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**Breaking the Bank:
The Contentious Battle over the Bank of England, 1694-1714**

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Submitted in partial fulfillment of the requirements for
Honors in the Department of History

UNION COLLEGE
Schenectady, New York
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Introduction

England during the seventeenth century experienced unprecedented political and economic transformation. The rise and fall of the British monarchy, the subsequent political ascendance of Parliament and centralization of the state, sustained economic and commercial growth, and incessant wars abroad during the latter years of the century, contributed to a volatile political climate during the final years of the 1600s that contrasted greatly with the landscape earlier in the century. Specifically, said developments especially affected England's landed aristocracy. Their cherished ideology of order suffered significant setbacks as both the expanded reach of the state and the new economic ideology that stressed the importance of the individual undermined traditional notions of a hierarchical society. The incorporation of the Bank of England in 1694 represented the product of an ever-expanding British state and its necessity to secure funds to support its various endeavors. Yet, many were displeased with the foundation of this state-controlled financial behemoth. Particularly, the burgeoning commercial interests and landed gentry remained virulently opposed to the Bank. Although the creation of the Bank served important state interests, changing economic and political dynamics of the seventeenth century rendered its establishment a heated point of contention among members of the emerging merchant classes and the socially prestigious landed aristocracy.

For Definition: The Landed Interest

I will borrow H.T. Dickinson's succinct characterization of the Landed interest for my following analysis. According to Dickinson, the Landed interest, in essence, was comprised of a majority of the landed proprietors of England and a significant portion of the Anglican clergy that desired to maintain order in Church and state by upholding a political theory which

conceded at the minimum very considerable authority to the Crown.¹ This position essentially manifested itself as an ideology of order, one in which social stability could only be preserved if there existed a clear successor to divine authority. Additionally, to preserve the maintenance of said order, individuals must accept a doctrine of non-resistance and passive obedience, or in other words accept the Crown's actions as ultimate even if they stand in conflict with the teachings of God.² In fact, even men of property were willing to place the integrity of their estates under the purview of the King out of the fear of mob rule and popular democracy. For instance, the political unrest and social disorder of the 1640s and 1650s shocked the Landed interest and, as a result, they remained determined that there should not be another breakdown of established authority.³ Indeed, men of property feared that without a strictly hierarchical and stable social order, common people might rebel and initiate a social revolution that would destroy their privileges and exclusive rights as property owners. Also, I find it important to note the differentiation between Landed and 'Tory,' as the distinction may not always be clear. Although a landed individual almost necessarily harbors a Tory ideology, a Tory must not necessarily be a landed person, but rather one who subscribes to this traditional mindset.

For Definition: The Constitutional Interest

While Dickinson chooses to refer to the Constitutional interest as a distinct Whig party, the fact that the political precedents to the development of the Whig party remain closely tied to the Constitutional lobby renders his description appropriate for my analysis. He aptly describes the Constitutional ideology as being one based on the social contract, the natural rights of man,

¹ H.T. Dickinson, *Liberty and Property in Eighteenth-Century Britain*. (New York: Holmes and Meier Publishers), 1977: 13.

² Dickinson, *Liberty and Property*, 15.

³ Dickinson, *Liberty and Property*, 20.

and the ultimate sovereignty of the people.⁴ These individuals were generally opposed to an absolute monarch and were ready to support the rights of citizens to resist an arbitrary tyrant. However, in many respects this body also shared many of the prejudices that the Landed interest held. For instance, Constitutional supporters, at least those involved in the political realm, were by and large men of significant wealth who wanted political power to be exercised by men of their own type who also valued a stable, even hierarchical society that would protect the interests of the propertied class. In fact, early Constitutional opposition to a divine right monarch remained rooted in the belief that constitutional limits must be placed on the Crown in order for men of property to preserve their exclusive place in society: “The Whigs, Like the Tories, wanted stability and order and a world in which men of property would be safe.”⁵ Although the development of Whig ideology eventually put it in contention with the Tories, and, more specifically, the landed interest, this initial overlap illuminates the centrality of propertied interest in pre-Glorious Revolution England. Moreover, this formal definition of Constitutional interest need not be applied categorically to Crown opposition in pre-Revolutionary England. Instead, we will notice that these ‘Constitutional’ elements, which eventually manifested themselves into a more formal ‘Whig’ party, were oftentimes complicit with the Crown and actively sought to gain its political favor.

1660-1681: Political Precedents to the Development of the Party System

The Restoration of 1660 effectively brought Charles II to the British throne and marked a victory for the Country interest. For one, general public discontent began to boil over by the late 1650s as a response to economic woes brought about as a result of the war with Spain. In

⁴ Dickinson, *Liberty and Property*, 57.

⁵ Dickinson, *Liberty and Property*, 70.

November 1659 a concerted campaign emerged among tradesmen, artisans, laborers, and apprentices against existing republican rule. There were petitions, demonstrations, riots, and even a threatened tax strike among the masses in London. In fact, virtually all social classes welcomed the return of the monarchy in 1660, and they remained optimistic about its prospects to cure the nation's ills.⁶ Particularly, the Country interest, which tended to support a political ideology that stressed authority, order, and hierarchy, played a critical role in the Restoration.⁷ For instance, in February 1660 the politically weak Rump Parliament was forced to dissolve itself upon General George Monck's decision to march south for London with the Scottish army. Subsequently, the Convention Parliament formed and on May 8 its members proclaimed Charles II the lawful monarch. The country gentry comprised the vast majority of the Convention Parliament, and they played a critical role in crafting the Restoration settlement.⁸

Still, important to note was the fact that no consensus emerged regarding exactly what form the Restoration settlement should take. While the Crown ultimately regained some of its lost political clout, it nevertheless remained in an ambiguous position. The Landed interest achieved most of what they wanted in terms of constitutional arrangement, but they were not able to fully monopolize political control of the new regime. Moreover, although the Constitutional interest clearly suffered a defeat, they still managed to maintain enough of a niche within the government to potentially shape the administration in accordance with their wishes. Thus, there existed plenty of room for dispute as to whether the king was absolute, or shared his

⁶ Tim Harris, *Politics Under the Later Stuarts: Party Conflict in a Divided Society* (New York: Longman, 1993), 31.

⁷ H.T. Dickinson, *Liberty and Property: Political Ideology in Eighteenth-Century Britain* (New York: Holes and Meier Publishers, 1977), 13.

⁸ Harris, *Politics Under the Later Stuarts*, 28.

sovereignty with the two Houses of Parliament.⁹ While explicit party lines cannot be drawn until a couple decades later, these early tensions surrounding the Restoration settlement proved crucial in shaping the subsequent development of parties.

Further, political developments of the 1660s and 1670s played an even more pivotal role in the sketching of distinct party lines. First, we must note that the Constitutional interest during this time period did not necessarily rally around ‘Whig’ principles as earlier described, but instead were primarily motivated by political interests stemming from their dissatisfaction with the Restoration settlement. For instance, the disappointments of the Second Dutch War of 1665-1667 enabled Crown opposition in parliament to challenge the royal prerogative. Constitutional interests balked at the rumor that in 1667 Charles II had been advised by the Catholic Duke of York to raise money without consent of Parliament to form a new army to keep order. As a result the Commons voted for the immediate disbandment of the troops.¹⁰

This act of royal defiance exemplified the more fluid nature of political organization prior to the Glorious Revolution. On one hand, although the Constitutional interest would eventually become synonymous with being more religiously tolerant, in 1667 they basked in the opportunity to capitalize on popular support in opposition to Charles II’s leniency towards popery, or Roman Catholicism. On the other hand, although the Whigs would one day embrace the use of a standing army, the early Constitutional interest also took advantage of popular fear of arbitrary government to rally against the formation of a standing army. Indeed, we must not think in terms of pure political ideology during the pre-Revolutionary era. Rather, the ambiguity of the Restoration settlement initiated a competition for political power that resulted in these groups embracing a degree of politically malleability in order to secure influence in the government.

⁹ Harris, *Politics Under the Later Stuarts*, 46-47.

¹⁰ Harris, *Politics Under the Later Stuarts*, 55.

The Exclusion Crisis of 1679 to 1681 finally brought an element of clarity to previously blurred lines of political division. The Crisis remained rooted in the fear that Charles II's brother, the Catholic James, Duke of York, would someday assume the throne. Despite the fact that Parliament remained too politically anemic to pass a Bill of Exclusion to prevent the ascendancy of a Catholic monarch, the struggle brought to the fore a newfound political consciousness that ultimately smoothed out party discrepancies. The term 'Tory' and 'Whig' formally entered English politics during the Exclusion Crisis. Tory referred to the more conservative, royalist supporters of Charles II, while Whigs were those who supported the exclusion of James.¹¹ Indeed, the Exclusion Bill served as the central question upon which the parties diverged; further, the underlying principle of the matter remained whether Parliament should be able to elect a monarch of its own choosing, or continue to remain loyal to the established laws of succession.¹² We should view the Exclusion Crisis as representing the climax of the post-Restoration political settlement. As we have seen, there remained a marked absence of rigid ideology in the two decades preceding the Exclusion Crisis. Rather, a perpetual struggle existed between the roughly organized Constitutional and Landed interests with the goal of capitalizing on the political uncertainty following the Restoration. Finally, as a result of the Exclusion Crisis, distinct political entities began to emerge as the fundamental issue of monarchical succession came to the fore of political debate.

1682-1689: The Rise and Fall of the Crown and Growth of the English State

Despite the fact that James II assumed the throne as a relatively popular monarch, his policies quickly sparked opposition from both the Tories and the Whigs. For example, a slew of policies enacted during his early reign that promoted religious toleration drew criticism from

¹¹ Harris, *Politics Under the Later Stuarts*, 108.

¹² Dickinson, *Liberty and Property*, 59.

members in both political circles. Although the Tories remained the overwhelming majority in Parliament following the Exclusion Crisis, and had indeed supported James to succeed Charles II, they did so primarily to protect the established laws of succession. Indeed, at the time James's Catholicism remained at the periphery of concerns for the royalist Tories.¹³ Nonetheless, in 1688 James's gave birth to a son, James Francis Edward Stuart, initiating the prospect of a Roman Catholic dynasty. Consequently, several influential Tory leaders united with members of the opposition Whigs and concluded that the best way to resolve the conflict would be to invite William of Orange to England, as he too feared a potential Anglo-French alliance. After securing financial and political support at home, William crossed the North Sea and English Channel with a large invasion fleet and quickly forced James's regime to succumb. While both parties may have cooperated in conspiring to oust James from the Crown, the subsequent settlement in effect permanently altered the foundation of the English government. The Crown certainly maintained a great deal of power; however, the Parliament essentially became emancipated from de jure control by the king and his court.

What appeared to be a significant victory for the Whig faction did not result in a fatal blow to the Tory camp. Still, conventional Tory ideology seemed to be in jeopardy:

They had seen the authority of an absolute monarch limited by acts of Parliament, they had witnessed a divinely ordained king replaced by one chosen by Parliament..., and they had accepted a deviation from the principle of indefensible hereditary succession.¹⁴

Nevertheless, the Tories were not prepared to completely abandon their ideology of order and accept the Whig principles of popular sovereignty and natural rights. For instance, while the party gradually abandoned its support for an indefeasible hereditary succession, they still attempted to appeal to a divinely ordained political order not through the king, but rather through

¹³ Harris, *Politics Under the Later Stuarts*, 140.

¹⁴ Dickinson, *Liberty and Property*, 33.

God.¹⁵ This helped reinforce their doctrine of an ordered and hierarchical society while not explicitly appealing to the now largely antiquated notion of divine royal succession. In truth, this notion was essentially applied to the Tory justification of William III as king: human actions are ultimately dictated by the will of God, thus making William's conquest directly correlated with divine providence. Overall, the Tories managed to accept the Revolutionary settlement while not wholly compromising their established values.

As previously mentioned, the Whig, and more specifically the traditional Constitutional elements, did not fully embrace the liberal ideas of social contract and natural rights; yet, following the Glorious Revolution, a general Whig ideological consensus emerged that stressed the common people's ability to resist an arbitrary tyrant. In essence, citizens, from birth, have engaged in a social contract with their ruler that establishes strict parameters for appropriate action on either end.¹⁶ The Whigs were extremely fortunate in that, unlike the Tories, they were never under such inexorable pressure to adjust their political principles. Nevertheless, Whig victory in the Glorious Revolution did not entail a resounding declaration of individual rights. Very much akin to the Tories, Whig thinkers continued to evoke a philosophy that reinforced the idea of an ordered society.¹⁷ Still, the emergence of Parliament as a powerful, largely independent political force marked a turning point in the development of the British state.

Indeed, the reach of the Crown grew substantially in the late seventeenth century. For one, the size of the British government bureaucracy increased significantly following the Glorious Revolution. The number of secure, full-time state employees, or the 'new men of

¹⁵ Dickinson, *Liberty and Property*, 34.

¹⁶ Dickinson, *Liberty and Property*, 71.

¹⁷ Dickinson, *Liberty and Property*, 81.

English government,' increased dramatically between 1680 and 1730.¹⁸ Specifically, the area of taxation became increasingly centralized in the early years following the Revolution. Prior to the events of 1688, tax collection had largely been delegated to authorities throughout the countryside who would appropriate funds for both local and national demands. However, the newly bolstered Parliament quickly bestowed the duty on royally appointed individuals. This had the effect of essentially consolidating fiscal powers into the hands of the state.¹⁹ The case of John first Baron Ashburnham (1656-1710) exemplified the growing rigidity of English bureaucracy. For instance, in attempting to lobby the land tax commissioners in Westminster to lower his assessment, he found them so inspired by the imperatives of law and the state that they completely ignored his private interests despite his social prestige as a wealthy landowner.²⁰ While in previous years he may have been able to utilize his political clout as a member of the gentry to undermine state law, this new, more centralized tax collecting scheme proved too inflexible and uncompromising.

Part II: Economic and Fiscal Backdrop: 1558-1688

The Ashburnham anecdote provides a brief preview of the powers of the post-Revolutionary British state, but we must first consider the decades of phenomenal economic growth and state centralization that preceded his era. Seventeenth century Britain was indeed one of impressive economic and bureaucratic expansion. Because the nation remained in a state of constant political turbulence for most of the century, it appeared as though neither the state was capable of unity, nor that its individual institutions could command widespread legitimacy. Nevertheless, ironically, the gradual waning of political upheaval in the latter half of the

¹⁸ James M. Rosenheim, *The Emergence of a Ruling Order: English Landed Society 1650-1750*. (New York: Longman), 1998: 167.

¹⁹ Rosenheim, *The Emergence of a Ruling Order*, 167.

²⁰ Rosenheim, *The Emergence of a Ruling Order*, 170.

seventeenth century revealed the actual durability of British political institutions.²¹ Indeed, despite the constitutional chaos of the Restoration, the politically virulent nature of the Exclusion Crisis, and the definitive realignment of political power during the Glorious Revolution, Britain emerged with a relatively stable, efficient bureaucratic system.

From an economic standpoint, national wealth during this time period expanded at rate unprecedented in British history: "...diversification and the exploitation of new markets were seen as preferable to the protection of a stable agrarian order, and opportunities for enterprise grew at a much more rapid rate than the capacity of the government to oversee them."²² In truth, due to the fact that economic expansion by and large outpaced the growth of the central administration, the individual merchant became especially empowered to pursue private wealth, as many government regulations in effect became obsolete.²³ As we will soon see, these resounding political and economic transformations elicited unique responses from both the traditional landed, agrarian interests, and more progressive, constitutional voices which had finally manifested within the Whig regime. First, however, we must sketch a relatively broad economic backdrop to complement the political context already outlined in order to gain greater clarity on the divisive points of contention that emerged following the Glorious Revolution.

Government spending on military endeavors skyrocketed in the latter half of the seventeenth century. Specifically, the navy remained a perennial monetary burden, even during times of peace. For instance, during the early years of Elizabeth I's reign (1558-1603), outlays on the navy tallied roughly £12,000 per annum, which represented a somewhat sustainable rate.

²¹ John Brewer, *The Sinews of Power: War, Money, and the English State, 1688-1783*. (New York: Alfred A. Knopf, Inc.), 1988: 21.

²² Joyce Oldham Appleby, *Economic Thought and Ideology in Seventeenth-Century England*. (Princeton: Princeton University Press), 1978: 99.

²³ Appleby, *Economic Thought and Ideology*, 100.

However, as war with Spain ensued at the end of the century, annual costs soared to around £90,000; and by the time of the Restoration in 1660 the crown was spending approximately £500,000 each year to sustain its world-class navy.²⁴ Further, the creation of a standing army in the 1640s, and its maintenance in various forms throughout the rest of the century, posed an additional financial hardship to the state. In fact, by the mid-1680s the standing army amounted to approximately 25,000 full-time soldiers and represented an annual cost of around £340,000.²⁵ While these significant investments contributed to enduring financial nervousness for those in government, the long-term implications of the development of this fiscal-military complex entailed a permanent enlargement of the British state.

Civil expenditures also took a toll on the royal balance sheet during this era while also contributing to the process of state expansion. During Elizabeth I's reign a relatively consistent annual budgetary surplus enabled civil administrative costs to be met without significant challenges. Still, as the costs of war began to mount under the early Stuart kings, meeting civil demands became increasingly challenging. The provisions of the Instrument of Government of 1653 attempted to solve this problem by setting aside £200,000 per annum "for defraying the other [ie. non-military] necessary charges of administration of justice, and other expenses of the Government."²⁶ The Instrument proved somewhat effective but also subsequently increased the demand for taxation and tax collecting oversight by making said costs a direct charge on the national government.²⁷ Nevertheless, we must note that civil outlays largely paled in comparison

²⁴ Michael J. Braddick, *The Nerves of State: Taxation and the Financing of the English State, 1558-1714*. (New York: St. Martin's Press), 1996: 30, 31.

²⁵ Braddick, *The Nerves of State*, 33.

²⁶ Braddick, *The Nerves of State*, 27.

²⁷ Braddick, *The Nerves of State*, 29.

to military and more specifically wartime expenditures. Yet, the escalation of both coincided with the development of a British mega-state.

Strained with such immense fiscal demands, mere taxation proved insufficient in meeting the monetary needs of the state. For instance, even during the more financially calm Elizabethan era private loans often had to be secured in order to meet the day-to-day costs of government. Even so, by the early seventeenth century the country's money market remained equipped only to help facilitate trade and industry; indeed, the demands of the state existed well-beyond the capacity of nascent system. Thus, the shortcomings of the London money market had often forced the government to seek funds abroad in the late-sixteenth and early seventeenth centuries, particularly in Antwerp. However, for the most part the crown attempted to secure loans at home where they could broker their power to either grant or remove economic privileges and hence obtain more ideal settlements with lenders.²⁸ Yet, at this point prior to the 1660 Restoration, the scope of state spending did not yet necessitate the development of a more mature financial system.

Nevertheless, as the needs of the state increased dramatically beginning in the mid-seventeenth century, a more well-established and reliable money market began to emerge. One particularly important development was the evolution of the 'Goldsmith bankers,' or commercially invested men who entered the realm of banking as a side venture. These men had begun to develop techniques of deposit banking that attracted loans from a large segment of society, and these funds were often reinvested with the government for good returns.²⁹ Another critical improvement came in the area of the *instruments of credit*, or means by which potential lenders were persuaded to become creditors to the government. Specifically, a system of

²⁸ Braddick, *The Nerves of State*, 36.

²⁹ R.D. Richards, *The Early History of Banking in England*. (New York: Sentry Press), 1965: 33.

payment orders was introduced which guaranteed repayment of debts in the order in which they had been contracted. Hence, lenders did not have to operate in fear that the government would endlessly procrastinate on the repayment of their loans.³⁰ In fact, public finance began to reach such unprecedented heights during the mid to latter half of the seventeenth century that lenders began to become a potent, independent political force that largely transcended the manipulative might displayed by the crown earlier in the century. In a sense, the crown in effect became a slave to the burgeoning London money market. For instance, as evidenced by the Ashburnham tale, the government even had to streamline its tax collecting mechanism in order to ensure a steady flow of revenue to meet the often stringent deadlines of creditors.

Economic change also occurred on a more micro level throughout the seventeenth century, particularly in the ideological realm. For much of the sixteenth century and even prior, economic expansion and ventures into foreign markets had been guided by royal charters granting well-defined privileges to merchant groups who were to conduct their activities in the interest of the British state. Yet, beginning in the early seventeenth century the activities of these state-chartered behemoths came under attack from private competition as foreign markets became increasingly lucrative ventures. As a result, a marked shift in ideology regarding economic activities began to take hold. For instance, a belief that economic activities should be regulated more in favor of private interest over the common good slowly came to the fore in the early decades of the seventeenth century: “as far as official doctrine was concerned, all thoughts of unduly restraining the process of industrialization had disappeared.”³¹ Indeed, trade became so dynamic in certain foreign markets, particularly with the newly prosperous American colonies, that private Merchant Adventures capitalized on these opportunities and amassed significant

³⁰ Braddick, *The Nerves of State*, 39.

³¹ Appleby, *Economic Thought and Ideology*, 99.

personal fortunes.³² This economic phenomenon also coincided with the emergence of a British consumer society. In 1650, contemporary commentator John Keymer noted that of the English population, “two parts of them [of three] are mere Spenders and Consumers of a Commonwealth.”³³ In turn, a general consensus surfaced that ordinary people could genuinely contribute to the nation’s wealth. Contrary to earlier notions of state-centric economic development, this shift placed an unprecedented emphasis on the role of the individual.

Interestingly, the English landed gentry, earlier referred to as the Landed interest, remained strangely removed from the commercialization and industrialization processes taking place in the mid to late-seventeenth century England. In reality, up until the early eighteenth century, estate owners operated under an economic and moral premise that exalted the primacy of their immediate micro-economy: “...pastoral depictions of agriculture had projected an agrarian moral economy in which members of the landed elite figured as stewards of an unchanging natural landscape of beauty and bounty.”³⁴ Of course, to some degree these landowners remained involved in the nation’s burgeoning commercial life. However, their excursions into the business world were generally very low-risk. G.E. Mingay describes the commercial life of the landed gentry as being “entrepreneurial activities and undertakings of new business that were largely limited to the exploitation of their estates.”³⁵ The landed elite were indeed very meticulous regarding their forays into the commercial world. A primary area of skepticism for investment lay in the previously detailed commercial paper money market. Instead, trade in tangible goods remained the livelihood for the vast majority of the country

³² Appleby, *Economic Thought and Ideology*, 101.

³³ Appleby, *Economic Thought and Ideology*, 116.

³⁴ Rosenheim, *The Emergence of a Ruling Order*, 59.

³⁵ G.E. Mingay, *English Landed Society in the Eighteenth Century*. (London: Routledge), 1968: 190.

aristocracy in England. Even then, most landowners who held surplus income tended to either reinvest that money into the improvement of their existing estates or in the acquisition of new land, both low-risk ventures that would yield stable gains over time.³⁶ Subsequent analysis will reveal the political implications of the more conservative nature of England's traditional landed gentry.

Part III: The Bank of England: A Product of the Seventeenth Century

The seventeenth century was indeed a transformative time in Britain, and by the end of the century the country's newfound power was characterized by its seemingly perpetual struggles against France: "...the real cause of conflict was that both England and France were growing in wealth and ambition, and that both increasingly regarded overseas trade as the true key to prosperity and power."³⁷ Specifically, a crushing naval defeat by France in the Battle of Beachy Head (1690) marked a turning point in the development of public credit in Britain. The battle had essentially become a catalyst for England to rebuild its navy to sustain its efforts in the Nine Years' War. However, the government's credit was so poor that it was impossible to borrow the £1,200,000 that the state required to rebuild its once powerful navy. As a result, in order to induce subscription to the loan, the lenders were incorporated by the name of the Governor and Company of the Bank of England, which was ultimately given exclusive possession of the government's balances.³⁸ In effect, the state had just given birth to a money-printing machine that could transcend some of the more elaborate money-market schemes described in the previous chapter. This centralizing institution served a critical role for Britain during the tumultuous, military-conflict ridden years of the late seventeenth and early eighteenth centuries.

³⁶ Rosenheim, *The Emergence of a Ruling Order*, 78.

³⁷ P.G.M. Dickson, *The Financial Revolution in England: A Study in the Development of Public Credit, 1688-1756*. (New York: St. Martin's Press), 1967: 8.

³⁸ Richards, *The Early History of Banking in England*, 24.

Unsurprisingly, the formation of this unprecedented institution also drew considerable backlash. The first line of criticism was political: “It alleged that the National Debt had been created to meet not an economic need...but a political need: to secure for the political settlement of 1689 the support of the powerful groups concerned in Government loans.”³⁹ Moreover, the Bank’s establishment also coincided with an overall climate of hostilities towards monopolies, particularly those involved with foreign trade. Indeed, as previously described, a free-trade ideology that placed emphasis on private individuals’ abilities to secure profits had begun to infiltrate the country during this century. The Bank represented the antithesis of this newfound economic philosophy, and underwent perennial attacks for its perceived corruptible monopolistic nature.

The most critical onslaught against the Bank came at the hands of the landed aristocracy. The evolution of government borrowing was thought to have serious consequences for the esteemed gentry. For instance, because the price of land varied inversely with the rate of interest, the 8% interest offered on Bank of England notes would resultantly siphon wealth away from landed individuals: “The landowner had also to pay indirect taxes, poor rates, and tithes, and despite these burdens, to maintain his station in his county and educate and endow his children.”⁴⁰ Indeed, tax increases were also a common phenomenon during the end the century, and a great deal of the burden fell on the gentry. These heightened taxes, in combination with the growing attractiveness of government securities as an investment, would threaten the very existence of the landed aristocracy and disrupt the traditional social fabric of English society.⁴¹

³⁹ Dickson, *The Financial Revolution in England*, 17.

⁴⁰ Dickson, *The Financial Revolution in England*, 27.

⁴¹ Dickson, *The Financial Revolution in England*, 25.

The argument that government finance acted as a magnet attracting capital away from trade soon made its appearance in the 1690s. In fact, in 1694 John Briscoe asserted that traders were now becoming financiers instead: “now almost their whole Discourse is of Lottery-Tickets, Annuities, Bank-Bills &c. and in contriving how they may draw their Money out of Trade, to put it upon some of these late Funds.”⁴² Further, many merchants complained that the cost of borrowing would also soar, as they had to compete with the attractive yields on government stock. Moreover, the indirect taxes imposed to pay interest on government loans were also said to affect merchants by raising the price of labor and raw materials, resulting in British products being undersold in foreign markets.⁴³ Generally, many individuals perceived the national debt as being destructive to the commercial gains made earlier in the century. It tied up capital that would normally be used for more productive investment in trade and industry, and only benefitted a select few with close ties to the state.

Part IV: Conclusion

Changing economic and political structures in the seventeenth century contributed to the emergence of a triad of interests largely centering on the contentious issue of the Bank of England. The landed interest, which had gradually witnessed their cherished ordered society be eroded by the economic and political developments of the 1600s, despised the Bank and feared that the increasingly popularity of its notes would drive down the value of their estates. The merchant classes, which were distinct products of the economic advancements of the seventeenth century, prided themselves on the role of individual enterprise and commercial endeavor free from the control of the state. From their perception the Bank threatened private investment by serving as an attractive alternative that would channel capital away from trade and into less

⁴² John Briscoe, *A Discourse on the Late Funds of the Million-Act* (1694), 20.

⁴³ Dickson, *The Financial Revolution in England*, 32.

productive government initiatives abroad. Finally, the government's interest in sustaining its seemingly perpetual overseas military conflicts truly made the Bank a force to be reckoned with. While the Bank ultimately persisted through this backlash, a culture of paranoia and distrust emerged in the late seventeenth and early eighteenth century that pitted these forces against each other in a battle of self-interest.

Chapter II: Bolingbroke, the Voice of the Gentry

The life and political career of Henry St. John, 1st Viscount Bolingbroke accurately reflects the sentiments of England's landed gentry during the late seventeenth and early eighteenth centuries. Born into a family with traditional roots much akin to the country's landed gentry, Bolingbroke's early years were marked by the political upheaval of the Glorious Revolution and the threat it posed to the traditional order of English society. For one, the expansion of state power following the Revolution led to the emergence of corporations such as the Bank of England, which posed a significant threat to the financial health of the country's landed masses. Second, the gentry also feared that nouveau riche moneyed men who benefitted from the nation's burgeoning financial system were plotting to marginalize the landed classes from government through their symbiotic relationship with the country's leaders. Finally, and perhaps above all, the economic and political developments following the Revolution represented a significant shift in the balance of power away from England's propertied men and into the hands of the executive, which threatened to disrupt the country's age-old social ideology of order that the gentry cherished. Confronted with monumental economic, political, and social challenges following the Glorious Revolution, England's gentry railed against the newfound influence of moneyed men and other individuals who appeared to unnaturally ascend to power in the aftermath of the events of 1688-9; Bolingbroke, very much a man of his times and representative of the gentry's concerns, served as the predominant spokesman for England's embattled men of property.

Lord Bolingbroke, the gentry's key ideologue, wrote extensively and depicted an ideal conservative model for English society. Although his writings have been compiled into eight

large volumes, I decided to hone in on a few specific works that captured the gentry's sentiments during the early post-Revolutionary years. In particular, I analyzed three essays that provide a thorough sketch of Bolingbroke's worldview. First, *A Dissertation upon Parties* lambasts the apparent corrupt nature of high politics during his day and age. Second, *Letters on the Spirit of Patriotism* defines his campaign against the powers at be as one of "opposition," a movement that held true to traditional English virtues. Finally, his *On the Study and Use of History* documents how nations have suffered when private interests begin to take precedence over the public good.

Part II: The Economic Dimension

A large segment of England's landed gentry were experiencing newfound hardships beginning in the latter half of the seventeenth century. Specifically, a rapid consolidation of land following the Glorious Revolution placed a significant burden on the livelihood of the ranks of smaller landowners in England's countryside. H.J. Habbakuk divides the landed society into three unique groups: peers, substantial squires, and smaller squires, the latter of which owned the least amount of land yet constituted the majority of the country's landed gentry. Habbakuk asserts that from 1640 to 1740 the former two larger groups expanded their holdings considerably while the smaller squires by and large either stagnated or witnessed their estates be absorbed by the burgeoning elite gentry: "There was a general drift of property in the sixty years after 1690 in favor of the large estate and great lord."⁴⁴ This phenomenon resulted in the emergence of a large number of frustrated landowners who were struggling to cope with their gradually diminishing social prestige.

⁴⁴ H.J. Habbakuk, "English Landownership 1680-1740," *English Historical Review*. vol. 10 (February 1940): 3.

Still, an even more important factor that influenced the plight of England's small gentry was the more than twenty years of perpetual war with France under the reign of William and Anne (1692-1715). These wars necessitated the institution of a hefty land tax, resulting in significant consequences for the landed society. In particular, the burden of these taxes fell disproportionately on smaller landowners who depended almost entirely on rents as a source of income.⁴⁵ Only those landowners who had a source of income other than their land were able to regularly meet the tax requirements without much difficulty; they tended to be the owners of larger estates who were also increasingly benefitting from the war's effects of expanding the patronage system of the central government through new offices and ambassadorships.⁴⁶ Of course, the government's economic onslaught did not drive the smaller gentry into complete submission, but many families who weathered the fiscal storm were forced to mortgage their estates and take on new debts. Additionally, Habbakuk notes that from 1702 to 1706, during the most desperate and climactic years of war, the price of agricultural produced dropped significantly, making it even more difficult for some of the landed men to pay their taxes and further facilitating the consolidation of estates.⁴⁷

Around the same time, the chartering of the Bank of England sent an additional, unsettling jolt into English landed society. As discussed in Chapter I, the creation of a national debt with an appealing 8% interest rate was widely believed to result in investments being siphoned out of land and into government credit, thus driving down the value of landowners' estates. Indeed, considering that estate consolidation and tax hikes were already placing hardships on the gentry, the introduction of a leeching financial behemoth only served to

⁴⁵ Issac Kramnick, *Bolingbroke and His Circle: The Politics of Nostalgia in the Age of Walpole*. (Cambridge: Harvard University Press), 1968: 57.

⁴⁶ Kramnick, *Bolingbroke and His Circle*, 58.

⁴⁷ Habbakuk, "English Landownership," 10.

exacerbate the plight of the landed classes. Further, this unprecedented financial institution also placed a psychological strain on the more traditional gentry. For instance, contemporary Jonathan Swift commented on the complete alien nature of the bank: “National Debts secured upon Parliamentary Funds of Interest, were things unknown in England before the last Revolution under the Prince of Orange.”⁴⁸ He proceeds to remark that while the Dutch may “consider it the interest of the Publick to be in Debt,” English politics and society were not necessarily compatible with such an idea.⁴⁹ Thus, the gentry not only perceived the Bank as a threat to their economic livelihood, but they also envisioned the intrusion of a foreign entity that stood in contrast with their traditional English values.

The consolidation of estates, in combination with the incessant pressures of taxation and the threatening presence of the Bank of England contributed to an outlook of distrust and paranoia among the masses of smaller gentry. In essence, members of the smaller gentry considered themselves to be victims of a conspiratorial movement: “The managers of the war, government officers in London or in the field, who were financed by the land tax, were using the fruits of place to buy into the land and squeeze out the small gentry.”⁵⁰ More specifically, members of the gentry were especially hostile towards moneyed men, or the owners of the state debt. These men collected yearly interest from the government and paid no taxes; and, as war continued to rage and royal debts piled up, moneyed individuals amassed great wealth and appeared to threaten the coveted social standing of landowners.⁵¹ In addition, the seeming intangible nature and impersonal quality of this new financial order perpetuated the resentment of the gentry. While a good deal of landowners played a role in the commercial world, most

⁴⁸ Jonathan Swift, *Works*, ed. H. Davis, vii (Oxford: Oxford University Press), 1953: 69.

⁴⁹ Swift, *Works*, 69.

⁵⁰ Kramnick, *Bolingbroke and His Circle*, 59.

⁵¹ Kramnick, *Bolingbroke and His Circle*, 61.

were more adept to the political realm and very few understood the workings of the new financial system. Instead, although “members of the elite recognized their estates as part of the wider economy beyond the park walls, they on the whole favored commercial undertakings that used the resources lying on their land or under it.”⁵² The largely isolated masses of smaller gentry felt powerless against the state’s financial machinery; they desperately sought for an ally within the government to voice their myriad of concerns.

Lord Bolingbroke served as the appropriate spokesman for the embattled landed gentry. For one, he was born into a lineage with strong ties to traditional elements of English society. During the early seventeenth century, James I bestowed the title of Baron Tregozze upon his grandfather Oliver St. John, solidifying the family’s ties to the monarchy throughout the remainder of the century: “His heirs fought for the King when the choice had to be made.”⁵³ In fact, the relationship between the St. John’s and the monarchy remained quite symbiotic in nature, as James II pardoned Bolingbroke’s father in 1684 for killing Sir William Estcourt in a brawl.⁵⁴ Further, a ceaselessly volatile political climate surrounded Bolingbroke’s youth in which the traditional order of English society faced repeated challenges. At the ripe age of 10 St. John witnessed both the Stuarts being sent into exile for a second time and the emergence of Parliament as an independent political force. While his royalist-inclined family endured the political upheaval, Bolingbroke’s youth was nevertheless marked by incessant uncertainty and instability in which his family’s privileged standing in British society remained incredibly vulnerable. These forces ultimately shaped Bolingbroke’s worldview and rendered him a fitting delegate for England’s struggling landed gentry.

⁵² Rosenheim, *The Emergence of a Ruling Order*, 73.

⁵³ Sir Charles Petrie, *Bolingbroke*. (London: Collins), 1937: 15.

⁵⁴ Petrie, *Bolingbroke*, 17.

In his famous *Dissertation Upon Parties*, Bolingbroke railed against the seemingly sacred nature of money in English society. He specifically focused on how the nature of Englishmen had changed since the Glorious Revolution. Since the Revolution, he argued, Englishmen had ceased to be plain, rough, and good nature; instead, a “rapacious eagerness for wealth” mired all of England.⁵⁵ This preoccupation with wealth, he continued, tainted the mind and thus hindered the country’s ability to produce virtuous ideas, resulting in a “modern dullness and stupidity.”⁵⁶ Moreover, he spoke with particular urgency when equating contemporary England with the once all-powerful Roman Empire. Rome, once a bastion of intellectual and commercial achievement, gradually succumbed to corruption at the hands of self-interested individuals. Bolingbroke warned that England’s public spirit also remained in a state of decline and that the country was suffering at the hands of men “whose talents would scarce have recommended them to the meanest offices in the virtuous and prosperous ages of the commonwealth.”⁵⁷ Indeed, England too would suffer a similar fate if it did not return to its traditional principles of its glorious past. These sentiments undoubtedly resonated with England’s landed gentry. While not directly affected by phenomena such as estate consolidation and heavy taxation, Bolingbroke shared a similar attitude regarding the changing configuration of English society.

His criticisms also specifically targeted the country’s burgeoning financial system. In Bolingbroke’s opinion, the new financial innovations increased the power of the Crown and its ministers to such an extent that sooner or later all men would become servants of the state. The high levels of debts and taxes that contributed to an expanding state apparatus would eventually result in a “vast number of new dependents on the crown” who would further perpetuate the

⁵⁵ Henry St. John Viscount Bolingbroke, *The Works of Lord Bolingbroke II*, (Philadelphia: Carey and Hart), 1841: 355.

⁵⁶ Bolingbroke, *Works II*, 356.

⁵⁷ Bolingbroke, *Works II*, 152.

innately corrupt nature of the financial world.”⁵⁸ Moreover, Bolingbroke’s rant proceeded to make a direct appeal to the landed masses, claiming that the expansion of state financial power would ultimately threaten the existence of the gentry, resulting in land formerly owned by the thousands being consolidated into the hands of few moneyed men.⁵⁹ For the gentry, the only meritorious solution that existed would require both a reduction in the land tax and also on the interest rate paid to receivers of state annuities. Bolingbroke, while limited in his role in economic matters first as Secretary at War (1704-1708) and then as Secretary of State for the Northern Department (1710-1713), nevertheless strove to serve as the voice of the gentry marred in financial strife.

The Bank Crisis of 1710 presented Bolingbroke with an opportunity to strike back against England’s financial establishment. From June to August of 1710 the leaders of the Bank of England in essence attempted to dictate the policy of Queen Anne, warning her not to dismiss a slew of her Bank-friendly Whig ministers. Although their plea ultimately proved futile, the altercation exemplified the potential political power of the new economic order. A contemporary correspondence between Arthur Moore and Robert Harley illustrated the profound nature of this unprecedented clash of interests:

This is a matter of very extraordinary nature, that private gentlemen...that private persons should have the presumption upon them to direct the sovereign. If this be so let us swear allegiance to these four men and give them a right to our passive obedience without reserve.⁶⁰

Bolingbroke astutely capitalized on the anti-institutional sentiment that emerged following the crisis and sponsored the Landed Qualification Bill of 1711 the following year. The Bill intended

⁵⁸ Bolingbroke, *Works II*, 158, 159.

⁵⁹ Kramnick, *Bolingbroke and His Circle*, 78.

⁶⁰ Robert Harley to Arthur Moore, June 19, 1710, quoted in Geoffrey Holmes and W.A. Speck, *The Divided Society: Parties and Politics in England 1694-1716*. (New York: St. Martin’s Press), 1968: 136-137.

to essentially purify the House of Commons by instituting a landownership requirement for individuals seeking office. Eighteenth century diarist Peter Wentworth stated that Bolingbroke sponsored the Bill in part to prevent “a time when the money’d men might bid fair to keep out of that House all the landed men.”⁶¹ While the law proved relatively easy to circumvent, it nevertheless demonstrated that fear of this nascent yet already powerful financial system extending beyond the walls of the gentry’s estates and into the government itself.

Part III: The Political Dimension

Members of the landed classes also feared the emergence of a new political order in the years following the Glorious Revolution. For instance, the rampant growth of the state apparatus following the Revolution appeared to pose a threat to the traditional structure of English political life. The expansion of the bureaucracy, founding of the Bank of England, and incessant wars abroad threw a wrench into the gentry’s cherished system of mixed government by placing undue power in the hands of the executive: “Excessive wealth and property gave the Crown and the aristocracy too much patronage which might be used to corrupt the people’s representatives in Parliament.”⁶² Moreover, the ever-expanding state system presented opportunities to non-traditional political classes to get involved in matters of government. The conservative-leaning gentry balked at the idea of entrusting “the liberties of the nation...to servants and labourers who were always dependent upon others.”⁶³ According to the gentry, these men were merely self-interested products of the Revolutionary settlement who sought private gain at the expense of the public good. Instead, the good of the nation was best served in the hands of the country’s traditional ruling class, stable, independent proprietors who were in a position to withstand the

⁶¹ J.J. Cartwright, ed. *The Wentworth Papers, 1705-1739* (London, 1883) quoted in *Bolingbroke and His Circle*, 13.

⁶² Dickinson, *Liberty and Property*, 103.

⁶³ Dickinson, *Liberty and Property*, 103.

corrupting influence of the new political order. Similar to their perception of the country's new economic and financial order, the gentry remained highly suspicious of these seemingly corrupting forces infiltrating the political realm.

A general sentiment existed among the landed classes that these new, corrupting influences were part of a greater conspiracy to exclude the gentry from political life. A correspondence between James Lowther and William Gilpin, landed men of Cumberland, illustrates the aura of suspicion surrounding the post-Revolutionary government:

...the people ought to be apprised of the unreasonableness of having three [M.P.'s] in six officers of the army. There never was more need for men of estates to be chosen, when officers of the army and merchants of London are jostling the landed men everywhere out of their elections.⁶⁴

Indeed, landed men not only feared the economic consequences of the burgeoning state machinery, but also felt politically vulnerable as moneyed men appeared to be crafting a collegial relationship with the government. Consequently, landed sympathizers in Parliament attempted to strike back. Gentry spokesmen regularly introduced bills that would attempt to disenfranchise revenues officers and exclude many categories of placemen and pensioners from sitting in the Commons. While these measures rarely passed, their defeat served to reinforce the fears of the gentry that the powers at be were conspiring to further reduce the position of England's traditional ruling class.⁶⁵ In a letter to Lord Orrery, Bolingbroke discussed how the gentry's constant political setbacks were affecting their morale:

The consequence of all [this] is, that the landed men are becoming poor and dispirited. They either abandon all thoughts of the public, turn arrant farmers, and improve the

⁶⁴ James Lowther to William Gilpin, February 12, 1708, quoted in Holmes and Speck, *The Divided Society*, 134-135.

⁶⁵ Dickinson, *Liberty and Property*, 184.

estates they have left; or else they seek to repair their shattered fortunes...under the heads of parties.⁶⁶

In truth, little optimism prevailed among the landed masses in post-Revolutionary England.

Looking outside immediate political realm, the gentry also vehemently opposed the existence of a standing army. Of course, the tax implications of this period of seemingly perpetual war presented a significant hardship on a majority of the country's landed men. However, the constitutional implications of maintaining a permanent standing army also struck fear into the hearts of England's landed population. The gentry viewed such an entity roughly akin to institutions such as the Bank of England; they served only to perpetuate the government's patronage system that threatened the political standing of landed men: "The standing army, like the national debt, was seen as one of the chief means of strengthening the power and influence of the Court and weakening the independence of the House of Commons."⁶⁷ This further shift in the balance of power towards the Crown and the executive presented yet another risk to the gentry's sacred notion of mixed government. The administration of a large, standing army presented even more opportunities for non-traditional civic classes to infiltrate the government and perpetuate the culture of corruption that characterized post-Revolutionary England.

The largely anti-institutional sentiment of the landed classes also characterized the writings of Lord Bolingbroke. He repeatedly condemned the ascendance of parties following the Glorious Revolution. In his opinion, parties only pretended to promote the public good while in realized their primary object served to facilitate a competition for wealth and power. In *A Dissertation upon Parties* he remarked about the corrupting influence of parties in English society. He contended that the influence of parties, "on some occasions, can hurry even

⁶⁶ Henry St. John to Lord Orrery, July 9, 1709, quoted in Holmes and Speck, *The Divided Society*, 135-136.

⁶⁷ Dickinson, *Liberty and Property*, 186.

reasonable men to act absurd, and honest men to act on the most unjustifiable principles, or both one and the other on no principle at all.”⁶⁸ Moreover, Bolingbroke continued to assert that the distinction between Whig and Tory was in fact irrelevant; both parties were complicit in the formation of this new political order:

This alternation would have been sooner wrought, if the attempt I have mentioned, to defend principles no longer defensible, had not furnished the occasion and pretense to keep up the appearances of a Tory and a Whig party...the advantages of one side, the disadvantages to the other, the mischiefs to the whole, which have ensued, I need not deduce.⁶⁹

His comments were very much echoed throughout the landed community. Their concerns were not specific to a party, but rather directed towards a greater, intangible institutional force. Bolingbroke, the quintessential enemy of party, thus championed the interests of the distressed landed classes.

Bolingbroke defined his campaign against the establishment as one of “opposition,” which he outlined in *A Letters on the Spirit of Patriotism*. He began by explicitly differentiating the opposition from a formal political party. An opposition does not necessarily hold a specific ideology or set of policies, but rather exists to perennially question the inherently unacceptable status quo upheld by the government. He wrote that all laymen of society serve as members of the opposition; and their task was to “oppose systematically a wise to a silly, an honest to an iniquitous, scheme of government.”⁷⁰ Further, to avoid accusations of treason he also carefully distinguished between the government and the constitution. He accomplished this by suggesting that the king is an essential aspect of constitutional government, while his ministers are merely

⁶⁸ Bolingbroke, *Works II*, 78.

⁶⁹ Bolingbroke, *Works II*, 80.

⁷⁰ Bolingbroke, *Works II*, 370.

interchangeable parts of the government.⁷¹ Accordingly, the opposition should work to ensure that members of government uphold the country's inherently good constitutional principles. In *A Dissertation upon Parties* Bolingbroke appears to have taken a sizable jab at his contemporaries within the government:

“Another thing to be considered is this: when persons are spoken of as friends to the government, and enemies to the constitution, the term friendship is a little prostituted, in compliance with common usage. Such men are really incapable of friendship; for real friendship can never exist among those who have banished virtue and truth.”⁷²

These sentiments must have certainly resounded throughout the English landed community. To the gentry, such “friends of the government” symbolized those corrupt individuals affiliated with institutions such as the Bank of England. Their ever-expanding influence rendered them formidable “enemies to the constitution” and appeared to jeopardize the existence of landed society.

Bolingbroke's political philosophy also resonated with the gentry beyond the immediate political realm and into the world of international affairs. He similarly applied his preoccupation with a domestic constitutional equilibrium to foreign matters. For instance, he held that while continental peace should remain the ultimate goal of English foreign policy, the country must first embrace its role of the “balancer,” and to “hinder it from being destroyed by preventing too much power from falling into one scale.”⁷³ His lengthy *On the Study and Use of History* proceeded to discuss how private interest had trumped national, public interest in the country's recent wars: “the war...became a war of passion, of ambition, of avarice, and of private interest; the private interest of particular persons and particular states; to which the general interest of

⁷¹ Kramnick, *Bolingbroke and His Circle*, 161.

⁷² Bolingbroke, *Works II*, 89.

⁷³ Bolingbroke, *Works II*, 249.

Europe was sacrificed so entirely.”⁷⁴ Indeed, akin to the perceived advancement of private interests on the domestic front, these same forces were corrupting the nation’s interests overseas. They served only to preserve the vicious cycle of war that continued to inflict economic damage on the landed masses, while only benefitting the moneyed elites and other influential individuals within the government. Instead, according to Bolingbroke, England must turn inward and concentrate on matters of public importance, and only meddle in international concerns if the nation’s sovereignty remained at risk.⁷⁵ The masses of landed gentry, historically isolated to their estates and surrounding communities, wholly embraced this concept of isolation. Considering that the breadth of their interests rarely extended beyond their immediate surroundings, they preferred a government whose activities also remained close to home.

Part IV: The Social Dimension

The social standing of England’s landed gentry remained deeply entrenched in an age-old political ideology of order. Particularly, in the decades preceding the Glorious Revolution a general consensus prevailed that emphasized social authority, order, and hierarchy. After God, the king stood as the chief commander of this rigid social arrangement; men of property served as tertiary administrators, presiding over the masses of commoners who inherently required their direction.⁷⁶ This philosophy was especially prominent in the years following the Restoration of 1660. English society had witnessed the collapse of social and political order in the 1640s and 1650s. Those turbulent years illustrated the dangerous threat that mob rule posed to the country’s traditional social fabric. Resultantly, the king’s return to power affirmed the primacy of this ideology of order. Indeed, the gentry were willing to put their interests and privileges at

⁷⁴ Bolingbroke, *Works II*, 298.

⁷⁵ Kramnick, *Bolingbroke and His Circle*, 185.

⁷⁶ Dickinson, *Liberty and Property*, 20.

the mercy of an absolute ruler, as they preferred the existence very powerful monarch to the dangerous of anarchy.

The Revolution of 1688 delivered a severe blow to the established social framework of English society. Parliament had emerged as a power, independent political body and the principle of divine, hereditary succession no longer remained the law of the land. Moreover, as power became increasingly centralized in the burgeoning state apparatus, opportunities developed for non-gentry men to enter the folds of political and bureaucratic life. While not explicitly similar to the tumultuous events of the 1640s and 1650s, the idea of social mobility posed a significant threat to gentry's coveted ideology of order. Still, H.T. Dickinson argued that although the Revolutionary doctrine presented a challenge to the gentry's social prestige, the time-honored social order largely prevailed: "After all, the political events of 1688-9 had not sparked off a social revolution and a hierarchical society which conferred rank and status on men of birth and fortune had survived the Revolution almost entirely unscathed."⁷⁷ Yet, because the economic and political developments following the Revolution did in fact directly impact the lives of the landed masses, they felt an even greater pressure to retain some measure of social dignity.

The gentry's quest to maintain their stature within English society coalesced into a distinct criticism towards the social makeup of cities such as London. For most, life in the town was simply inferior to that of one's rural community. Many contemporary moralists considered the country to be the natural sphere of gentry activity, and gentlemen who ventured into cities risked criticism for leading a solitary life and abandoning the duty he had to his estate, family,

⁷⁷ Dickinson, *Liberty and Property*, 43.

and household.⁷⁸ Further, the metropolis also epitomized the corrupt nature of economic and political life in the years following the Revolution. John Gay's remarks in *The Beggar's Opera* (1728) accurately depicted the overarching sentiment among landed men regarding the crooked and amoral nature of city life. Born into the gentry of Devonshire, Gay spent a majority of his adult life in London where he became disenchanted with the decay of English society. In his writings he portrayed an urban society in which money in self-interest prevailed over the virtue of public good: "...if you would not be looked upon as a fool, you should never do anything but upon the foot of interest. Those that act otherwise are in their own bubbles."⁷⁹ Indeed, while the gentry perceived many of the post-Revolution economic and political developments as being largely out of their control, they nevertheless sought to contain the nefarious qualities of urban life to streets of London.

Bolingbroke's attitude towards the natural structure of society very much aligned with the beliefs of England's landed gentry. For one, as an individual growing up in the turbulent political atmosphere of the late seventeenth century, he would have experienced his family's status come under attack following the events of the Revolution. Of course, Bolingbroke withstood the political upheaval of 1688-89; still, during his early, formative years, these events surely helped forge his outlook on what constituted an appropriate social order. Indeed, we can sense a conservative bias in his writings on the origins of society. For instance, he repeatedly spoke of a God-given "natural law" that he believed ultimately dictated the structure of economic, political, and social life.

In created man, God designed to create not only a rational but a social creature, and a moral agent: and he has framed his nature accordingly. If he had designed this world to

⁷⁸ Rosenheim, *The Emergence of a Ruling Order*, 239.

⁷⁹ John Gay, *The Beggar's Opera*, London, 1728, quoted in Rosenheim, *The Emergence of a Ruling Order*, 240.

be the habitation of devils, he might have made us by nature, what we say that they have made themselves by rebellion.⁸⁰

This specific passage is unique in that he appears to be criticizing the notion of social change. Specifically, when he notes that “they have made themselves by rebellion” he is referring the unnatural nature of the post-Revolutionary social arrangement and how it conflicts with God’s intended design for society. The expansion of state prerogative through the foundation of corporations such as the Bank of England stood in antithesis to the natural order of society and threatened the social standing of the gentry.

Bolingbroke’s belief that private interests have begun to trump the public good also reverberate throughout his writings. For instance, he vehemently opposes Hobbes’ assertion that humans, in their most base state, will relentlessly pursue individual interests. Rather, according to Bolingbroke, humans possess an inherent trait of sociability that compels them to unite with their peers and establish communities. He writes, men “have a natural sociability; that is we are determined by self-love to seek our pleasure and our utility in society.”⁸¹ In summation, the natural state of mankind strives to seek collective happiness over individual desires: “...men are moved by...the rational law of nature and accept its moral virtues of justice, benevolence, and concern for the public good because their reason informs them that private good depends on the happiness of society.”⁸² Thus, the political and economic developments of post-Revolutionary England have injected an unnatural strain of self-interest into the minds of men which will ultimately lead to the corruption of English society. The gentry, who for centuries had gathered in small communities and refused to pursue interests beyond the confines of their estates, embodied Bolingbroke’s concept of the natural sociability of mankind. On the other hand,

⁸⁰ Bolingbroke, *Works IV*, 167.

⁸¹ Bolingbroke, *Works IV*, 165.

⁸² Kramnick, *Bolingbroke and His Circle*, 90.

moneyed men, who only recently acquired their fortunes through the pursuit of self-interest, were fundamentally corrupting the natural state of humanity.

Part V: Conclusion

England's landed gentry felt perennially vulnerable in the economic, political, and social climate following the Glorious Revolution. The expansion of the state apparatus necessitated by over twenty years of perpetual war facilitated the development of a patronage system that shifted the constitutional balance of power away from the Commons, the gentry's traditional bastion of influence, and into the hands of the Crown and the executive. These developments not only presented substantive financial and political threats to men of property, but they also represented a more fundamental disruption to the nation's traditional social fabric. Specifically, men of questionable roots appeared to be capitalizing on these post-Revolutionary developments, rapidly ascending the social ladder and acquiring significant fortunes. The gentry, who cherished the country's age-old social ideology of hierarchy and order, watched in shock as these men assumed an unprecedented level of social esteem. Above all, because most landed men remained confined to their estates and local communities, they did not fully comprehend the workings of the new state machinery, rendering the post-Revolutionary settlement even more intangible and threatening. Nevertheless, the landed masses possessed a formidable ally in Lord Bolingbroke. Shaped by his landed, aristocratic roots and turbulent upbringing in the Revolutionary climate of the late seventeenth century, Bolingbroke's worldview very much reflected the interests of the gentry and served as a potent counterweight to the resounding transformations in post-Revolutionary England.

Chapter III: Locke, Champion of the Merchant Class

The English merchant class experienced a remarkable boom in the latter half the seventeenth century. While state-driven mercantilism brought the country great wealth throughout the century, it also facilitated the development of the domestic economy and produced a notable byproduct in a thriving merchant class. These merchants, endowed with an individualistic, entrepreneurial spirit, felt suffocated by the highly centralized policies of mercantilism. Institutions such as the Bank of England and the East India Company were constantly under attack by this frustrated group; they were perceived as antiquated institutions that served a function that the new merchants could carry out even more effectively. Unfortunately for the merchant class, while their influence in economic affairs gradually expanded, their political clout largely stagnated. A relatively politically apathetic group, their activities tended to be confined to the private sphere. In addition, their allies within the Tory camp lacked influence relative to the Whigs in the years following the Glorious Revolution. Nevertheless, the merchants maintained a strong ally in John Locke. Although Locke wrote primarily on political philosophy, his ideas still resonated quite strongly among the merchants. He both exalted the individual while simultaneously condemning excessive government power. Indeed, despite a half century of gains culminating in the perceived victory for liberal politics during the Glorious Revolution, the merchant class ultimately emerged in an ambiguous position in the years following the events of 1688-89; yet, the prominent voice of John Locke nonetheless served to support the merchants in the turbulent post-Revolutionary years.

John Locke stood as the preeminent liberal philosopher of his time. His ideas were influential in that they both fundamentally challenged the principle of absolute rule and also

applauded the role of the individual in political life. Two of his most hailed works which I have investigated, *Two Treatises of Government* (1689) and *An Essay Concerning Human Understanding* (1690), were published in the torrid climate of the Revolution. They both effectively capture the sentiments of the contemporary merchant while also providing a broader critique of political life.

Part II: A Brief History of Economic Thought In Early Modern England

The principles of Mercantilism ruled the roost in England from the late sixteenth to mid seventeenth centuries. Economist John Fred Bell defined mercantilism “as the ways and means whereby the state has sought to control economic life in the interest of political and national strength.”⁸³ During this era England remained involved in an almost perpetual cycle of regional conflicts that required the mobilization of vast resources. Additionally, developments in navigation and shipping technology also allowed colonial trade to thrive. While these factors rendered mercantilism the ideology of choice of the British state, they also created an international power struggle among nations seeking economic and political dominance abroad. Britain, a preeminent player in this international game, required a money economy with banking and credit institutions to sustain its mercantilist ways. Of course, the Bank of England would ultimately serve as a culmination of this economic era; still, in the meantime, the presence of powerful, centralized, state-run economic institutions remained necessary to ensure Britain’s position of power of the regional stage.

The British East India Company represented one of the state’s primary tools to secure control of foreign economic affairs. Chartered by Queen Elizabeth in 1600, the state-run enterprise (until 1707) expanded to account for almost half of the world’s trade by mid-century,

⁸³ John Fred Bell, *A History of Economic Thought*, (New York: The Ronald Press Company), 1967: 53.

including commodities such as cotton, silk, salt, and opium.⁸⁴ Thomas Mun (1571-1641), who served as director of the East India Company, wrote extensively on the merits of mercantilism. Particularly, his *Englands Treasure by Forraign Trade* resonated widely with economic minds of the time. For Mun, the basis premise of England's involvement in foreign affairs revolved around the need to consistently find new markets for British products. He wrote, "the ordinary means therefore to increase our wealth and treasure is by Forraign Trade, wherein we must ever observe this rule: to sell more to strangers yearly than we consume of theirs in value."⁸⁵ Thus, in order to sustain this favorable balance of trade, the nation must remain politically engaged abroad, even at the cost of perpetuating war. While this notion of economic centralization ultimately grew out of favor later in the eighteenth century, it nevertheless served the interest of the British state during its phase of rapid development from the mid-sixteenth to throughout the seventeenth century.

Interestingly, although mercantilism sought to place the role of foreign exports over the importance of imports and domestic consumption, the latter still manage to flourish throughout the seventeenth century: "every index of economic growth showed an advance: agricultural output, capital investment, imports from the Indies and the New World, and the range of quality of home manufacturing."⁸⁶ Indeed, during an era in which foreign markets were considered imperative to economic growth, progress at home similarly took off. In fact, England became a bastion for contemporary inventiveness and ingenuity that stood unmatched relative to its European peers. For instance, between 1660 and 1700, 236 patents for inventions were issued in

⁸⁴ Warren J. Samuels, Jeff E. Biddle, and John B. Davis, *A Companion to the History of Economic Thought*, (Oxford: Blackwell), 2007: 46.

⁸⁵ Thomas Mun, *Englands Treasure by Foreign Trade*, (London), 1664: 134, in Bell, *A History of Economic Thought*, 63.

⁸⁶ Appleby, *Economic Thought and Ideology*, 164-165.

England, a number not matched until well into the seventeenth century.⁸⁷ Surprisingly, the effects of mercantilism actually spurred on this domestic phenomenon. Admittedly, foreign trade brought a great deal of wealth to England; and, in doing so, a new middle class developed that eagerly purchased both domestic and newly acquired foreign products. By the end of the seventeenth century, even the most ardent proponents of the East India Company admitted that over half of the volume of its goods was consumed at home. As a result, contemporary thinkers began to seriously consider the role of individual participants in the economy. They concluded that England did not function “as a giant workhorse, but rather as a giant market whose individual members had differing needs.”⁸⁸ Instead of being exclusively spurred on by overseas economic enterprise, domestic competition among producers and the plethora of consumer tastes also played a significant role in supporting economic growth.

The writings of Richard Cantillon (1697-1734) shed additional light on the importance of the individual within the greater economic framework. Particularly, he spoke of a “farmer-entrepreneur” to illustrate his argument of the unappreciated role of individual producers: “The farmer is seen as the true entrepreneur, he is in charge of the production process, decides what to produce and he therefore gains the revenue from the sale of its product.”⁸⁹ Cantillon continued to assert that profits also remain a regular share of the farmer’s output; he was the first author to make this critical insight. After the farmer had paid rent to his landlord and then purchased the necessary instruments and raw materials to carry out his cultivation, he would finally reap a certain profit that could either be reinvested in his land, or, more significantly for our analysis, be used for consumption of other products across the economic spectrum. This notion of economic

⁸⁷ Appleby, *Economic Thought and Ideology*, 165.

⁸⁸ Appleby, *Economic Thought and Ideology*, 168.

⁸⁹ Gianni Vaggi and Peter Groenwegen, *A Concise History of Economic Thought: From Mercantilism to Monetarism*, (New York: Palgrave Macmillan), 2003: 49.

interconnectedness among individual producers stood in stark contrast to the balance of trade theory, which rested on the more simplified notion of national wealth accrual from foreign trade. Indeed, the state-centric principles of mercantilism by and large disregarded these important microeconomic factors.

This fundamental shift in economic thought in the latter half of the seventeenth century also had significant implications for traditional English social order. For centuries the country had functioned under the inherited medieval idea of a static, hierarchical society with well-defined functions and duties. For apparent reasons, the top-down theory of mercantilism served this notion of social rigidity quite well, as it placed the interest of the state and crown, the highest on the social scale, above all seemingly petty low-level economic phenomena. However, the emergence of economic thought centered on the role of the individual as a result of a burgeoning English middle class presented a new theory of a “natural order of economic relations impervious to social engineering and political interference.”⁹⁰ Moreover, this newfound belief in a dynamic economic system also put forth the idea of the self-interested man who could achieve upward social mobility if he were to act on his economic desires. This signaled a blatant departure from the time-honored notion of communitarianism regarding economic relations that had been the norm for centuries.⁹¹ As a result, a large class of smaller, self-driven merchants and traders emerged beginning in the middle of the seventeenth century who helped continue to build on the wealth accumulated by mercantilism in past years.

Part III: Contextualizing the Contemporary Merchant

While difficult to hone in on a universal description of the average late seventeenth and early eighteenth century English merchant, they tended to greatly value political isolation. As

⁹⁰ Samuels, Biddle, and Davis, *A Companion to the History of Economic Thought*, 85.

⁹¹ Appleby, *Economic Thought and Ideology*, 192.

discussed, England, especially following the Glorious Revolution, remained involved in almost constant military conflict abroad. Although big merchant monopolies such as the East India Company could not only weather, but also often thrive off of international political conflicts, the prototypical merchant did not possess the scale to withstand such volatility in foreign affairs. Instead, they preferred a more inwardly focused regime that utilized diplomacy as its primary political tool of choice when dealing with adversaries. Merchant Henry Whistler's letter to Governor Thomas Pitt illustrated the distaste for William III's aggressive foreign policy. He remarked on war's implication for the economy: "The last Parliament saved us last year from a war, and we have got some great riches by it that we must have lost in a war..."⁹² Further, we can also notice a distinct strand of anti-mercantilist thought in his writings: "Upon this fear we are made to make a war with both, and to beat them into better manners, and to force them to the continuance of wearing baize coats and other commodities of ours."⁹³ While mercantilists were very concerned with constantly expanding foreign markets for English goods, Whistler seemed to strongly object to this principle. For him, similar to other members of the burgeoning merchant class, the cultivation of domestic markets, in combination with international stability, yielded a choice environment for their enterprises.

In addition to their appreciation for political calmness, the expanding merchant class also valued a freer trading climate. During the era of mercantilism, a central economic policy was the encouragement of commerce through monopolies. This policy continued well into the seventeenth century on the grounds that foreign commerce could best be sustained by a

⁹² Henry Whistle to Governor Thomas Pitt, December 20, 1701, quoted in Holmes and Speck, *The Divided Society*, 92.

⁹³ Henry Whistle to Governor Thomas Pitt, December 20, 1701, quoted in Holmes and Speck, *The Divided Society*, 91.

“responsible, disciplined group.”⁹⁴ Indeed, monopolistic entities such as the East India Company continued to exist into the early eighteenth century, and, although their power gradually began to wane, this new class of merchants still felt somewhat suffocated by its presence in the East India trade: “...attacks were sustained by interlopers and new businessmen, who, finding themselves without the legal means of sharing in the prosperity of monopolistic trade, argued that exclusive economic privileges were a violation of English common law and custom.”⁹⁵ Moreover, the smaller yet significant African Company also sustained backlash from the frustrated merchants. A petition by Exeter merchants to the House of Commons regarding the African Company stated, “...for some years, the trade formerly driven to Guiney by merchants and others, hath been restrained and shut up, by confining it to a company.”⁹⁶ Although very gradually, the merchants finally won some concessions from parliament; and while a full-fledged free trade ideology would not arise for a few decades, a new norm was beginning to coalesce in which the average merchant expected at least a degree of liberty in their trade.

Growing accustomed to a more liberal economic climate in the early post-Revolutionary years, the establishment of the Bank of England appeared to mark a setback to the merchants’ gains in the previous decades, many of whom considered monopolies to be antiquated economic entities. Although critics would admit that it played a crucial role in bringing great wealth to the nation and help construct a vibrant middle class, the institution no longer remained relevant and in fact created a significant barrier to entry into trade for the aspiring merchant class.

Additionally, similar to the frustrated landed gentry, many contemporaries argued that the Bank

⁹⁴ George L. Cherry, “The Development of the English Free-Trade Movement in Parliament, 1689-1702,” *The Journal Of Modern History* 25, no. 2 (1953): 106.

⁹⁵ Cherry, “The Development of the English Free-Trade Movement in Parliament,” 107.

⁹⁶ Great Britain, *The Journals of the House of Commons X* (London, 1803), quoted in Cherry, “The Development of the English Free-Trade Movement in Parliament,” 108.

served as a magnet that attracted capital away from trade and into bank notes that paid an alluring 8% interest rate. John Briscoe, who generally supported the Bank but remained concerned regarding its social consequences, feared that even merchants themselves were being lured into the realm of finance at the expense of their trade: “now almost their whole Discourse is of Lottery-Tickets, Annuities, Bank-Bills, &c. and in contriving how they may draw their Money out of Trade, to put it upon some of these late Funds.”⁹⁷ Further, the state often had difficulty meeting its interest payments on the Bank’s attractive notes. In response, a host of new direct and indirect taxes were levied on various products, resulting in the price of both labor and raw materials rising significantly.⁹⁸ This presented merchants with yet another economic burden at a time in which the seeds of free trade were supposedly being sewn.

Unfortunately for the expanding merchant class, the institution of the Bank of England marked only the first of a series of political initiatives conducted by the state that furthered the balance of trade narrative while, at least temporarily, subduing the voice of free trade activists. Throughout the latter half of the seventeenth century dozens of publications had declared goal of a favorable balance outdated, and argued for free trade as a sure way to prosperity.⁹⁹ Nevertheless, in response to the pressures of colonialism and the looming French threat, the state adopted a series of protectionist measures that served the interests of British manufacturers yet severely punished merchants. “William secured across-the-board increases in custom duties, which subsequently were refined...and became very quickly a new policy of industrial

⁹⁷ John Briscoe, *A Discourse on the Late Funds of the Million-Act* (London, 1694), quoted in Dickson, *The Financial Revolution in England*, 30.

⁹⁸ Dickson, *The Financial Revolution in England*, 32.

⁹⁹ Appleby, *Economic Thought and Ideology*, 248.

protection.”¹⁰⁰ Moreover, while the merchants and their allies made significant strides in the realm of ideology in the preceding decades, their political clout did not increase proportionally. Their sympathizers tended to reside in the Tory camp, who, following the Glorious Revolution and into the first quarter of the eighteenth century, remained politically inferior relative to their Whig rivals. Joyce Appleby also claimed the decidedly self-interested disposition of these merchants as a reason for their absence from political life.¹⁰¹ Of course, although English merchants were not content with the nationalistic climate at the turn of the century, their views still managed to thrive within the country’s intellectual community.

Part IV: John Locke: A Voice for the Merchant Class

The writings of John Locke most accurately reflect the disposition of the English merchant class. For generations the Locke family had been strongly involved in the commercial world. In fact, his grandfather Sir William Locke was said to be “the greatest merchant under Henry the Eighth.”¹⁰² He worked as a mercer dealing in silk and velvet, eventually passing on the trade to his son Nicholas who further built upon the business by investing in the profitable woolen cloth trade. Although his father somewhat broke away from the family’s business tradition, instead preferring to practice medicine, young Locke was nevertheless exposed to the English economic system during his childhood. For instance, his home at Belluton stood just a few miles south of the great trading of Bristol. Additionally, his town’s rural economy was heavily involved in the country’s illustrious wool trade.¹⁰³ While Locke clearly pursued a career

¹⁰⁰ Ralph Davis, “The Rise of Protection in England, 1689-1786,” *Economic History Review* 2, no. 19 (1966): 306.

¹⁰¹ Appleby, *Economic Thought and Ideology*, 260.

¹⁰² Roger Woolhouse, *Locke: A Biography*, (New York: Cambridge University Press), 2007: 5.

¹⁰³ Woolhouse, *Locke: A Biography*, 7.

closer to the realm of academia than the business of commerce, we can at least infer that he had some commercial exposure during his early, formative years.

Of course, above all Locke remained an academic; however, he always showed great enthusiasm for both trade and technological innovations. As discussed, the expanding free trade culture of the mid to late seventeenth century had facilitated a golden era for the entrepreneurially-minded individual. During a tour of France in 1678, the ever-curious Locke marveled at the culture of innovation throughout the country. In a letter to Robert Boyle, Locke speaks of an ingenious attempt to use air as a source of energy within watches: a watchmaker...is now at work upon a movement, that the air will wind up.”¹⁰⁴ In addition to his interest in technology and mechanics, Locke also became very proficient in economic theory throughout the course of his career, and was ultimately appointed Secretary of the Board of Trade in 1696. While sitting on the Board Locke often drew high praise from merchants for his commercial acumen. Acquaintance Pierre Coste recorded the perception of Locke among merchants:

the most experienced merchants were surprised that a man, who had spent his life in the study of physics, of polite literature, or of philosophy, should have more extensive views than themselves, in a business which they had wholly applied themselves to from their youth.¹⁰⁵

In truth, Locke certainly characterized the quintessential “Renaissance man,” having indulged in the study of many disciplines. Still, his unique interest in trade and the entrepreneurial spirit renders him an appropriate spokesman of the British merchant class.

Although Locke’s political philosophy put him at odds with traditional British values, it nevertheless resonated strongly with the country’s merchants. The Glorious Revolution has

¹⁰⁴ H.R. Fox Bourne, *The Life of John Locke II* (London, 1876), quoted in Woolhouse, *Locke: A Biography*, 144.

¹⁰⁵ Pierre Coste, “A Letter of Mr. Coste...written on the occasion of the death of Mr. Locke, (1705),” quoted in Woolhouse, *Locke: A Biography*, 366.

generally been considered a victory for individual rights and the common citizen. Yet, English society did not resoundingly transform over the course of 1688-89. In fact, large segments of the country, particularly the landed gentry, perceived the upheaval as threatening to their time-honored way of life. While they valued the importance of man within the community, Locke exalted man as independent and self-determined. For example, his *Essay concerning Human Understanding* (1689) highlighted his fascination with the self. He wrote that instead of focusing on our current understanding of human nature, we should instead, "...examine our own abilities, and see what objects our understandings were, or were not fitted to deal with."¹⁰⁶ Essentially, Locke was suggesting that one must look inwardly and critically examine their beliefs and values in order to find some measure of truth. For most of the seventeenth century consensus held that passive submission to a higher authority would ensure society's stability and thus allow the nation to flourish. Locke, writing during the fervor of the momentous Revolution, offered an implicit challenge to the conventional notion of a fixed human position.

Also published in 1689, Locke's *Two Treatises of Government* built upon his perception of the individual, arguing that society's laws should reflect the will of the people. First, let us recall that despite the symbolic nature of the Glorious Revolution, it did not immediately facilitate a transition towards representative government. The monarchy still remained politically influential, and mercantilist policies continued to place the interest of the state over the common trader. Locke, dissatisfied with the current state of affairs, put forth a far more radical conception of government. In his *Second Treatise* Locke sketched the basis for a state ruled by its people: "That is, one must hold the acts of society to have the force of the

¹⁰⁶ John Locke, *An Abridgement of Mr. Locke's Essay Concerning Human Understanding*, (London: 1731), 252.

individual's own judgments: it is, as it were, he himself that orders himself to obey the law."¹⁰⁷ Moreover, all individuals must agree on a conception for society in order for it to be legitimate, thus invalidating the legitimacy of a monarch.¹⁰⁸ However, Locke admitted that a ruling majority will nonetheless emerge and carry out the administration of the state. Still, this majority should by no means remain absolute. In fact, Locke endorsed rebellion as a viable means to overthrow and replace a government that has lost the trust of its people. Later in the *Second Treatise* he made a pivotal, concluding remark that proposes power ultimately rests among the ruled: "And thus the community may be said in this respect to be always the supreme power, but not as considered under any form of government, because this power of the people can never take place till the government be dissolved."¹⁰⁹ While there may not be any explicit links to commerce in the majority of Locke's political writings, his depiction of the individual as a formidable combatant against the state would have echoed among the merchant class struggling to cope with the state's anti-competitive behavior.

Regarding economic matters, Locke's theory of private property would have been applauded by contemporary merchants. Within certain limits, Locke strongly advocated for an individual's ability to both acquire property and have it protected via the rule of law. Although he conceded that property existed as a communal resource before the formation of civic society, it nevertheless became a natural right as man proceeded to mix his labor with a given piece of land. Specifically, the individual ownership of goods and property is justified by the labor exerted to produce those goods or utilize property to produce goods beneficial to human

¹⁰⁷ John Locke, *Two Treatises of Government II*, edited by Peter Laslett, (New York: Cambridge University Press), 1988: 88-89.

¹⁰⁸ Ross J. Corbett, *The Lockean Commonwealth*, (Albany: State University of New York Press), 2009: 41.

¹⁰⁹ Locke, *The Two Treatises of Government II*, 168.

society.¹¹⁰ Moreover, Locke's stance on the accumulation of property would have made him a true hero among the merchant class. Striking an almost libertarian tone, he suggested that an individual should be able to freely expand his holdings so long as he utilizes his possessions productively: "As much as any one can make use of to any advantage of life before it soils, so much he may by his labour fix a property in."¹¹¹ Self-driven and entrepreneurial by nature, the merchants of the late seventeenth century were indeed motivated by a similarly Lockean ideal.

Locke's individualist theory of private property would have certainly conflicted with the premises of state-centric mercantilism. For one, it could be argued that monopolies, by nature, possess an excess level of property that cannot be fully taken advantage of. Particularly, Roger Woolhouse remarked on Locke's hostility towards the Bank of England:

Locke was against this institution of the Bank of England, partly because of the political danger in affording the monarch a means of getting money independently of Parliament, and partly because of the possibility that the Bank might get a monopoly over the money supply.¹¹²

In other words, if the Bank were to obtain a monopoly over the money supply, merchants seeking to get involved in lending would be harmed by not being allowed sufficient access to the money market. Locke continued his onslaught against the state's economic policy by also attacking the policy of artificially-maintained interest rates. Of course, the Bank initially fixed rates on its notes to a lofty 8%, alarming both the gentry and merchants of the possibility that capital would be funneled away from private investments and into public debt. For Locke, "legislation is unavailing because men will seek their own gain which, in both loan rates and money exchanges, is set in the market."¹¹³ In other words, a free market administered by private

¹¹⁰ D.A. Lloyd Thomas, *Locke on Government*, (New York: Routledge), 1995: 91.

¹¹¹ Locke, *The Two Treatises of Government II*, 31.

¹¹² Woolhouse, *Locke: A Biography*, 333.

¹¹³ Appleby, *Economic Thought and Ideology*, 221.

individuals would prove far more natural and efficient in establishing interest rates. However, the state, ever in favor of top-down approaches to economics and government finance, did not heed to Locke's advice.

Part V: Conclusion

The latter half of the seventeenth century into the early eighteenth century can best be described as a "gilded age" for the British merchant class. On one hand, the externalities of mercantilism helped fuel the growth of the middle class which in turn helped produce the modern-day merchant. Furthermore, many prominent theorists of the time also concluded that some form of free trade should serve as the appropriate economic model of the future. Yet, the state responded to political pressures by further ramping up its old mercantilist ways, both instituting new protectionist trade policies and chartering the Bank of England. The Bank, in particular, stood in complete antithesis to the values and economic disposition of the merchant class. While the merchants prized individual initiative and entrepreneurial liberation, the Bank championed centralization and control. The politically feeble merchants were nonetheless fortunate to have the influential John Locke as their core ally. Although his revolutionary ideas regarding the rights of man were not fully realized in the aftermath of the seemingly decisive Glorious Revolution, the Lockean tradition would ultimately prevail.

Chapter IV: Sunderland, Agent of the British State

The Glorious Revolution marked the beginning of a long-lasting, internal political reorganization for England. Parliament emerged from the conflict as a newly liberated body that stood on more equal footing with the Crown. The institution thus became a focal point for the concerns of the common man, exemplified by the infamous rage of party. Yet, for those at the helm of government external concerns required an immediate course of action. While the principles of the Revolution exalted the idea of popular, democratic rule, the urgent demands of state required a systematic consensus that could only be achieved through oligarchical means. Robert Spencer, 2nd Earl of Sunderland, represented the quintessential state administrator of his day and age. Cunning, opportunistic, and, most importantly, non-partisan, he served William III of Orange as the ideal political manager. Always placing national interest above personal gain, Sunderland worked diligently to construct a harmonious relationship between Crown and Parliament, even resorting to corruption if it furthered William's goals. Although post-Revolutionary England may in part be characterized by the rage of self-interested political parties, the men at the helm of government were willing to sacrifice the ideals of the Revolution in order ensure the well-being of the British state.

The Earl of Sunderland, one of the most influential politicians of his era, not only wrote very little, but also lacked the ideological firmness of our two previous authors. In fact, he did not publish any formal works, but instead maintained a wide circle of acquaintances with whom he interacted with regularly. His writings display a strong affinity for the Crown and a marked disdain towards political quarrels. Specifically, I have gathered the bulk of my sources regarding the Earl from J.P. Kenyon's *Robert Spencer, Earl of Sunderland*, which provides both the most

comprehensive overview of Sunderland's career, and also a fine collection of letters that highlight his personality and political aptitude.

Part II: The Revolutionary Settlement

The events of the Glorious Revolution appeared to mark a victory for the political nation over an arbitrary king who challenged its view of the Constitution; however, how the sentiments of the Revolution were to be incorporated into political life remained much less clear. Contemporary writer John Evelyn remarked on the lack of consensus in the immediate aftermath of 1688: "Some would have the princess [Mary] made queen without any more dispute...there was a Tory part who were inviting his majesty [James II] again upon conditions; and there were republicians who would make the Prince of Orange like a stadholder."¹¹⁴ Although the Revolution seemed very progressive in nature, the conservative Tories still held a good deal of clout within the government, especially within the Lords. Nevertheless the Whigs, who harbored significant influence in the Commons, persevered; King James would indeed remain ostracized from the throne. Subsequently, Parliament secured several major victories that transferred the balance of power at least temporarily away from the monarch. For instance, in addition to passing a landmark Bill of Rights, Parliament also cemented its permanency in enacting the Triennial Act, which required that it meet at least once every three years.¹¹⁵ Given the reformist changes following the Glorious Revolution, a shift towards a more mixed government and politically liberal climate seemed inevitable.

Yet, despite Whig dominance during the immediate aftermath of the Revolution, the status quo generally triumphed. While somewhat conservative in nature, Whig ideology in the

¹¹⁴ John Evelyn, *The Diary of John Evelyn*, ed. E.S. De Beer, (Oxford, 1955): 4, quoted in Newton Key and Robert Bucholz, *Sources and Debates in English History, 1485-1714*, (Oxford: Blackwell), 2004: 259.

¹¹⁵ Key and Bucholz, *Sources and Debates*, 260.

decades prior to 1688 tended to support the notion of a limited monarchy and government by consent. In truth, the Revolution presented an ideal opportunity for the Whigs to fundamentally impose their philosophy into British political society. Instead, the Whigs in power chose to reinforce many traditional values. For one, the Bill of Rights only provided piecemeal measures to limit the power of the Crown: "...the Crown retained its freedom to appoint all officers of state; to summon, prorogue and dissolve Parliament...and even to veto legislation pass through both Houses of Parliament."¹¹⁶ Second, they also successfully upheld the notion of a fixed, hierarchical society. H.T. Dickinson concluded that, "there can be no doubt however that they were more concerned to protect the privileged position of men of property than to extend the rights of the lower orders."¹¹⁷ Admittedly, the Revolution certainly marked a shift towards a more democratic system in Britain, but in the meantime time-honored principles prevailed.

While the Whigs may have not strongly supported an expansion of political participation, they nonetheless maintained a vast system of political patronage. The solidification of Parliament as a permanent body, incessant warfare, and the demands of the growing British state facilitated the rise of a bureaucracy unprecedented in scale. As a result, more and more men became attracted to these seemingly lucrative positions within government.¹¹⁸ These mid and upper-level bureaucrats were known as placeholders, and parties fought viciously for control over these offices. The Whigs, endowed with ample political capital following the Glorious Revolution, attempted to monopolize control over the placeholders. A letter from the Duke of Schrewsbury to Lord Somers exemplified the Whigs' efforts to maintain control over the state

¹¹⁶ H.T. Dickinson, *Liberty and Property*, 81.

¹¹⁷ H.T. Dickinson, *Liberty and Property*, 82.

¹¹⁸ Dennis Rubini, *Court and Country, 1688-1702*, (Chicago: University of Chicago Press), 1969: 32.

ministries. The Duke explained to Somers how he had attempted to sway William III into not completely purging ministers in the customs and excise divisions:

...his Majesty said, some alterations were necessary in the customs and excise...In general, I agreed with this; but submitted that a distinction was reasonable to be made between persons who had done wrong only once through ignorance...and those who had continually opposed.¹¹⁹

Endowed with a new sense of independence following the Revolution, Parliament, and particularly the Whigs in power, capitalized on the political uncertainty and sought to assert itself in all matters of state administration.

The Duke's correspondence with Somers alludes to an even more significant phenomenon in post-Revolutionary England: the symbiotic relationship between Court and Crown. To start with, the Court essentially refers to the politicians in power in London, of whom the majority happened to be Whigs in the late seventeenth and early eighteenth century.¹²⁰ Above all, the Court valued political harmony and government by consensus; and they believed that a cooperative relationship with the Crown was necessary in order to achieve this goal. The Court contended that although the Revolution had called the status of the monarchy into question, it still remained politically dominant and should thus not be ostracized by the new Parliament looking to assert its autonomy. Indeed, the Court constantly chastised Parliament for promoting divisive, self-interested party strife at the expense of national interest. Joseph Addison, a prominent Whig, frequently attacked the dangerous effects of party hostilities. He wrote in his publication *The Spectator*, "A furious party-spirit, when it rages in its full violence, exerts itself in civil war in bloodshed; and when it is under its greatest restraints naturally breaks

¹¹⁹ The Duke of Schrewsbury to Lord Somers, April 14, 1697, quoted in Holmes and Speck, *The Divided Society*, 139.

¹²⁰ Rubini, *Court and Country*, 100-101.

out in falsehood, detraction...and a partial administration of justice.”¹²¹ This virulent disdain for parties marked a significant ideological departure for the Whigs and its Court element.

Traditionally the supporters of both progressive politics and the lower ranks of society, they by and large ignored the fundamental principles of the Revolution and instead adopted an almost oligarchical stance on state administration.

Part III: The Demands of State

In their quest for political stability, William III and his Court supporters pursued an aggressive, externally-focused foreign policy. Throughout the majority of the seventeenth century, England, still a relatively meager player on the European continent, tended to value isolation. However, by the end of the century the country had begun to emerge as a commercial and political powerhouse. Still, on the whole France remained the clear continental superpower, with a population and army both exceeding three times that of England’s.¹²² Fortunately for England, not only did the country’s remarkable development over the course of the century put it on more equal footing with France, but William also possessed a degree of proficiency in continental politics unmatched by his recent predecessors. Indeed, William recognized England’s potential to establish itself as France’s equal: “...William in February 1689...had seen in England a kingdom of great potential capacity, much of it still unused and unrealized.”¹²³ Thus, England should assume the role as the continent’s balancer of power, as an unchecked France would serve only to impede the country’s continued development. This newfound

¹²¹ Joseph Addison, *The Spectator* 125, July 24, 1711, quoted in Dickinson, *Liberty and Property*, 100.

¹²² Geoffrey Holmes, *The Making of a Great Power: Late Stuart and Early Georgian Britain, 1660-1722*, (London, Longman), 1993: 246.

¹²³ Holmes, *The Making of a Great Power*, 248.

mentality, although not necessarily militant in nature, helped drive England into an over twenty-year cycle of war beginning in 1688.

William and the Court were even willing to sacrifice the principles of the Revolution in order to carry out state objectives abroad. The concept of a standing army came under fierce assault during the Glorious Revolution, as many perceived it as an oppressive tool of absolutism. Resultantly, the 1689 Bill of Rights reserved power over a standing army to the now independent Parliament. Contemporary writer Simon Clement commented on the Whig's apparent desire to reinstitute a centrally controlled army:

What will fix a perpetual mark of infamy on the heads of that Whig ministry is, that they were the men who entered into a compact with King William, that if he would keep them and their friends in his ministry, they would use their interest in the Commons to procure him a standing army of twenty thousand men.”¹²⁴

However, the Court Whigs and William balked at the idea of a more democratically controlled army. In their view, because the army remained so closely tied to national interest, its management should be delegated to only the most experienced administrators within the state.¹²⁵ Hence, the rage of self-interest parties that ensued following the Revolution only served to hinder the ability of the state to conduct its business. Above all, the powers at be charged the masses with simply lacking the political education necessary to comprehend the demands of statecraft: “In 1689 relatively few Englishmen understood their new King's vision or the full implications of the war into which he promptly drew them.”¹²⁶ Instead, a more oligarchical form of control was necessary in order to execute the country's mission abroad.

¹²⁴ Simon Clement, *Faults on Both Sides*, 1710, quoted in Holmes and Speck, *The Divided Society*, 102.

¹²⁵ Dickinson, *Liberty and Property*, 97.

¹²⁶ Holmes, *The Making of a Great Power*, 247.

On the domestic front, the consequences of England's expanded role overseas demanded the creation of highly centralized system of administration. Of course, the Whigs worked diligently to maintain control over the Crown's patronage structure, but administrative duties in the post-Revolutionary years extended far beyond the purview of William and his subordinates. For one, in order for the country to sustain its military efforts abroad, a tax collection had to be conducted in a highly efficient manner. Prior to the revolution, the British fiscal system suffered from both extreme heterogeneity and amateurism. Collection tended to be delegated to local, part-time officials who often failed to abide by governmental standards.¹²⁷ However, beginning in 1688 William and his partners in Court quickly overhauled this archaic scheme. Local tax men were replaced by full-time Crown and Parliament-appointed officials, and the state enjoyed a dramatic increase in revenues at a very crucial moment in British history. In fact, William and the Court were so pleased with the results at the ground level that they decided to appoint a similar brand of experts at the highest ranks of government. Specifically, they turned to the up-and-coming financiers of London to provide administrative support; and although these men seldom understood the complexities of public finance, they nevertheless served to help forge an intimate relationship between the highest powers in both the public and private arenas.¹²⁸

Indeed, the state quickly recognized the importance of courting favor with the country's most powerful financiers. In addition to the class of merchants that arose during the economic expansion of the seventeenth century, the growth of commerce also contributed to the rise of a group of financiers who capitalized on the demand for capital amidst this era of rapid development. Long confined to the private realm of industry, the seemingly endless cycle of war following the Revolution forced the financially strapped state to seek out the services of these

¹²⁷ Brewer, *The Sinews of Power*, 91.

¹²⁸ Brewer, *The Sinews of Power*, 94.

men. During the early phase of the Nine Years' War, the government, operating under the assumption that the conflict would be short-lived, generally resorted to securing short-term loans. However, the war continued to rage, ultimately requiring the state to establish a long-term line of credit.¹²⁹ Founded in 1694 during the peak of war with France, the Bank of England played a crucial role in helping the state meet its financial needs. In truth, although the Bank initially only played a marginal role in public finance, its distinction as a lender of last resort rendered it a vital financial weapon: "It was in this crisis of imminent governmental bankruptcy that the services of the Bank of England became indispensable."¹³⁰ Further, important to note was the fact that Bank lacked any degree of oversight from Parliament, especially the House of Commons. Instead, William, his ministers, and his closest allies within the Court strove to maintain a monopoly over the sphere of public finance.¹³¹

Similar to their stance on foreign policy, William, the Court, and the Bank's first administrators viewed the practice of government finance as above realm of petty political factions. P.G.M. Dickson wrote that, "The ability and patriotism of the bourgeois directors of the Bank were a sharp contrast to the quarrelling cliques of aristocracy and gentry disputing control of the state in Whitehall and Westminster."¹³² Moreover, the Whigs in power were largely successful in isolating the nascent Bank from being infiltrated by the opposition. In fact, between 1694 and 1715 Whigs, on aggregate, outnumbered Tory directors on the Bank's board 10 to 1. A similar phenomenon also occurred within the New East India Company, where the Whigs maintained a

¹²⁹ J.R. Jones, *Court and Country, England, 1658-1714*, (Cambridge: Harvard University Press), 1978, 65.

¹³⁰ Jones, *Country and Court*, 66.

¹³¹ Jones, *Country and Court*, 66.

¹³² P.G.M. Dickson, *The Financial Revolution*, 58.

13 to 1 advantage over the same period.¹³³ The Whigs displayed their firm grip on the country's financial system in the summer of 1696. The war against France had entered its eighth year and England's finances were in desperate shape. Many in the Tory camp attempted exploit the situation and assailed the Bank as a failed project. In turn, they proposed the establishment of a Land Bank, which was intended to be the country gentry's rival to the Bank of England. The design failed miserably. Financial interests in the Whig community essentially boycotted the Land Bank, resulting in abysmal subscription numbers and its immanent failure.¹³⁴ For the Whigs, the demands of statecraft in the immediate aftermath of the Glorious Revolution required the virtual elimination of dissent. Party strife and narrowly-tailored self-interest only served to impede England's ability to achieve its broader, more significant goals abroad.

Part IV: The Men at the Helm

While the Revolution signified a victory for Whig philosophical principles and thus allowed them to quickly assume control of the government, a sophisticated, disciplined, and shrewd group of leaders ensured the solidification of Whig power through the turn of the century. In addition to the Tory's ideological defeat in the Revolution, the ineffectiveness of their party's leadership only further exacerbated their post-Revolutionary woes: "...It was the more difficult party to lead because of the undisciplined independence, often sheer irresponsibility and perversity...and of its gentry and clerical activist members."¹³⁵ On the other hand, the Whig leadership generally agreed on its principles and objectives. These particular Whig ministers were collectively known as the Junto. The Junto Whigs were indeed a very

¹³³ Gary S. De Kray, *A Fractured Society: The Politics of London in the First Age of Party, 1688-1715*, (Oxford: Oxford University Press), 1985, 125.

¹³⁴ B.W. Hill, *The Growth Of Parliamentary Parties, 1689-1724*, (London: Archon Books), 1976: 69.

¹³⁵ Jones, *Country and Court*, 22.

formidable group with an impressive array of talents. Thomas, Earl of Wharton, was a superior electoral organizer; Charles Montagu was widely considered the most able financial mind of his time; and Robert Spender, Earl of Sunderland was a quintessential partisan firebrand, notoriously blunt in nature.¹³⁶ These men and their associates also cultivated a strong relationship outside the physical confines of Parliament. Almost daily meetings during parliamentary sessions evolved into frequent evening sessions at the homes of certain ministers. Additionally, the Junto were greatly involved in London's social scene: "Beyond the walls of Westminster the Junto were assiduous in social and political intercourse, with their leading sympathizers, especially in financial and literary circles."¹³⁷ In terms of power and influence, no individual or group could compete with the Junto in the 1690s.

In fact, the Whig Junto even had the audacity to challenge the authority of William. The Nine Years' War preoccupied William throughout the course of his reign; 1689 was actually the only complete year he spent in England.¹³⁸ Consequently, the Junto essentially acted as the King's representative at home. This not only assigned them even more responsibilities, but also created a dangerous conflict of interest. Enamored with the pleasures of office, several Junto ministers attempted to secure their own political gains while neglecting William's demands. For instance, Charles Mordaunt, charged with building a connection with the monied interest in London to obtain desperately needed loans, instead worked to expel Tories from local and central offices in order to further his political ends. Moreover, Arthur Capel, earl of Essex and once-trusted minister of the Crown, followed in Mordaunt's footsteps by favoring narrow self-

¹³⁶ Jones, *Country and Court*, 22.

¹³⁷ Hill, *The Growth of Parliamentary Parties*, 71.

¹³⁸ Jones, *Country and Court*, 256.

interest over public service.¹³⁹ William responded to Whig ministerial incompetency by balancing his cabinet with a strong Tory element. He concluded that a mixed ministry would both reflect the spirit of the Revolution and also check the influence of these powerful men. However, amateurism within the Tory ranks quickly disheartened William, and the Whigs soon emerged as the Crown's preferred administrators.¹⁴⁰

The early post-Revolutionary era was indeed marked by a strong degree of elitism within the upper echelon of government. Of course, following the events of 1688 the rage of political parties contributed to a civic atmosphere ripe with faction and partisanship. Yet, amidst this aura of conflict the imminent demands of state required a systematic consensus. An unchecked French state presented a serious threat that stood beyond the sectarian quarrels at Westminster. However, to many the Glorious Revolution symbolized a departure from the archaic, monarchical principles of the past; and the newly liberated Parliament served as a voice for the concerns of the common people. Nevertheless, although the Glorious Revolution undoubtedly represented a resounding internal modification of English political society, external concerns remained constant. Along these lines, William needed to secure a trusted group of individuals within the government to help execute the functions that were vital to the survival of the British state. In truth, any benefits accrued by the Revolution would ultimately spoil unless faction was successfully quarantined to the houses of Parliament.

Part V: Sunderland: The Man Behind the Curtains

Born in Paris on September 5, 1641, Robert Spender, 2nd Earl of Sunderland exemplified the nature of the Whig Junto. To begin, although his childhood was not well documented, he spent the majority of his adolescent and early adult life abroad in continental Europe. In fact,

¹³⁹ Jones, *Country and Court*, 261.

¹⁴⁰ Jones, *Country and Court*, 269.

between 1661 and 1665 Sunderland only lived in England for a few months. Instead, he decided to take up residence in France, Spain, Switzerland, and finally Italy. While overseas Sunderland indulged his interest in art, architecture, and contemporary fashion.¹⁴¹ Importantly, he spent these formative years away from the realm of partisan politics, never developing a distinct philosophy for government. In terms of personality, Sunderland was regarded for his aggressive, cunning, and sarcastic nature. These traits, in combination with his non-ideological stance on government, rendered him an exceptional political opportunist who was able to expertly navigate immediate political realities.¹⁴² Additionally, Sunderland also managed to balance his aggressive demeanor with a degree of professionalism, which ultimately made him an appealing candidate for a role within William's ministry. Still, the Earl endured a tumultuous journey en route to political superstardom.

Sunderland's involvement in Charles II's (1680-1685) government played a significant role in forging his stance against Parliament and factions. The Earl initially managed to court Charles's favor. Sunderland, a professed supporter of absolutism and proven statesman, represented an ideal addition to the Crown's ministry. However, his support for the Exclusion Bill, which sought to prevent Charles's brother James from assuming the throne, resulted in his temporary expulsion from the ministry. Sunderland, ever confident and convinced that he had England's best interest in mind while Charles did not, attempted to impose his will on the King. Of course, he failed. Charles disposed Sunderland in 1681 but nonetheless invited him back the following year. Still, the experienced traumatized Sunderland and left him with a newfound respect for royal prerogative. He later sarcastically remarked that, "...would anybody be so silly as to dispute with kings; for if they would not take good advice there was no way of dealing with

¹⁴¹ J.P. Kenyon, *Robert Spencer, Earl of Sunderland*, (London: Longman), 1958: 6-7.

¹⁴² Kenyon, *Robert Spencer*, 120.

them, but by running into their measures till they had ruined themselves.”¹⁴³ Never one to take things personally, Sunderland instead pledged to learn from the experience: “henceforward, no policy, provided it carried the stamp of royal approval, would be too outrageous for his acceptance...”¹⁴⁴ He would ultimately mature into a political chameleon.

Sunderland’s political opportunism was on full display during the reign of James II (1685-1688). Having learned a valuable lesson from his opposition to the Exclusion Bill, the Earl worked diligently to appease the new Catholic monarch. He expected that James eventually hoped to formally establish the Catholic religion in England. In a July 1685 letter to French ambassador Paul de Barillon, Sunderland shared his suspicions:

I don’t know whether those in France see our affairs as they really are; but I defy anyone who does see them close to not realize that the King my master has nothing so near to his heart as the establishment of the Catholic religion in England; nor can he, by all the rules of commonsense and reason, have any other aim.¹⁴⁵

Naturally, Sunderland exploited the situation; and in 1686 he formally converted to Catholicism. Although this politically bold move rested on the assumption that James’s rule would continue into the foreseeable future, he guaranteed at least temporary favor from the Crown. Indeed, the Earl proceeded to forge a very close relationship with the Catholic monarch. Unfortunately for Sunderland, the Catholic succession was blocked by the arrival of William III of Orange and he was resultantly forced into exile at the dawn of the Revolution. Nevertheless, the politically malleable Sunderland executed yet another remarkable revival in the reign of William.

Despite his tarnished reputation stemming from his support of the ousted Catholic monarch, Sunderland presented the current Dutch stadtholder with an attractive political skillset. When the new monarch granted him permission to return from exile in 1690, Sunderland eagerly

¹⁴³ Robert Spencer to Gilbert Burnet, April 10, 1682, quoted in Kenyon, *Robert Spencer*, 84.

¹⁴⁴ Kenyon, *Robert Spencer*, 84.

¹⁴⁵ Robert Spencer to Paul de Barillon, July 16, 1685, quoted in Kenyon, *Robert Spencer*, 122.

took advantage of the opportunity. William had been quite dissatisfied with the performance of his closest advisors during the early days of his administration; and although Sunderland harbored an incredibly mixed political record from his work with the two previous monarchs, his shrewdness and professionalism offered William a refreshing change from the ineptitude of his current ministry.¹⁴⁶ In addition, the Earl displayed a strong willingness to place national interest above private gain. In a 1692 letter to the Earl of Portland Sunderland stated that, “how well I wish to the King and his interest, as I ought to do on all the accounts that can move any man...whatever I do, I will in the first place consider the public, and what I owe to the King.”¹⁴⁷ The English state, ripe with internal partisan quarrels while simultaneously facing a looming external threat from France, demanded the services of an individual like Sunderland. Free from ideological and partisan concerns and endowed with first-class political savvy, the Earl would help William and the Junto guide the country in the important years following the Revolution.

Sunderland ultimately assumed the role of William’s chief political manager, charged with building a harmonious relationship between the Crown and Parliament. For William, the Court, and the Junto, political friction must be effectively minimized in order to allow the state to carry out its objectives abroad. They held that the rage of party was primarily self-serving and did not take into account greater issues of national concern. In turn, Sunderland proceeded to enthusiastically approach the role of Parliamentary tranquilization. He referred to his plan as the “great project;” this was a process in which he would identify specific members of Parliament who would essentially act as the Crown’s agent.¹⁴⁸ Of course, such a task required Sunderland to oftentimes engage in morally questionable practices; but the Earl concluded that the good of the

¹⁴⁶ Hill, *The Growth of Parliamentary Parties*, 75.

¹⁴⁷ Robert Spencer to the Earl of Portland, May, 16, 1692, quoted in Kenyon, *Robert Spencer*, 250.

¹⁴⁸ Kenyon, *Robert Spencer*, 257.

state outweighed the potential costs of political manipulation. He initially sought out allies within the House of Lords. Less ideologically rigid than their counterparts within the Commons, Sunderland viewed the Lords as being highly susceptible to corruption. The cunning political manager not only offered financial incentives to several members of the Lords, but also guaranteed esteemed heredity titles to individuals who would acquiesce to his demands. In another letter to the Earl of Portland, Sunderland discussed how securing prominent Crown supporters within Parliament would reflect positively on the government:

As the King's affairs stand, nothing will give more credit to the government, after all the badness or rather deadness of it, and the dissatisfaction which has been showed, than to engage men of estates and understanding, who are interested in cautious, to appear publically for it.¹⁴⁹

These men would ultimately coalesce into the Whig Junto, or the ultimate Parliamentary propagandists. Indeed, the British state did not simply ignore the rage of party. While they decried faction and political disharmony, they nonetheless recognized its significant potential to undermine the national cause.

Sunderland also virulently defended institutions that furthered the interests of the British state. Specifically, he regarded the Bank of England as serving an instrumental role in foreign policy. It in fact represented the ideal qualities of a state institution. Non-partisan and inherently monopolistic, the Bank could be freely utilized as a formidable financial weapon. Before, however, Sunderland's aptitude for political manipulation played a significant role in securing the Bank's establishment. Frustrated by his exclusion from the new war committee, the influential marquess of Normanby threatened to oppose Bank in the Queen's privy council. The Earl immediately rushed to the Bank's aid, silencing Normanby by rallying support from the

¹⁴⁹ Robert Spencer to the Earl of Portland, June 20, 1692 , quoted in *Robert Spencer*, 258.

Queen and other powerful members within the Junto.¹⁵⁰ Moreover, important to note was the fact that the King happened to be abroad at the time of Sunderland's intervention. This event thus exemplified the extreme nature of his leverage during the reign of William. For Sunderland, furthering national interest required not only securing support for the King, but also defending his most valuable institutions; and he was willing to suppress any dissent that stood in the way of England's destiny.

Part VI: Conclusion

Political parties eagerly sought to capitalize on the sentiments and ideals of the Glorious Revolution. Although the monarch remained politically influential, many believed that the establishment of Parliament as a permanent political body marked an immediate victory for the interests of the common man. Certainly, the event marked a pivotal moment in England's transition away from the principles of absolutism. However, the ever-growing French threat required the action of an elite few who were immune from the whims of Parliament and parties. Luckily, William was able to rely on allies with the Court and the Whig Junto. In particular, Sunderland, who epitomized the ideal state administrator of his time, even resorted to corrupt practices in order to ensure the political harmony that remained so vital to the nation's success. He even defended wildly unpopular institutions such as the Bank of England, as they were critical in meeting William's financial demands abroad. For these men, a greater, national good mandated a systematic, non-political approach to governance that many supporters of the Revolution would have resented.

¹⁵⁰ Kenyon, *Robert Spencer*, 263.

Chapter V: Conclusion

The Glorious Revolution appeared to mark a radical shift in British political life. Parliament emerged as a permanent institution and subsequent legislation attempted to tame the influence of the monarchy. Furthermore, political parties grew rapidly and established a strong presence within the government. They acted as the voice of the common man and very much operated in the spirit of the Revolution. However, the pressing demands of statecraft necessitated a centralization of power into the hands of a small group of men, including the new monarch William III. In particular, the Bank of England represented the quintessential governmental enterprise of its day. It effectively served the interest of the state without considering the potential effects of its externalities on certain segments of the populous. Indeed, the Bank remained a virulently contested institution for much of its early years. Specifically, both the country's traditional landed gentry and burgeoning merchant class detested the financial juggernaut. For these men, the Bank characterized the antithesis to their desired way of life, and Bolingbroke and Locke stood as formidable ideological supporters of their concerns.

In *The Financial Revolution in England*, P.G.M. Dickson describes the gentry and merchant's concerns regarding the Bank as being almost wholly tied to economic matters; while true to some extent, other significant social and political forces rendered the Bank even nefarious to these frustrated men. Of course, there existed a legitimate concern that the attractive yield on Bank notes would entice individuals to transfer their investments away from land and trade and into government stock. Yet, the problem clearly stemmed much deeper. For instance, the post-Revolutionary political landscape allowed non-traditional classes to enter the public sphere. For the community-minded gentry, these men were merely self-interested products of the Revolutionary settlement who sought private gain at the expense of public good. The nouveau-

riche bankers and traders of government stock exemplified the unnatural, individualistic qualities of the post-Revolutionary opportunist. From a social perspective, the Bank similarly evoked resentment from the gentry. These traditional men essentially lived within the immediate confines of their estates. The Bank, on the other hand, not only existed within the distant walls of the London metropolis, but also remained even more obscure from an operational standpoint. Landed men preferred to invest in tangible assets, and the Bank offered a product so new and ambiguous that it simply did not gain the respect of the gentry.

The merchant's qualms with the Bank also transcended the domain of economics. In terms of foreign policy, merchants tended to prefer an approach that favored diplomacy over warfare; they advocated for a focus on the cultivation of domestic markets as opposed to securing overseas routes for British products. The Bank, serving as a primary facilitator of William's military forays, thus drew intense criticism from the isolationist merchants. In addition, the contemporary merchant placed tremendous value on the power of the individual. As an inherently monopolistic institution, the Bank presented the possibility of granting the state collective control over the country's money supply. These entrepreneurially-minded men sought unrestricted access to markets; the idea of centralized control over currency did not fit their worldview.

From an ideological standpoint, the gentry and merchants existed in seemingly irreconcilable contrast; yet, they somehow converged in their hostility towards the Bank. We can accurately characterize the merchant class as champions of the Revolution. The events of 1688-89 both exalted the power of the individual to play a role in public life while simultaneously condemning the principle of absolute rule. On the contrary, the gentry may not have been such enthusiastic supporters of the Glorious Revolution. They consistently displayed

nostalgia for a traditional social order in which a monarch would preside over a meticulously ordered social structure. Why, then, did the Bank elicit such hostile reactions from both groups? In essence, during this era of self-interest neither party perceived the institution as furthering their cause. The embattled gentry desired tax relief, while the frustrated merchants sought unrestricted access to markets. Hence, neither group was significantly concerned with issues that did not directly pertain to their immediate wellbeing. The urgency of the conflict with France and the government's pressing need to raise money simply did not resonate with these individuals, as more localized matters almost always took precedence.

The alliance between the gentry and merchants in their opposition towards the Bank ultimately coalesced into a battle between public and private interest. Interestingly, Bolingbroke wrote at length in regards to the country's decaying sense of public spirit. He argued that self-interested men had infiltrated the upper echelon of government and society and were beginning to pursue their own agendas at the expense of the health of the nation. However, Bolingbroke and Sunderland held emphatically distinct definitions of 'public interest.' The former envisioned an almost isolationist nation of small, community-minded landowners, while the latter witnessed a nation with exciting potential that demanded an aggressive, externally oriented approach to governance. Thus, although the Bank may have been an agent of public good for Sunderland, Bolingbroke perceived it as a threat to his ideal English society. Moreover, the merchants can be viewed in a similar manner to the gentry, as they too preferred a government that had a more domestically focused worldview. Still, both groups must nevertheless be characterized as private interests, considering that they preferred a state that worked solely to promote their desired ends. On the other hand, Sunderland, William, and the elites in government truly believed that they had the best interest of the entire nation in mind. They would contend that if the French threat

went unchecked, England would suffer so greatly that the gentry and merchants would endure a similarly disastrous fate.

Still, the government's means for achieving its desired public good were not always publically spirited. The Glorious Revolution effectively stood as a mandate for government by majority consensus. Yet, for William and his closest allies, these principles precipitated a government that relied too greatly on the whims of the people. As a result, the legislative process was rendered too slow for the crucial military functions of state, which oftentimes required swift, resounding action. Hence, William and Sunderland found it necessary to tilt Parliament into their favor in order to achieve the nation's goal abroad. In fact, bribing members of the House of Lords or silencing members of the Queen's court were perfectly legitimate actions if they served to help further the interest of the nation. In addition, even if in the short run these actions harmed groups such as the gentry or the merchants, the long-term benefits of achieving at least parity with France justified these seemingly immoral actions, as all men of England would ultimately reap the rewards of an empowered nation.

A final question remains: did a clear victor emerge from the turbulent post-Revolutionary years? One could easily argue that England's landed population gradually faded into relative obscurity while the merchant's free-trade leanings sooner or later became incorporated into the government's economic policy; and, of course, the English state continued to persist despite the war with France. However, each groups' particular perspective must be accounted for in order to reach a more comprehensive answer. For one, while the country's landed gentry never regained its now romantic prestige, they would assert that their borderline paranoia regarding the changing nature of the British state in the post-Revolutionary years provided crucial oversight that kept the government at least partially in check. In retrospect, they

would point to Sunderland's propensity towards corruption as evidence that justified their suspicions. Second, the merchants would take credit for being a prominent voice of free trade during an era in which economic centralization still ruled the roost; their operations helped further a more optimal economic organization, which would, in due time, emerge as a global consensus. Finally, the men at the helm of the British state would take credit for helping to propel the country past France and towards industrialization. Their oftentimes morally questionable behavior was nevertheless warranted as the nation persevered to become a global superpower.

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