.

²⁷ S. Quinn, 'Gold, silver and the Glorious Revolution: arbitrage between bills of exchange and bullion', *Economic History Review*, 49 (2nd ser.) (1996), pp. 473-90; L. Neal, *The rise of financial capitalism: international capital markets in the age of reason* (Cambridge, 1990), pp. 165-9; Jones, *War and economy*.

²⁸ See above n. 24.

sometimes underlay these measures. Along the same lines, two months later on 19 April 1698 the Treasury held an extended inquest into the conduct of John Andrews, the receiver-general of land taxes for Warwickshire, based on information they received about false endorsements, but after hearing affidavits from his collectors and the gentry of the country they ruled that ‘the accusations against Mr Andrews are [not] made out, but on the contrary ... he has carried himself fairly in his office and to the satisfaction of the gentlemen and others of the county’.²⁹ Other receivers were hauled before the Treasury but only when informers brought malfeasance to their attention, and the Whig financier Sir James Bateman confided to his friend Richard Hill, the deputy-paymaster of the army in Flanders, that such cases were merely the tip of a far larger iceberg. ‘I doubt [not] if ‘twas strictly examined, most, if not all, the receivers in England would be found guilty’, he said, and he was well-placed to know.³⁰

In following up these informers the Treasury and the Trustees claimed several very noticeable scalps, which probably had the effect of deterring others. In May 1698 the assistant clerk of the Trustees, Richard Taylor, was told by goldsmith’s clerk that a woman named Elizabeth Jenkins had attempted to pass a false Bill.³¹ Jenkins was brought in to be interviewed by the Treasury, and in return for immunity offered information on a forging ring established by Aubrey Price, the accomplice of the forger William Challoner, to counterfeit coins, lottery tickets and Exchequer Bills. ‘He wanted [some]one [else] to run the hazard and she consented: but first she went to the Warden of the Mint [Sir Isaac Newton]’, she told the Treasury, ‘... [and] he advised her to keep it private and as soon as she could discover, to come to him’. Price was detained and brought in for questioning, where he attempted to tar Jenkins with political disloyalty by claiming that ‘none but non-Jurors or [Catholic] priests used her coffee house’. The Treasury nevertheless preferred her evidence and that of Challoner, and Price was eventually tried and executed in June 1698.

More typical though was the incident in Bedfordshire, where some retailers handed over to the local collector of excise several forged Exchequer Bills they had detected, along with a report from a local printer that he had been approached by someone with a forged plate for printing

²⁹ CTB vol. xiii, 79-83. The case was probably part of a wider tussle in Warwickshire politics: see Ward, *Land tax* pp. 11, 43, 60.

³⁰ See for example CTB vol. xiii, 48, 59, 64; Henry E. Huntington Library, San Marino, CA [hereafter HL], HM 78015, Sir James Bateman to Richard Hill, 2 November 1697.

³¹ CTB vol. xiii, 87-8, 89-91; *Calendar of Treasury Papers* (1596-1728), J. Reddington (ed.) (6 vols, London, 1868-89) [hereafter CTP] vol. ii, 222. For Price, see Rachel Judith Weil, *A plague of informers: conspiracy and political trust in William III's England* (New Haven, CT, 2013), pp. 128-39; Westfall, *Newton*, pp. 569, 571-5, 593.

counterfeit Bills.³² The Treasury despatched several clerks there to investigate, who asked several local printers, engravers and a paper merchant ‘to make enquiry amongst the persons of their respective callings to find out, if possible, whether any of them have been concerned in this fraud’, but with no effect.³³ They were later joined by another Treasury clerk, William Clayton, who reported back to the Treasury that it had been impossible to track the counterfeited Bills using this method, ‘finding that way or method very difficult to discover the fraud’, and proposed instead to increase the rewards to informers and advertise in newspapers requiring people to accept the Bills from strangers at their own risk.³⁴ Although several counterfeiters were finally prosecuted, this was done by inducing one of the initial suspects James Wyseman (alias Benjamin Cole) to implicate others in return for immunity.³⁵ ‘He [was] the first and principal occasion of their obtaining a perfect discovery’, they told the Treasury, ‘... and the principal evidence against the rest, although he had acted so cunning and villainous a part in that affair that he was not fit to be trusted abroad again in this nation’, and, indeed, three month later he was still being left to rot in Newgate Gaol in London.³⁶

The approach adopted for securing the integrity of the Exchequer Bills was therefore much the same formerly used to detect coining and counterfeiting, relying mostly on informers to bring cases to their attention and then using exemplary punishments to deter others.³⁷ Although the Treasury had asked the revenue departments to draw up bureaucratic procedures for preventing the fraudulent endorsement of Bills and detecting them in circulation, and some collectors forwarded suspicious Bills to the Treasury, most of the cases they examined were brought in to

³² CTB vol. xiii, 98, 102; CTP vol. ii, 237; TNA, T1/54/47, ‘A [First] Report ... by Lionel Herne and Nicholas Baker, appointed by Their Lordships to go down to Bedford Gaol and examine three persons that were in custody there for disposing of counterfeit Exchequer bills, and upon suspicion of counterfeiting the same’, 12 July 1698.

³³ TNA, T1/54/47 ‘A Third Report ... by William Clayton and Lionel Herne, appointed by Their Lordships to enquire into the matter of fact in respect to several Exchequer Bills that appear to have been counterfeited’, 5 July 1698.

³⁴ TNA, T1/54/47, ‘Second Report humbly presented ... by William Clayton and Lionel Herne, appointed by Their Lordships to inquire into the matter of fact in respect to several Exchequer Bills that appear to have been counterfeited’, 23 June 1698, and ‘Third Report’.

³⁵ TNA, T1/54/47, ‘A [First] Report’; CTP vol. ii, 193. Much of the investigative work seems to have been done by the two excise officials in Amptill. The Commissioners of Excise clearly felt that this was above and beyond the call of duty, since they recommended them to the Treasury ‘as persons meriting Your Lordships’ favour for the said service’: see TNA, T1/57/16, Commissioners of Excise to Treasury, 25 October 1698. For another example of a revenue officer detecting counterfeits, see CTP vol. ii, 148-9, Benjamin Matthews to William Clayton, 6 April 1698, where a counterfeit Bill was detected by an excise surveyor in Northamptonshire and sent up to London, ‘as the villainy was plain’.

³⁶ TNA, T1/57/35, ‘The Petition of Benjamin Cole’, 1 November 1698. See also CTP vol. ii, 237.

³⁷ See above n. 14.

them by informers.³⁸ When the Treasury had tightened up detection in the wake of a serious scandal in November 1697, they reported that they had given £500 to the informer and stood ready to encourage others.³⁹ In February 1698 they received a petition from a Mr Whitley, ‘[who] desires to be employed in finding out frauds about Exchequer Bills’.⁴⁰ The credibility and integrity of the Exchequer Bills was therefore maintained in 1697 and 1698 using established practices, making for an arbitrary and unsystematic process that exposed the contradictions and limitations of the bills as a financial instrument dependent on a creaking fiscal and monetary system. The whole process left considerable discretion in the hands of the Treasury, who had to decide whether a crime had been committed and who were therefore potentially neither impartial nor unbiased in this decision. The problems that this could cause emerged most clearly during the earlier efforts to prosecute the senior revenue officials John Knight, Bartholomew Burton and Charles Duncombe in 1697 and 1698 for the same crime of making false endorsements of which the Huddlestons had been accused.

6.3 The Exchequer Bill Scandal

Knight, Burton and Duncombe were treasurer of the customs, cashier of the excise and receiver-general of the excise respectively, and therefore key links in the chain ensuring the circulation of Exchequer Bills.⁴¹ Along with their accomplice Reginald Marriott, a clerk in the Exchequer, they had bought up at least £50,000 in non-specie Exchequer bills at a 5 per cent discount, falsely endorsed the bills, and then paid them into Exchequer at their face value. Yet this was discovered largely by accident, and although their successful prosecution would have served as a major deterrent not only to other forgers but also to revenue officials across the country, the clumsy and partisan manner in which it was conducted served largely to expose some of the flaws in the legislation underlying the bills. The Treasury Board, dominated by Junto Whigs determined to squeeze their political opponents out of office, resolved on a complex prosecution by

³⁸ For the instructions, see CTB vol. xiii, 4, 18, 20, 22 and Ward, *Land tax* pp. 45, 60. Copies of the instructions received by the Huddlestons can be found in CAC, D/HUD/6/2, ‘Directions for payment of Exchequer bills on customs’ [undated but circa 1697] and D/HUD/6/3, Agents for Taxes to Andrew Huddleston, 9 September 1697, 23 October 1697, 9 November 1697.

³⁹ CTB vol. xiii, p. 35.

⁴⁰ CTB vol. xiii, p. 65.

⁴¹ For the backgrounds of these men, see Dickson, *Financial Revolution* pp. 369, 415-416; C.G.A. Clay, *Public finance and private wealth: the career of Sir Stephen Fox, 1627-1716* (Oxford, 1978), pp. 232, 237, 252; G.S. De Krey, *A fractured society: the politics of London in the first age of party, 1688-1715* (Oxford, 1985), p. 161; E. Cruickshanks, S. Handley, and D.W. Hayton, *History of Parliament: The Commons, 1690-1715* (5 vols., Cambridge, 2002) vol. iii, 937-8; vol. iv, pp. 578-9, 761; A. Graham, *Corruption, party and government in Britain, 1702-13* (Oxford, 2015), pp. 67-8, 106.

parliamentary attainder which alienated many due to the blatantly partisan manner in which it was conducted. Even allies worried that it did little to reinforce the credit of the bills, and even undermined them by diverting Parliament away from more important matters. When this failed and the Treasury then decided to prosecute Duncombe at law, the case revealed serious loopholes in the Exchequer Bill legislation, while Duncombe himself was immediately and highly visibly acquitted of these crimes by an equally partisan jury of supporters.

The malfeasance of Duncombe and others was first detected on 10 September 1697, when two informers exhibited to the Lord Justices some £200 or £300 in counterfeit Exchequer bills, ‘unskilly’ [sic] done.⁴² The Treasury and the Trustees traced them to a Portuguese Jewish merchant named Domingo Antunes, who had altered the denominations of several genuine non-specie Exchequer bills to increase their value and then put them into circulation.⁴³ One of the bills had passed through the hands of a tailor named Richard Maryot, and when he was brought in for questioning he testified that had bought and sold the bill in good faith, adding off-handly that the bill had been falsely endorsed by Reginald Marriott as a favour to him, to make it into a specie bill that could be paid by the Trustees.⁴⁴ When Marriott heard about this confession he panicked, and ‘sent for him [Maryot] and said he had undone him’, as the Treasury and the Trustees would now switch their attention to him. Marriott therefore tried to convince the Trustees to drop their investigation and simply write off the Bill as a bad debt, promising in return, ‘[as] it would be so much to the public prejudice, that he and the clerks of the Exchequer would make good the money by contribution’.⁴⁵ Only once it was clear that the game was up did Marriott present himself to the Treasury, on 12 October, and then, ‘with the greatest shame and confusion’, take full and complete personal responsibility for the false endorsement of the Bills.⁴⁶ The Treasury and the Trustees therefore came across the most serious threat to the credibility of the Exchequer bills, carried out by their own revenue officials, largely by accident and through the actions of informers and the well-intentioned but ill-judged honesty of Richard Maryot. Their decision to continue enquiries was also primarily made from political motives and only secondarily to preserve the credit of the bills.

⁴² W.J. Hardy and E. Bateson (eds.), *Calendar of State Papers, domestic series, of the reign of William and Mary* (11 vols., London, 1895-1937) vol. viii, p. 363.

⁴³ CTB vol. xii, pp. 79-82; CTP vol. ii, p. 94.

⁴⁴ CTB vol. xii pp. 82, 83-4. Their similar surnames suggest some kind of family connexion, but I have found no evidence for this.

⁴⁵ CTB vol. xii, p. 82.

⁴⁶ CTB vol. xiii, pp. 4-5.

As recent work has emphasised, the period was one marked by heavily partisan conflict between the Whigs and the Tories, two parties which had emerged in the 1680s in the wake of the Exclusion Crisis of 1679, and which had been entrenched by the events of the Glorious Revolution of 1688. At stake was not merely the power and wealth of two political factions but also the wider political and religious policy of the nation, creating a series of alliances between high and low politics and interest groups that spread into every area of English life.⁴⁷ The 1680s had been marked by widespread political debate within the public sphere and violent partisan contests in local constituencies and boroughs, but also by a series of purges of officials from positions of trust in the central administration for unsuitable loyalties. To hold together the tenuous political coalition which had delivered him the throne in 1688, William III attempted to maintain a fractious balance of Tories and Whigs in his administration. From 1694 however, politics were increasingly dominated by a clique of Whigs known as the ‘Junto’, who proved to be much more successful in delivering finance and military resources than the Tories, and wanted to use this power to bring their own allies into office.⁴⁸ This was particularly urgent in 1697, because William hoped to use the end of the war to bring the parties back into an equilibrium and thereby cut down their power to direct domestic policy.

Consequently the Treasury – dominated by Junto Whigs such as Charles Montagu, Chancellor of the Exchequer – decided not to sweep the whole matter of the false endorsements under the rug but rather to press on. They may well have been influenced by the fact that Marriott had Tory loyalties, at least judging by his later conduct as the MP for Melcombe Regis in 1711.⁴⁹ Upon reflection they found that Marriott’s confession was insufficiently ‘ingenuous’ or frank, and on further enquiry he was induced to admit that Knight, Burton and Duncombe had persuaded him to make a false confession in order to prevent a further investigation of their own affairs.⁵⁰ During this investigation it became clear that they had taken advantage of the carelessness of the clerks at

⁴⁷ T. Harris, *Revolution: the great crisis of the British monarchy 1685-1720* (London, 2006); M. Knights, *Representation and misrepresentation in later Stuart Britain: partisanship and political culture* (Oxford, 2005); J.P. Kenyon, *Revolution principles: the politics of party, 1689-1720* (Cambridge, 1977).

⁴⁸ C. Rose, *England in the 1690s: revolution, religion, and war* (Oxford, 1999), pp. 63-151; H. Horwitz, *Parliament, policy, and politics in the reign of William III* (Manchester, 1977), pp. 175-81.

⁴⁹ Cruickshanks, Handley, and Hayton, *Hist. Parl. 1690-1715* vol. iv, 760-1. It is possible, of course, that his Tory loyalties after 1711 were a response to his treatment by the Junto Whigs in 1697.

⁵⁰ The investigation can be followed in CTB vol. xiii, 5-14, 16, 18, 22-4, 31-3 and the full details of the conspiracy in William Cobbett, Thomas Bayly Howell, and Thomas Jones Howell, *Cobbett's complete collection of state trials* (34 vols., London, 1809-28) [hereafter *State Trials*] vol. xiii, columns 1061-1106 and *Journal of the House of Commons* vol. xii, pp. 23-7, 28-9, 33-6, 78, 91, 124.

the customs and excise offices in endorsing the bills with the proper names and dates, and the clerks at the Exchequer to check the bills properly to see that they had been received only for the payment of taxes, to buy up their £50,000 in non-specie bills at 5 per cent discount and add false endorsements to allow them to be received at par.⁵¹ Some had been signed by Marriott or at his instigation, and others by Duncombe's broker John da Costa, whom Duncombe had urged 'to set his own name and other feigned names [on them] ... [and then] paid them into the Exchequer'.⁵² The group had therefore used precisely the same loophole as the Huddlestons, receiving the bills at discount in exchange for cash and using their power to endorse them to pay them in at par.

Since the bills were received in the Exchequer at their face value this scheme had probably secured all concerned about £2,500, the different between their face value and the discounted values at which they had been bought. This was a relatively small sum in the circumstances, but at a conference on 20 November the king and other ministers stated for the record that examples should be made of all four men.⁵³ 'It is justice I owe to the nation that has contributed so much', said the king. The Lord Chancellor John Somers, a leading Junto Whig politician, reminded them that the Treasury Lords had said that 'if there were no punishment it would have an ill effect, [as the] disrepute to the bills has been of great disadvantage'. The earl of Sunderland, another leading Junto Whig, added that 'if the war had continued this would have destroyed credit, [and] if these persons [be] not prosecuted as far as law will admit, there is no punishment for venturing to ruin a nation'. Yet the Whigs on the Treasury Board also saw an opportunity to rid themselves of Duncombe, a Tory politician who had been a thorn in their side for much of the 1690s.⁵⁴ Significantly, the only person to speak in defence of any of the four was Sir Stephen Fox, the sole Tory on the Treasury Board, who tried to defend his old protégé John Knight against these accusations.⁵⁵ By making the matter into one of party politics the Treasury therefore hoped to use administrative malfeasance to make partisan gains, with the wider credit of the Exchequer Bill system now only a very secondary priority.

Indeed, the fiasco which resulted probably worked against the credit of the bills. All four men were immediately dismissed from their posts, along with the clerks in the Exchequer.⁵⁶ After

⁵¹ *State Trials* vol. xiii, column 1063.

⁵² *State Trials* vol. xiii, column 1063.

⁵³ CTB vol. xiii, pp. 35-6.

⁵⁴ See above n. 41 and Horwitz, *Parliament, policy and politics* pp. 230, and, for the political context, pp. 222-31.

⁵⁵ Clay, *Public finance* pp. 252-3.

⁵⁶ CTB vol. xiii, pp. 29, 32.

the Tories hit back by claiming that Montagu had also falsely endorsed Exchequer bills, the Junto Whigs introduced three bills of attainder into Parliament against Knight, Burton and Duncombe in February 1698 to convict all three men of malfeasance without the need for a trial in a court of law. It was a measure so blatantly partisan that the Attorney-General, a moderate Tory named Sir Thomas Trevor, felt compelled to object and to point out the plausible grounds on which all three had acted.⁵⁷ ‘The law upon which [the bills] were founded and the circulation upon which these bills depended was uncertainly premised’, he noted in his speech to the Commons in their defence, ‘... and there are several words in it that any man that reads only those words, and was not here at the making to know your intention, might very well think those bills to be current in all payments to the king’.⁵⁸ There was also the public service. ‘When I consider if the necessity of affairs did justify in that, I cannot say at the same time that this is so great an offence in this gentleman’, Trevor said, ‘... so that we must ... not pitch upon a man and think to undo him by such a penalty for doing that which I think was not very honest, but I doubt was too much practised and was of necessity allowed of’. Indeed, Duncombe and his allies had done no more than many others had done. ‘Was there anybody that meddled with these bills but who got by them?’, Trevor concluded, ‘[and] if you would not allow men to have got by them, Exchequer Bills would have been worth nothing, and their credit would have been quite sunk.’ The efforts of the Treasury therefore resulted in the Crown’s chief legal officer stating to Parliament, possibly from partisan loyalties, that the law behind the Exchequer Bills was unclear and that the defendants were being tried ‘for offences against which there is no law’.

The bills of attainder therefore became partisan measures which were then lost in the Lords, albeit only by one vote, as the Tories closed ranks to protect Duncombe and defeat the Whigs. Bateman had been hot for prosecuting them in November 1697, ‘for the king and nation has been very falsely cheated’, but by March 1698 he merely complained to Hill that the decision would ‘waste much of their time and greatly obstruct the public affairs’.⁵⁹ Even though their allies in the City of London were therefore at best ambivalent about the value of further prosecutions, the Treasury nevertheless then embarked upon a further prosecution of Duncombe in the Court of

⁵⁷ Horwitz, *Parliament, policy and politics* pp. 229-31.

⁵⁸ British Library, Stowe MS 364 ff. 72-74v, ‘Mr Attorney-General’s speech in the House of Commons against Mr Duncombe’s bill’ [circa 1698].

⁵⁹ HL, HM 78015, 78016, Sir James Bateman to Richard Hill, 2 November 1697, 21 March 1698; Beinecke Library, Harvard University, New Haven, CT, Osborn MS 31, Box 1, Folder 4, Sir James Bateman to Richard Hill, 1 February 1698, 15 February 1698.

King's Bench before the Lord Chief Justice.⁶⁰ However, this provided Duncombe with a platform to amplify the arguments already made to the Treasury and Parliament in his defence. The Crown argued that Duncombe had knowingly bought discounted Exchequer Bills with public cash from da Costa, who had then fraudulently endorsed them, and paid them in at the Exchequer by misleading the clerks into thinking that they had been received for excise revenue. In his defence, Duncombe's attorneys argued that there was nothing in law which prevented the revenue officials from buying Exchequer Bills with their cash in hand and paying them in as if they were cash; that he had, in any case, obtained his receipt or *quietus* from the Exchequer and was thus exempt from prosecution; and that the public had actually benefitted from these transactions, a claim worth examining in more depth.

The prosecution alleged that the Crown had ultimately lost from these dealings, as rather than receiving cash for revenue, which allowed it to pay off creditors and thus maintain its credit among them, it had instead received at par Exchequer Bills which could only now be issued to creditors at a discount of 10 per cent or more, resulting in a net loss. Revenue officials had been permitted to endorse and pay in the Bills to the Exchequer only to encourage their circulation, since creditors might refuse to take them if they could not be used for the payment of taxes. The defence argued, firstly, that by exchanging these Bills for cash, the Exchequer had been able to pay them off and prevent further charges of interest, thereby saving the public money. Secondly, they pointed out that da Costa was more than Duncombe's broker; he was also one of the remittance contractors whom the Treasury relied on to send money to British and allied armies in Flanders. These contractors were paid in Exchequer Bills, which were at a considerable discount; another contractor, Bateman, was on the verge of refusing to act altogether rather than be paid in devalued Bills, despite his political commitment to the ministry.⁶¹ By agreeing with da Costa to accept the Exchequer Bills he had been given in payment for his bills of exchange on Flanders, and at only 5 per cent rather than 10 per cent, because he knew he could endorse the Bills and pay them in at par into the Exchequer as if they had been received as revenue, Duncombe had therefore rescued the wider English financial revolution during an intensely sticky moment. 'Mr Duncombe takes them at less discount than they allowed them at', one of his counsel argued, 'so that he rather gave them credit than otherwise to those bills, [so] they rose higher and the discount was less upon

⁶⁰ For the trial, see above n. 50. A copy of Duncombe's defence was printed as *Mr Duncomb's case*, (undated but circa 1699).

⁶¹ Graham, 'Exchequer bills', pp. 74-5.

them; so hitherto there is no crime'.⁶² The matter of false endorsement was also easily explained, since da Costa testified that he had entered the false names in order to conceal from the financial markets, rather than the Exchequer, how widely he was discounting the Bills, in case it undermined confidence to see a major government contractor discounting them so widely: 'I was afraid', he said, 'it might disoblige the Lords of the Treasury to discount so many, and disoblige my own credit'.⁶³

Duncombe and da Costa therefore offered the same defence that the Huddlestons had made to the Treasury, arguing that maintaining the credit of the Exchequer Bills in the markets of the early English financial revolution occasionally required conduct that fell within the spirit but not quite the precise letter of the law. In this case, the urgent and overarching need to maintain the credit and circulation of the Exchequer Bills, one of the few remaining props of the English fiscal-military state, made it necessary for revenue receivers to give them currency and circulation by using the public cash to keep them afloat. Although inevitably involving an element of self-interest, since Duncombe had pocketed 5 per cent profit from the transaction, the Treasury looked foolish insisting in court that the Exchequer Bills were not equal to money, when it had told financial markets for over a year that they were. Having attempted to exploit the incident not only to deter counterfeiters but also to remove a political opponent, they also now appeared even more foolish when the jury, itself composed mainly of Tory freeholders, ignored the strict instructions of Somers as the Lord Chief Justice that any false endorsement of the Exchequer Bills – which Duncombe's lawyers eventually conceded he had done – was a fraud in law, and instead 'did immediately, without going from the bar, bring him in Not Guilty'.⁶⁴

6.4 Conclusion

Finance, money and corruption were therefore intertwined in the early stages of the English financial revolution after 1688, and even the excise itself, the department which lay at the heart of

⁶² *State Trials* vol. xiii, column 1079. See also columns 1085, 1091.

⁶³ *Ibid.* vol. xiii, columns 1067-8.

⁶⁴ Of the twelve jurymen, Warwick Lake was one of the Tory candidates for Middlesex in 1705, and the printed poll book (*The poll for members to serve in the ensuing Parliament, for the county of Middlesex. Taken at Brentford the 28. day of May 1705.* (London, 1705)) shows that in that election, seven voted for Lake and the other Tory candidate Scorie Barker: they were Leonard Hammond of Tedington (p. 66), Thomas Blackmore of Finslay (p. 13), Francis Heath of Spitalfields (p. 62), Francis Peters of Stanmore (p. 56), Michael Shepherd of Edgware (p. 22), Matthew Fern of Ruislip (p. 52) and Robert Hedin or Hedding of Isleworth (p. 40). James Cole of Twickenham voted for the Whig candidates, and the remaining three jurymen did not vote. For the Middlesex election of 1705, see Cruickshanks, Handley, and Hayton, *Hist. Parl. 1690-1715* vol. ii, p. 372.

John Brewer's fiscal-military state, was not immune. The problem was systemic; not in the sense that it was universal, but in the sense that it was a product of the English fiscal-military system. The maximising of revenue and the creation of public credit should have been complementary, the first serving to reinforce the second by providing guarantees that financial commitments would be met, but in practice these did not always align. Informal action was occasionally found to be necessary, not only in lining up investors for the fund to circulate the Exchequer bills but also in managing the flow of taxation receipts between the peripheries and the centre, and in stabilising the value of the Exchequer Bills once they had been put into the market. Such action could be made to appear corrupt by unsympathetic administrative or political interests, but they relied upon traditional practices to detect this in the first place, and the arbitrary – and politically corrupt – nature of the decisions underlying this process were exposed in an embarrassing fashion in the course of the Exchequer bill scandals in 1698. The episode is a warning against taking too much at face value the smooth running of the English fiscal-military machine after 1688 and the role of supposedly impartial and impersonal bureaucratic processes in engineering the financial revolution of the 1690s. Instead, as Marjolein 't Hart found in the Dutch Republic, such financial networks and structures remained embedded in their wider economic, social and political contexts.