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Corruption, Party, and Government in Britain, 1702–1713

AARON GRAHAM

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CORRUPTION, PARTY, AND GOVERNMENT IN BRITAIN, 1702–1713

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Preface

It has been nearly thirty years since I first encountered James Brydges, first duke of Chandos and Paymaster of the Forces Abroad (1705–13). I was brought up in the grounds of his Middlesex estate at Canons Park, now part of London's suburbia, and the remaining fragments of the gardens he laid out there are the backdrop to some of my earliest memories. Researching and writing this book has therefore been a particular privilege, and I have tried to do the opportunity justice. As Thomas Madox noted in his introduction to *The History and Antiquities of the Exchequer*, this topic 'deserved indeed a more skilful hand; but, seeing others better qualified would not engage in the undertaking, I have'.

Seeking the causes of state formation in Britain and overseas during the long eighteenth century (*c.* 1660–1830), most historians have focussed their attention on the rise of modern bureaucracies, which produced political consolidation and imposed the public service on society. Drawing extensively on studies of fiscal, military, and domestic state formation, commercial networks and political partisanship, I suggest that the reverse was true, and that effective state structures were the product of political consolidation. To an extent that few historians have recognized, the public service was itself a contested ideal, and state formation was thus mainly a political process, as various fiscal-military departments competed to impose their priorities on others, and on commercial and civil society. Examining the Pay Office between 1702 and 1713, I conclude that political partisanship generated close links between these agents, and helped them to prioritize certain policies over others, and suggest in my conclusion that this helps to explain the process of state formation in the British Isles between 1660 and 1830. Public officials and private contractors were caught between several contradictory public priorities, as well as their own private interests, and where their letters articulate such dilemmas I have chosen to cite them at some length, and to highlight how they attempted to reconcile these competing demands.

What follows could not have been done without the advice and assistance of many people whose help and support I gratefully acknowledge. Hannah Smith supervised the doctoral research on which much of this book was based, and provided invaluable help and encouragement at every stage of the process. I am indebted to David Parrott, David Hayton, and Guy Rowlands, who read the original thesis and many subsequent drafts, and have helped me to clarify and improve every aspect of it. Further thanks go to Matthew Dziennik, Perry Gauci, Clive Holmes, Jo Innes, Steve Pincus, and Patrick Walsh, and many other colleagues too numerous to name, who all patiently listened as I tested many of these ideas on them, and saved me from more errors than I care to admit. Needless to say, those that remain are entirely my responsibility.

Much of the research for this book was carried out with a doctoral award from the Arts and Humanities Research Council, while large parts were written up during a postdoctoral fellowship from the British Academy, and I am grateful to both bodies for their generous support. Further research grants were provided by the Reynolds Trust at New College, Oxford; the Royal Historical Society; the Economic History Society; the Colin Matthew Fund at St Hugh's College, Oxford; and the Mellon Foundation at the Huntington Library in San Marino, California. Jesus College, Oxford offered a Junior Research Fellowship and a warm and supportive environment in which to work, and I am grateful to Patricia Clavin, Alex Gajda, Richard Bosworth, Susan Doran, and Paulina Kewes for their encouragement.

I am also grateful to the staff at the various archives and libraries that I visited during the course of my research, especially The National Archives at Kew and the British Library, who all bore my repeated requests with patience and good humour. My particular thanks go to Mary Robertson, former William A. Moffett Curator of British History at the Huntington Library, who helped me to navigate the Stowe MS in pursuit of James Brydges.

Materials are cited here with the kind permission of the Amsterdam Staadsarchief, Amsterdam; the Bank of England Archives, London; the Bodleian Library, Oxford; Coutts & Co., London; the Churchill Archive Centre, Cambridge; the Syndics of the Cambridge University Library, Cambridge; the Dorset History Centre, Dorchester; the Devon Record Office, Exeter; the Henry E. Huntington Library, San Marino, California; C. Hoare & Co., London; the Kent History and Library Centre, Maidstone; the London Metropolitan Archives, London; the National Archives of Scotland, Edinburgh; the Northamptonshire Record Office, Northampton; the Royal Bank of Scotland; Shropshire Archives, Shrewsbury; the Staffordshire Record Office, Stafford; and the Suffolk Record Office, Ipswich.

My thanks also go to Cathryn Steele and the team at the Oxford University Press, whose efficiency and dedication have put my own to shame.

Finally, I am deeply grateful to my family and friends, who have supported me from the outset, despite hearing more about eighteenth-century state formation and finance than they probably ever expected or wanted to. Gabriel Citron offered encouragement when the process seemed particularly arduous, and I am entirely indebted to Hanaan Marwah for her enthusiasm, especially at moments when my own failed. My deepest debts of all though, which I can never hope to repay, are to my parents, who have made all of this possible. They remain an inspiration, and so I dedicate this book to them, with profound love and gratitude, and to the memory of my grandparents Gus Graham and Arlene and Monty Hambury, who I know would have liked to see it.

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Abbreviations

ARCHIVES

AS	Amsterdam Staadsarchief, Amsterdam, The Netherlands
BEA	Bank of England Archive, London
BL	British Library, London
Bod. Lib.	Bodleian Library, Oxford
C&Co	Coutts & Co. Archive, London
CAC	Churchill Archive Centre, Churchill College, Cambridge
CUL	Cambridge University Library, Cambridge
DHC	Dorset History Centre, Dorchester
DRO	Devon Record Office, Exeter
H&Co	C. Hoare & Co. Archives, London
HL	Henry E. Huntington Library, California, US
KHLC	Kent History and Library Centre, Maidstone
LMA	London Metropolitan Archives, London
NAS	National Archives of Scotland, Edinburgh
NRO	Northamptonshire Record Office, Northampton
NUL	Nottingham University Library
RBSGA	Royal Bank of Scotland Group Archives, Edinburgh
SA	Shropshire Archives, Shrewsbury
Staff. RO	Staffordshire Record Office, Stafford
Suff. RO	Suffolk Record Office, Ipswich
TNA	The National Archives of the United Kingdom, London

PRIMARY AND SECONDARY SOURCES

Answers	[Anon.], *Answers of several persons concerned in the report of the commissioners sent into Spain, with the replies of the said commissioners* (London, 1714)

CJ	*Journals of the House of Commons*, various eds (London, 1802 onwards)
CSTB	*Calendar of State Papers Domestic: Charles II, 1684–5*. Originally published by His Majesty's Stationery Office (London, 1938)
CTB	*Calendar of Treasury books* (1660–1718), ed. W. Shaw (32 vols, London, 1904–62)
CTBP	*Calendar of Treasury books and papers* (1729–45), ed. W. Shaw (5 vols, London, 1897–1903)
CTP	*Calendar of Treasury papers* (1596–1728), ed. J. Reddington (6 vols, London, 1868–89)
Dalton, *Army lists*	*English army lists and commission registers*, ed. Charles Dalton (6 vols, London, 1892)
Graham, 'Partisan politics'	Aaron Graham, 'Partisan politics and the British fiscal-military state, 1689–1713' (Unpublished DPhil thesis, University of Oxford, 2012)
Hist. Parl. 1660–90	*House of Commons, 1660–90*, ed. B. D. Henning (3 vols, London, 1983)
Hist. Parl. 1690–1715	*House of Commons, 1690–1715*, ed. E. Cruickshanks, S. Handley, and D. W. Hayton (5 vols, Cambridge, 2002)
Hist. Parl. 1715–54	*House of Commons, 1714–54*, ed. R. Sedgewick (2 vols, London, 1970)
HMC	Historical Manuscripts Commission
ODNB	*Oxford Dictionary of National Biography*, ed. L. Goldman (60 vols, Oxford, 2004)
PH	*Parliamentary history of England*, ed. William Cobbett (36 vols, London, 1806–20)
Snyder (ed.), *Correspondence*	*The Marlborough–Godolphin correspondence*, ed. Henry L. Snyder (3 vols, Oxford, 1975)
Sperling, 'Public credit'	John Sperling, 'Godolphin and the organization of public credit, 1702 to 1710' (Unpublished PhD thesis, University of Cambridge, 1955)

Conventions

For clarity and convenience I have followed the conventions used by the Pay Office, and quoted monetary values either in pounds sterling or the local money of account, except where it is necessary to deal with the relative values of actual coins. Deputy-paymasters kept their books in the local money of account, which was then reduced to pounds sterling by the Pay Office, usually at the following fixed rates:

Great Britain	Pound sterling (£) £1 = 20 shillings (s) = 240 pence (d)	
Low Countries	Guilder/florijn (fl) 1 fl = 20 stuyvers (st) = 320 (penningen) pn	£1 = 10 fl 15 st
Portugal	Millreis 1 millreis = 1,000 reis	1 millreis = 6s
Spain	Dollar/piece of eight 1 dollar = 8 reals	1 dollar = 4s 8d
Genoa	Lire 1 lire = 20 soldi = 240 denarii	1 lire = 10½d

The actual amount of money that an officer or soldier received depended on the rate of exchange between two places, and the values placed on various coins by the monies of account. The following table, based mainly on a survey conducted by the Mint in 1702, suggests the typical values of common gold and silver coins issued to the army during this period, in pounds sterling and the local monies of account:

Currency conversion (1702–13)

Coin	Britain (£ s d)	Holland (fl st pn)	Portugal (millreis)	Spain (reals)	Genoa (l)
Silver					
Holland ducaton	66d	63 st			
Holland patacon/ rixdollar	52d	50 st		8 reals	
Flanders ducaton	66d	63 st			
Flanders patacon	53d	50 st		8 reals	

(*continued*)

(*Continued*)

Coin	Britain (£ s d)	Holland (fl st pn)	Portugal (millreis)	Spain (reals)	Genoa (l)
Permission schelling	8d	7 st			
Spanish dollar	54d	50 st		8 reals	5 l
Portuguese (new) crusado	34d		480 reis		
Genoese croisat	79d			12 reals	7½ l
Genoese genoine	54d	50 st		8 reals	5 l
French crown (ecu)	54d	50 st		8 reals	5 l
Gold					
Spanish pistole	207d (17s 3d)	195 st (9 fl 15 st)		32 reals (4 dollars)	20 l
Portuguese moeda	329d (27s 5d)		4,800 reis		
Holland ducat	114d (9s 6d)	105 st (5 fl 5 st)			

Source: 'Sir Isaac Newton's Mint Reports, (1701–25)', <http://www.pierre-marteau.com/editions/1701-25-mint-reports.html> (accessed 27 May 2014).

Letters from Britain and Ireland are given in old style (os), and those from Europe in new style (ns), with the year beginning in both cases on 1 January. During this period, the difference between calendars in Britain and the Continent was eleven days.

Where possible, the conventions used in Henry Snyder (ed.) *The Marlborough–Godolphin correspondence* (3 vols, Oxford, 1975) have been applied to the spelling of personal and topographical names. Otherwise, I have employed the most common form in the original sources. The spelling and punctuation of quotations have also been altered where necessary for greater clarity.

In vain may heroes fight and patriots rave,
If secret gold sap on from knave to knave.
Once, we confess, beneath the patriot's cloak,
From the crack'd bag the dropping guinea spoke.
And, jingling down the back-stairs, told the crew
'Old Cato is as great a rogue as you'.
Bless'd paper credit, last and best supply,
That lends corruption lighter wings to fly!
Gold imped by thee can compass hardest things;
Can pocket states, can fetch or carry kings.
A single leaf shall waft an army o'er,
Or ship off Senates to some distant shore.
A leaf, like Sibyl's, scatter to and fro,
Our fates and fortunes as the wind may blow.
Pregnant with thousands flits a scrap unseen,
And silent sells a king, or buys a queen.

Alexander Pope, *Epistle to Lord Bathurst*, ll. 33–48

1

The British Fiscal-Military States, 1660–1830

INTRODUCTION

On his third voyage to the East Indies in 1706, Jonathan Swift's hero Lemuel Gulliver landed on the island of Glubdubbdrib and was permitted to interview spirits of the dead from both ancient and modern history. This gave him a low opinion of recent political history, especially corruption driven by ministers of state and 'the malice of faction', by which he meant factional or party government. Swift had already contrasted the ridiculous disputes and petty partisanship in Lilliput between Big-Enders and Little-Enders with the serene and Olympian judgement of the King of Brobdignag, who ruled according to his subjects' interests rather than his own, and could therefore dismiss the last hundred years of English history as an example of 'the very worst effects that avarice, faction, hypocrisy, perfidiousness, cruelty, rage, madness, hatred, envy, lust, malice and ambition could produce'. The English state, the King of Brobdignag continued, was an institution 'which, in its original, might have been tolerable, but . . . [is now] wholly blurred and blotted by corruptions'. Swift therefore articulated a 'country party' polemic which condemned the divisive and disruptive effects of corruption, faction, and party upon government and the real public or national interest during the late seventeenth and early eighteenth century.

These effects, particularly during the so-called age (or rage) of party between 1680 and 1720, cannot be denied. Yet political partisanship also simultaneously acted as a force for consolidation and cohesion, since the public or national interest was itself neither uncontested nor even immediately evident. Michael Braddick has argued that the language of the 'necessity of state' became an increasingly effective way to legitimate fiscal-military state formation in England after 1660, but this implies that the needs of the state were understood and uncontested, which does not seem to have been the case.[1] Contemporaries found it impossible to define the public interest in anything other than the broadest terms, since anything more specific inevitably produced disagreement.[2] In addition, the numerous departments, commercial contractors, and civic groups within the fiscal-military state structures each developed their own priorities, adapted for their own immediate needs, which all represented in some fashion the public service but were themselves ultimately and inescapably incompatible.[3] They were also often more closely compatible with the obligations and rewards of personal patronage and clientage, with specific sectional loyalties, and even with private profit, creating an interlinked set of public and private interests.

'Corruption', this book will argue, was therefore often a clash between urgent, valid, but also wholly incompatible public priorities, even if the inevitable overlap with certain private interests created polemical fodder for both sides. State formation was ultimately a political rather than administrative process, as politicians, officials, and private contractors struggled to harmonize competing priorities, and the state itself is best seen as a series of interlocking structures in which both consensus and coercion was used to negotiate policies that enough interested parties could be persuaded to accept, adopt, and enforce. For all Swift's disdain, political partisanship did at least create a set of relatively clear and cohesive public priorities against which competing public and private interests could be measured and aligned. It was also deeper than patriotism but wider than faction, supplying a subset of specific policies that could help coordinate state activity and lock in various interests, albeit with the downside of inevitably excluding others. Within commercial and civil societies organized primarily around networks and clusters of interests, and sometimes held together by little more than personal contact and mutual trust, it also helped to reinforce this trust, aligning interest groups around particular priorities or policies.

This chapter will place this argument into its widest historiographical context, suggesting how existing literature on state formation, commercial and civil society, and partisan politics might be reassessed and reinterpreted in order to recognize the profound overlaps between them. Further chapters will then offer a detailed study of these forces in action within the Pay Office of the British army during the War of the Spanish Succession (1702–13), which sat at the intersection of these elements. During this period the office and its staff were faced with a number of urgent, valid, but also fundamentally irreconcilable priorities—such as military effectiveness, administrative transparency and clarity, financial economy and management, and lawful or legal conduct—and had to find ways to decide which were to have priority. British armies abroad during this period seemed to enjoy infinite money, but the actual sinews of power were contested, and only political partisanship could impose sufficiently common priorities upon otherwise discordant public and private interest groups.

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[1] Michael Braddick, *State formation in early modern England,* c.*1550–1700* (Cambridge, 2000) pp. 68–9, 241–3, 270–80.

[2] J. A. W. Gunn, *Politics and the public interest in the 17th century* (Toronto, 1969), esp. pp. 322–30.

[3] My thinking here has been influenced by John Gray's analysis of the political philosophy of Isaiah Berlin, particularly Berlin's theory of 'agonistic liberalism', which argues that equally valid social or public goods can be fundamentally incompatible and incommensurable, and that human societies continually contest and renegotiate the relative priority that should be given to each: see John Gray, *Isaiah Berlin* (London, 1995).

THE 'FISCAL-MILITARY' STATE

The state has been understood and analysed as a force external to society, which imposes certain priorities and policies upon it that are in the wider interest of that society, even if there will inevitably be private individuals who gain or lose from this process. Those priorities might be religious, economic, or social, though the military component has dominated studies of European state formation between 1500 and 1800; 'the state made war', Charles Tilly argued, 'and war made the state'.[4] Since the state is *the* instrument of public policy, intermediary structures or interests that thwarted the exercise of this power stood in the way of the public service and had to be removed, and thus the rise of the modern nation-state since 1500 has been linked with the purging of private interests from official structures, which then provided central authorities (as guardians of the national interest) with a monopoly on power.[5] Such structures also served as 'social power containers of advanced competencies', in Jan Glete's words, making for more effective fiscal and military administration, and securing support from the local population.[6] These studies therefore all rely to some degree on Max Weber's model of political authority and administrative power, in which structured hierarchies of professional bureaucrats facilitate the flow of information and power between centre and periphery, and are bound to the public service by substituting salaries and pensions for fees and gratuities.[7] Such a system, Weber wrote, is superior to any other in its efficiency, stability, precision, discipline, reliability, and adaptability, 'and is in this sense formally the most rational known means of exercising authority over human beings'.

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[4] Charles Tilly, *Coercion, capital, and European states, A.D. 990–1990* (Oxford, 1990) p. 73. For a discussion of the other reasons for state formation, in the context of early modern England, see Braddick, *State formation* pp. 1–46, 103–79, 287–336.

[5] For a representative sample, see Tilly, *Coercion* pp. 67–127; Brian M. Downing, *The military revolution and political change: origins of democracy and autocracy in early modern Europe* (Princeton, 1992) esp. pp. 239–53; Thomas Ertman, *Birth of the Leviathan: building states and regimes in medieval and early modern Europe* (Cambridge, 1997) esp. pp. 317–24.

[6] Jan Glete, *War and the state in early modern Europe: Spain, the Dutch Republic and Sweden as fiscal-military states, 1500–1660* (London, 2002) pp. 58–66, 214–17.

Studies of the British fiscal-military state in the long eighteenth century, a period roughly running from 1660 to 1830, have largely been cast in this mould. The British Treasury supposedly became far more effective during this period because it gradually acquired, as Stephen Baxter, Henry Roseveare, and others have argued, an increasingly competent and experienced professional staff, centred on its secretary William Lowndes.[8] Administrative reforms empowered the Lords of the Treasury to control departmental spending, and made for a more bureaucratic environment that enabled proper accounting, an unprecedented degree of fiscal transparency, and thus proper financial planning. The work of P. G. M. Dickson in 1967 suggested that these then allowed the Treasury to issue and manage innovative credit instruments that could tap increasingly impersonal financial markets at far lower rates of interest than before.[9] The sole source of inefficiency was the Exchequer, the mediaeval institution which acted as cashkeeper, bookkeeper, and auditor. It has been argued that it was ineffective because it was unbureaucratic, and so riddled with sinecures and unworkable mediaeval procedures that its functions therefore had to be farmed out to the Treasury, to parliamentary committees of audit and enquiry, and to the Bank of England, itself an efficient and proto-bureaucratic body.[10] These arguments, already advanced piecemeal in various works, were definitively stated and conceptualized by John Brewer and Patrick O'Brien in 1989, producing a basic conceptual model of fiscal-military state formation in Britain during the long eighteenth century.

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[7] Max Weber, Gunther Roth, and Claus Wittich, *Economy and society: an outline of interpretive sociology* (2 vols, London, 1979) vol. ii, 323. For a summary of the scholarship surrounding Weber, see Philip S. Gorski, 'The Protestant Ethic and the Bureaucratic Revolution: ascetic Protestantism and administrative revolution in early modern Europe', in Charles Camic, Philip S. Gorski, and David M. Trubek (eds), *Max Weber's economy and society: a critical companion* (Stanford, 2005) pp. 267–97. For his influence in sociological models of state formation, see Ertman, *Birth of the Leviathan* pp. 1–13; Tilly, *Coercion* p. 34; Glete, *War and the state* pp. 43–4, 60.

[8] Stephen B. Baxter, *The development of the Treasury, 1660–1702* (London, 1957) esp. pp. 259–64; Henry Roseveare, *The Treasury, 1660–1870: the foundations of control* (London, 1973) pp. 26–41, 76–82; Geoffrey S. Holmes, *Augustan England: professions, state and society, 1680–1730* (London, 1982) pp. 239–61.

[9] P. G. M. Dickson, *The financial revolution in England: a study in the development of public credit, 1688–1756* (London, 1967) esp. pp. 1–14.

[10] Baxter, *Treasury* pp. 110–66; J. E. D. Binney, *British public finance and administration 1774–92* (Oxford, 1958) pp. 237–43; Roseveare, *Foundations* pp. 47–54.

Both of these works successfully demonstrated that Britain developed a large, intrusive, and remarkably effective 'fiscal-military' state between 1688 and 1783, and that this occurred alongside, rather than despite, a system of parliamentary rather than absolutist politics.[11] They also suggested that, in Brewer's words, 'an effective tax system, providing the government with a substantial and regular income, was a *necessary* condition of the new credit mechanisms', and that this was achieved by modernizing the revenue itself.[12] Indirect taxes, especially the excise, underpinned the bulk of state borrowing because reforms imposed bureaucratic standards and thus fiscal effectiveness on these structures.[13] 'Dependent upon a complex system of measurement and bookkeeping, organized as a rigorous hierarchy based on experience and ability, and subject to strict discipline from its central office,' Brewer argued, the excise service in particular '. . . more closely approximated to Max Weber's idea of bureaucracy than any other government agency in eighteenth-century Europe.' Michael Braddick, Miles Ogborn, and William Ashworth have since refined this by suggesting that the new ethos of impartiality and mathematical precision made for more accurate and impersonal excise collection and, for exactly this reason, made it acceptable by local elites.[14] In Braddick's words, the excise was legitimated by 'knowledge, precision, and the application of impersonal norms . . . [via] the neutral, bureaucratic officer applying standard and rationalized rules to his conduct'.

This process was also cumulative, yielding incremental benefits even if some corrupt and inefficient practices survived, '[so] it is possible', Miles Ogborn suggests, 'to consider *processes* of bureaucratisation, differentiation or monopolisation rather than expecting their full realisation'.[15] In other words, the British fiscal-military state would be found to be strongest where it was most bureaucratic, and weakest it was least. Numerous historians, both before and since, have therefore concluded that any failures in the collection of excise and salt revenue emerged when the service fell short of the high bureaucratic standards it set itself after 1683, while the customs service was even less bureaucratic and thus even more ineffective.[16] The hearth, window, and stamp taxes remained ineffective while they were still assessed and collected by professionals but subject to the veto of local commissioners.[17] The land tax, which was assessed and collected almost entirely by local commissioners, lacked any trace of bureaucratic rigour or rational arrangement, and thus inefficiency was rife, to the extent that receivers-general made corrupt use of the cash balances in their hands.[18] The history of state formation was therefore a record of the intermittent but successive reconfiguration of state structures around bureaucratic principles, which made them both willing and able to carry out public policy at home and overseas.

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[11] John Brewer, *The sinews of power: war, money and the English state, 1688–1783* (London, 1989) pp. xvii–xix, 33–62; Patrick O'Brien, 'The political economy of British taxation, 1660–1815', *Economic History Review, 2nd ser.*, 41 (1988) pp. 1–17. See also Lawrence Stone's comments on the 'paradox' of these dual developments: Lawrence Stone, 'Introduction', in Lawrence Stone (ed.), *An imperial state at war: Britain from 1689 to 1815* (London, 1993) p. 6.

[12] Brewer, *Sinews of power* pp. 88–133; O'Brien, 'Political economy of British taxation', pp. 17–28.

[13] Brewer, *Sinews of power* pp. 65–87, 95–126, 221–30.

[14] Miles Ogborn, *Spaces of modernity: London's geographies, 1680–1780* (New York; London, 1998) pp. 163–200; Braddick, *State formation* pp. 87, 260–9; William J. Ashworth, *Customs and excise: trade, production and consumption in England 1640–1845* (Oxford, 2003) pp. 87–93, 261–89. Jan Glete argued that the Dutch and Swedish states likewise 'sold' protection to their populations by developing new and more effective bureaucratic fiscal-military structures: see n. 6, this chapter.

Perhaps the greatest appeal of this approach to historians has been that it not only fits itself neatly within Weber's analytical categories but also closely mirrors the many contemporary criticisms, from the commissioners of accounts in the 1690s to various parliamentary commissions of audit and enquiry from the 1780s.[19] Concerned initially with traditional worries over political and financial corruption, from the 1790s they were also informed by new standards of technical managerialism, which linked weaknesses in both fiscal and military or naval infrastructure with corruption, sinecures, fee-taking, and personal patronage. Their reports were, Janet Macdonald argues with reference to the naval victualling department, 'a damning indictment of the whole of the management of the victualling, both in the victualling office in London and in the yards at home and abroad'.[20] The principle of mutual surveillance and oversight, which underpinned the entire culture and structure of eighteenth-century administration, had broken down under the sheer volume of business, creating inefficiency, institutional inertia, and chronic administrative problems.[21] Between the 1780s and 1830s a series of senior naval figures such as Charles Middleton, Earl St Vincent, and Samuel Bentham therefore struggled to push through reforms that would, as Roger Morriss and William Ashworth demonstrate, have restructured the yards as efficient bureaucratic enterprises by placing officials and staff under constant administrative scrutiny to enforce strict standards of competence and honesty.[22]

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[15] Ogborn, *Spaces* pp. 161–2.

[16] G. E. Aylmer, 'From office-holding to civil service: the genesis of modern bureaucracy', *Transactions of the Royal Historical Society, 5th ser.*, 30 (1980) pp. 91–108; Brewer, *Sinews of power* pp. 72–86, 89, and n. 14.

[17] J. V. Beckett, 'Land tax administration at the local level 1693–1798', in Michael Turner and Dennis Richard Mills (eds), *Land and property: the English land tax 1692–1832* (New York, 1986) pp. 161–79; Edward Hughes, 'The English stamp duties, 1664–1764', *English Historical Review*, 56 (1941) pp. 234–50; W. R. Ward, 'The administration of the window and assessed taxes, 1696–1798', *English Historical Review*, 67 (1952) pp. 522–42; W. R. Ward, *The English land tax in the eighteenth century* (London, 1953) p. 22; C. D. Chandaman, *The English public revenue, 1660–1688* (Oxford, 1975) pp. 77–109.

[18] Ward, *Land tax* pp. 42–51; L. S. Pressnell, *Country banking in the Industrial Revolution* (Oxford, 1956) pp. 56–66.

[19] Roger Morriss, *Naval power and British culture, 1760–1850: public trust and government ideology* (Aldershot, 2004) pp. 85–104; Roger Morriss, *The foundations of British maritime ascendancy: resources, logistics and the state, 1755–1815* (Cambridge, 2010) pp. 11–20, 113–30, 400–3; Brewer, *Sinews of power* pp. 77–9, 86, 151–61.

By the same token, it has generally been argued that the problems of the army and its auxiliary arms reflected their unreformed and unbureaucratic administrative structures.[23] Without a permanent and professional commissariat, for instance, the army had to rely on an abbreviated logistical infrastructure created from scratch for each campaign.[24] This was 'the ultimate admission', in John Childs' words, 'that the early modern state was only a half-modern institution . . . it was insufficiently developed both in administrative technique and capacity . . . [and] too primitive to administer its own creations'.[25] Success only eventually came at the beginning of the nineteenth century when key functions such as victualling and transport were turned over to newly reformed and bureaucratized agencies such as the victualling and transport boards.[26] Regimental administration was corrupt and inefficient though, since it was still devolved to private regimental agents and operated as a proprietary or only semi-public concern, which created sets of vested interests that were not necessarily responsive to the public service.[27] The Ordnance Office, which supplied the army and navy with artillery, arms, ammunition, and engineering expertise, supposedly followed a similar trajectory until it was precociously reformed from the 1780s onwards.[28] These private interests within naval and military state structures therefore obscured the real public interest and, as in the excise, could only be cleared away by what Miles Ogborn has described as 'a national, rational and bureaucratized administrative network of people, practices, knowledges, powers and spaces'.[29]

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[20] Janet Macdonald, *The British Navy's victualling board, 1793–1815: management competence and incompetence* (Woodbridge, 2010) p. 213.

[21] Morriss, *Naval power* pp. 59–83; Macdonald, *Victualling board* pp. 86–103, 196–204.

[22] William J. Ashworth, '"System of terror": Samuel Bentham, accountability and dockyard reform during the Napoleonic Wars', *Social History*, 23 (1998) pp. 63–79; Morriss, *Foundations* pp. 131–82.

[23] R. E. Scouller, *The armies of Queen Anne* (Oxford, 1966) pp. 9, 21–2; Alan J. Guy, *Oeconomy and discipline: officership and administration in the British army 1714–63* (Manchester, 1985) pp. 23–46; John Childs, *The British army of William III, 1689–1702* (Manchester, 1987) pp. 164–7.

[24] Bannerman provides a useful summary of this historiography: Gordon Bannerman, *Merchants and the military in eighteenth-century Britain: British army contracts and domestic supply, 1739–1763* (London, 2008) pp. 8, 17–21.

[25] John Childs, *The Nine Years' War and the British army 1688–1697: the operations in the Low Countries* (Manchester, 1991) p. 151.

[26] Morriss, *Foundations* pp. 295–354, 381–94.

For all the merits of this approach, it also risks forcing the entire experience of state formation into a Procrustean bed, since it therefore cannot accommodate or explain instances where bureaucratization was either irrelevant or actively destructive. The wholesale reform of the naval dockyards from the 1790s, for example, sometimes produced chaos rather than efficiencies.[30] Even Macdonald concedes that the victualling board suffered from chronic rather than severe problems, individual instances of corruption, fraud, and inefficiency notwithstanding, and its growing effectiveness throughout this period reflected more generous funding rather than any real bureaucratization.[31] As Daniel Baugh puts it, during this period 'victualling became more reliable not through technological but rather administrative advance, an advance largely made possible by the government's willingness and ability to pay the price of better service'. Chronic shortages of funds and strict legal constraints were also a more fundamental check on the military effectiveness of the army than unbureaucratic administration, and J. A. Houlding and Alan Guy have even noted that the 'royal and bureaucratic initiatives' which removed regimental perquisites actually seem in practice to have undermined the overall effectiveness of the army, by squeezing out veteran and professional officers who lacked independent means.[32] Guy has also concluded that the regimental agents were generally effective and honest, and that they

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[27] Binney, *British public finance* pp. 150–9; Scouller, *Armies* pp. 22–34, 131–48; Childs, *William III* pp. 139–42.

[28] Gareth Cole, *Arming the Royal Navy, 1793–1815: the Office of Ordnance and the State* (London, 2013) pp. 141–5; Morriss, *Foundations* pp. 194–222.

[29] Ogborn, *Spaces* p. 192.

[30] Morriss, *Naval power* pp. 160–70, 174–93; Bernard Pool, *Navy board contracts, 1660–1832: contract administration under the Navy Board* (London, 1966) pp. 111–40.

[31] John Ehrman, *The navy in the War of William III, 1689–1697: its state and direction* (Cambridge, 1953) pp. 157–65, 236–44; Daniel A. Baugh, *British naval administration in the age of Walpole* (Princeton, 1965) pp. 374–5, 447–51; Pool, *Navy board contracts* pp. 8, 15, 43, 46–8, 54, 65–8; Macdonald, *Victualling board* pp. 212–24; Christian Buchet, *The British navy, economy and society in the Seven Years War* (Woodbridge, 2013) p. 18.

[32] J. A. Houlding, *Fit for service: the training of the British Army, 1715–1795* (Oxford, 1981) pp. 388–95; Guy, *Oeconomy and discipline* pp. 162–7.

'provided a financial and administrative service that government was unwilling and regimental officers frequently unable to furnish'.[33]

The focus upon bureaucratic reform and rational government also glosses over how far the fiscal-military state was itself composed of several overlapping and interlocking agencies who had important but also frequently incompatible priorities. The Ordnance Office, for example, had to balance a mass of competing political, financial, military, and commercial demands, often without the political leverage to secure a fair hearing for its own needs.[34] Separate studies have all concluded that 'it is impossible to differentiate between the culpability of the Ordnance Office and the other departments... [and] the root causes of inefficiency lay quite outside the power of any one department to control', and that throughout this period the office generally managed to do the best it could within the political and administrative limits it faced.[35] The victualling board likewise remained utterly dependent on cooperation from other naval departments, such as the admiralty, navy, and transport boards, as well as its own contractors and suppliers, who each had their own priorities, and Baugh concludes that where victualling problems occurred between 1739 and 1748, 'it was almost always because something went wrong after the Victualling Office had completed its part of the job'.[36] The decentralized structure of naval administration in particular created a set of structures with overlapping but also occasionally divergent priorities, making effective management a matter of coordination and cooperation.[37]

The crucial importance of coordination and cooperation in an administrative world where individual departments had overlapping but not necessarily consistent priorities has not hitherto been widely acknowledged, possibly because studies have tended to focus on the operation and effectiveness of a single department, which will have its own clear view of the public service against which its own performance is measured. Other departments, and the private interests of officials, contractors, and politicians, appear only as impediments that obstruct the public service. In reality though, as this chapter and others will suggest, no department was an island, and they had to operate in a complex political, administrative, financial, and commercial context in which the public service was by no means clear, and was often hotly contested. In some cases the demands that departments such as the Ordnance Office faced simply could not be reconciled, since one set of priorities could only be addressed at the expense of others, however urgent these seemed to other departments. Effective administration was thus fundamentally a matter of perspective, and in practice a political process, as priorities were weighed and assessed, making it far less important whether the departmental bureaucracy was reformed or unreformed, or even in the hands of private commercial contractors, which was the case for large swathes of the state in this period.

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[33] Alan J. Guy, 'Regimental agency in the British standing army, 1715–1763; a study in Georgian military administration (Part II)', *Bulletin of the John Rylands Library*, 53 (1980–1) esp. pp. 35–8. For the comparable importance of navy agents, see Martin Wilcox, 'The "Mystery and Business" of Navy Agents, *c.*1700–1820', *International Journal of Maritime History*, 23 (2011) pp. 53–68.

[34] H. C. Tomlinson, *Guns and government: the Ordnance Office under the later Stuarts* (London, 1979) pp. 18–45, 107–207; Jenny West, *Gunpowder, government and war in the mid-eighteenth century* (London, 1991) pp. 79–117; Morriss, *Foundations* pp. 183–222; Cole, *Arming the Royal Navy* pp. 37–54, 105–40.

[35] Tomlinson, *Guns and government* pp. 147, 162–4, 220–1; West, *Gunpowder, government and war in the mid-eighteenth century* pp. 84–5, 99, 116–17; Morriss, *Foundations* p. 193; Cole, *Arming the Royal Navy* pp. 37, 41–5, 47, 53.

[36] Ehrman, *Navy* pp. 316–18, 478–82, 588, 593–4; Baugh, *British naval administration* pp. 431–47; Morriss, *Foundations* pp. 321–54; Macdonald, *Victualling board* pp. 47–63; Buchet, *British navy* pp. 7–8; James Davey, *The transformation of British naval strategy: seapower and supply in Northern Europe, 1808–1812* (Woodbridge, 2013) pp. 74–192.

[37] Clive Wilkinson, *The British navy and the state in the eighteenth century* (Woodbridge, 2004) pp. 15–34; Baugh, *British naval administration* pp. 30–92; Ehrman, *Navy* pp. 174–339.

THE ‘CONTRACTOR STATE’

As Roger Knight and Martin Wilcox have pointed out, the British state was as much a ‘contractor-state’ as well as ‘fiscal-military state’.[38] Almost all of the transport ships used by government departments were drawn from the British merchant marine, for example, either directly or through a separate transport board or sub-department.[39] This office could be little more than a clearing house where the commissioners used their private contacts and influence with cliques of ship owners and brokers in London to hire shipping, devolving the costs and complexities of managing and maintaining ships to the contractors.[40] Although administration was important, even more vital was to balance the competing demands of other departments against the limited supply of shipping, and to resist being taken over by the contractors themselves (as the shipping committees of the Royal African and East India companies failed to prevent).[41] When shipping broke down during the American Revolutionary War, this fundamentally reflected poor strategic direction by the cabinet as well as an overall shortage of merchant tonnage, rather than specific administrative failures by the transport board. Using contractors was thus not necessarily a sign of weakness, as long as they could be properly managed, but proper management, as this section will show, relied upon building up informal networks of public and private interests.

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[38] R. J. B. Knight and Martin Wilcox, *Sustaining the fleet, 1793–1815: war, the British navy and the contractor state* (Woodbridge, 2010) p. 210.

[39] N. A. M. Rodger, *The command of the ocean: a naval history of Britain, 1649–1815* (London, 2005) p. 196; David Syrett, *Shipping and the American war, 1775–83: a study of British transport organization* (London, 1970) pp. 1–36, 90–105.

[40] Syrett, *Shipping and the American war* pp. 64–76, 245–6; David Syrett, *Shipping and military power in the Seven Years War: the sails of victory* (Exeter, 2008) pp. 11–13, 39–40, 58; Davey, *Transformation* pp. 83–93; Cole, *Arming the Royal Navy* pp. 63–7. For the challenges facing shipowners, see Ralph Davis, *The rise of the English shipping industry in the seventeenth and eighteenth centuries* (Newton Abbot, 1972) pp. 81–100, 159–97; and Simon P. Ville, *English shipowning during the Industrial Revolution: Michael Henley and Son, London shipowners, 1770–1830* (Manchester, 1987).

Army provisioning, for example, was largely organized by direct negotiation between the Treasury and individual contractors, and even forty years ago Norman Baker argued that 'the long-established impression . . . of eighteenth century administration as generally corrupt, inefficient and inactive needs considerable revision'.[42] Problems invariably occurred, but Baker and Gordon Bannerman have strongly argued that under many circumstances civilian undertakers were generally more effective than a formal commissariat, since they usually had superior local knowledge, mercantile contacts, financial resources, and commercial experience.[43] When combined with clear strategic direction, adequate funds, and the cooperation of other departments, commercial contractors could draw on these resources to supply essentials such as bread, forage, meat, and medical care with as much effectiveness as a professional commissariat.[44] Studies of naval victualling have likewise emphasized how, as Knight and Wilcox argue, 'private interests were harnessed and directed to serve state ends' when adequate funds and strategic direction were available.[45] In temporary or remote outports at home and abroad the victualling commissioners placed supply in the hands of experienced local merchants who could mobilize local credit resources far more directly than could be done from London, and they have concluded that, 'although it was far from flawless, the system . . . did work'.

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[41] Syrett, *Shipping and the American war* pp. 90–105, 121–80, 245–7; Syrett, *Sails of victory* pp. 30–3, 72–4, 123–4; Baugh, *British naval administration* pp. 441–2. For the East India and Royal African company shipping, see Lucy S. Sutherland, *A London merchant, 1695–1774* (London, 1933) pp. 81–125; C. H. Philips, *The East India Company, 1784–1834* (Manchester, 1961) pp. 89–90, 124, 283–5; K. G. Davies, *The Royal African Company* (London, 1957) pp. 196–205.

[42] Norman Baker, *Government and contractors: the British Treasury and war supplies, 1775–1783* (London, 1971) p. vii.

[43] Baker, *Government and contractors* pp. 95–254; David Hancock, *Citizens of the world: London merchants and the integration of the British Atlantic community, 1735–1785* (Cambridge, 1995) pp. 222–39; Bannerman, *Merchants* pp. 23–109, 139–50.

[44] Baker, *Government and contractors* pp. 13–63; Eric Gruber von Arni, *Hospital care and the British standing army, 1660–1714* (Aldershot, 2006) pp. 111–52, 183–8; Scouller, *Armies* pp. xii, 223–32; Bannerman, *Merchants* pp. 6, 139–50.

[45] Baugh, *British naval administration* pp. 341–72, 391–8; Knight and Wilcox, *Sustaining* pp. 155–209; Buchet, *British navy* pp. 105–59, 253–62.

The main victualling depots in London, Portsmouth, and Plymouth remained under direct administration, as did the naval and ordnance yards at home and overseas, yet even these departments continued to depend heavily on private contractors.[46] For raw materials the navy and victualling boards mainly relied on small cliques of trusted merchants, issuing contracts through a system of centralized purchase that promoted competition and prevented contractors playing off one department or yard against another.[47] Both naval departments also relied on contractors to supply finished goods, up to and including frigates and men-of-war by the end of the eighteenth century, and it was sometimes easier to control contractors than their own yard officials, who faced their own sets of priorities and demands and were not always responsive to central directions. The Ordnance Office relied on private contractors for most of its gunpowder, arms, artillery, and ammunition, and although increasing amounts of powder were supplied by its own mills at Faversham and Waltham, their chief value seems to have been in breaking up cartels of private gunpowder manufacturers, who charged high prices as a hedge against the virtually unworkable volatility of the market, which suffered from extremely damaging shortages in wartime and ruinous gluts in peacetime.[48]

Although contractors were mainly used by military and naval departments, some of the greatest improvements in revenue collection also occurred when the English, Scottish, and Irish customs and excise were placed in farm in the late seventeenth century, which leased the right of collection to private consortia for a fixed sum or percentage. The English farms created in 1660 were based on structures and personnel established during the Interregnum and Protectorate (1649–60), and tax farmers used their personal contacts and credit to refine these into highly centralized bodies that exercised close control over revenue officials.[49] Scottish and Irish revenues remained in farm until the 1690s in some cases, and between 1671 and 1675 the Irish Treasury itself was placed in farm to a syndicate of English and Irish officials and financiers, who ran 'a ruthless and efficient operation . . . through coercion and corruption' that liquidated a mass of overhanging debt and even created a revenue surplus.[50] When the English customs and excise were brought back into direct administration after 1671 and 1683 respectively, the state did little more than absorb an existing administrative infrastructure which then persisted largely unchanged, except in its size, until the late eighteenth century.[51] Across the Channel, most indirect taxes in France were farmed out between 1660 and 1789 to successive short-term syndicates called the *fermiers-généraux*, whose permanent and quasi-bureaucratic revenue hierarchies 'collected an antiquated array of taxes with modern efficiency'.[52]

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[46] Baugh, *British naval administration* pp. 262–75; Knight and Wilcox, *Sustaining* pp. 19–37; Buchet, *British navy* pp. 63–103.

[47] Baugh, *British naval administration* pp. 254–61, 276–88, 335–40, 357–68, 398–422; Buchet, *British navy* pp. 23–58; Pool, *Navy board contracts* pp. 6–7, 14, 37–43, 65–8, 72–6, 95–108, 130–6; Knight and Wilcox, *Sustaining* pp. 37–45, 85–154.

[48] Tomlinson, *Guns and government* pp. 106–17; West, *Gunpowder, government and war in the mid-eighteenth century* pp. 23–41, 130–95; Cole, *Arming the Royal Navy* pp. 55–103; L. J. Williams, 'A Carmarthenshire ironmaster and the Seven Years War', *Business History*, 2 (1959) pp. 32–8.

[49] Chandaman, *Public Revenue* pp. 21–36, 51–74; D'Maris Coffman, 'The Earl of Southampton and the lessons of interregnum finance', in Jason McElligott and David

Contractors therefore formed an important linkage between commercial markets and the British fiscal-military state for much of the long eighteenth century, sometimes acting far more effectively than bureaucratic administrative structures. As Morriss and others have argued, improved bureaucratic regulation, especially in the matter of auditing and oversight, and the use of open tendering, undoubtedly helped to manage contractors.[53] In that respect, Brewer's model of fiscal-military state formation is not irrelevant. Yet such formal instruments were only part of a wider series of sanctions and incentives that offered officials additional leverage in dealing with contractors, alongside informal tools such as private obligations and personal trust. Within a commercial system built around such factors for much of the long eighteenth century, as the next section will show, the British state was most effectively served by contractors when they could be integrated with the fiscal-military departments and their policies. Even if a department did not reform itself along Weberian lines, it could still be run with considerable effectiveness if it could project its priorities on to its contractors as well as other departments, usually by appealing to personal trust and private profit.

L. Smith (eds), *Royalists and Royalism during the Interregnum* (Manchester, 2010) pp. 235–56.

[50] Sean Egan, 'Finance and the government of Ireland, 1660–85' (Unpublished PhD thesis, TCD, 1983) i, 231–53; ii, 1–51.

[51] Brewer, *Sinews of power* pp. 93–4; Chandaman, *Public revenue* pp. 29, 72; Elizabeth Evelynola Hoon, *The organization of the English customs system, 1696–1786* (Newton Abbot, 1968) pp. 139, 291.

[52] J. F. Bosher, *French finances 1770–1795: from business to bureaucracy* (Cambridge, 1970) pp. 67–71, 92–110; George Matthews, *The royal general farms in eighteenth-century France* (New York, 1958) pp. 185–227.

[53] Morriss, *Foundations* esp. pp. 8–28, 396–403; Macdonald, *Victualling board* pp. 29–31, 161–86; Bannerman, *Merchants* esp. pp. 41–58, 143–50; Baker, *Government and contractors* pp. 56–63, 108–15, 123–6; Syrett, *Shipping and the American war* pp. 130, 140–3, 148–51.

THE COMMERCIAL STATE

By and large, eighteenth-century commerce was an exercise in cooperation and collaboration between widely scattered but closely integrated networks of principals, brokers, and agents, who 'coordinated people, materials and capital', in David Hancock's words, 'across merchant sectors and among geographically dispersed areas'.[54] Thus farmers generally sold grain to a series of corn factors and brokers who used their knowledge, contacts, and private resources to channel it to corn dealers and retailers in secondary markets, who sold it on in turn to bakers and brewers, where it entered new industrial and retail networks, including bakehouses and brewhouses in naval victualling yards.[55] Cattle likewise passed from farmer to butcher through chains of drovers, graziers, jobbers, dealers, victuallers, and wholesale and retail butchers, who might be contractors to naval slaughterhouses.[56] Beer, wine, and spirits flowed through multinational networks of growers, buyers, shippers, wholesalers, and retailers.[57] Coordination was achieved most effectively by building up a network of competent and reliable correspondents who would then act on behalf of their principal as well as themselves, guided by their mutual overlapping interests. This in turn could only come about through shared trust.

Definitions of trust vary, but most historians stress mutual obligation and reciprocity, and the expectation that a trusted individual will behave in a predictable way or in accordance with previously agreed criteria.[58] Normal trading conditions created imbalances of information or 'informational asymmetries', where a merchant had no choice but to defer to his agent's judgement in order to exploit opportunities as they arose, since there might not be time to seek permission or guidance. These potentially led though to 'principal–agent problems', since a merchant or principal might not be able to control his agent or exercise adequate oversight, or otherwise ensure that his own interests were being protected. Although bureaucratic regulation and legal redress could help deter this, it was frequently even more effective, as the following paragraphs will show, to create additional levels of mutual trust that provided reassurance and allowed each side to devolve autonomy and agency to the other. Thus, the wider and deeper a merchant's network of trusted agents was, the more effective he would generally prove, since he had access to a wider range of information and resources and could coordinate the exchange of a greater number of goods and services. It would therefore be no exaggeration to say that commerce was structured around trust, and Richard Grassby argues that, during this period, 'the core of any business relationship was always trust . . . the most important task for any new businessman was creating a network of business associates and a client base'.[59]

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[54] Hancock, *Citizens* pp. 16, 81–4.

[55] Ray Bert Westerfield, *Middlemen in English business, particularly between 1660 and 1760* (New Haven, 1915) pp. 130–86; Knight and Wilcox, *Sustaining* pp. 183–90; Buchet, *British navy* pp. 190–224.

[56] Westerfield, *Middlemen* pp. 187–201; Knight and Wilcox, *Sustaining* pp. 56–7; David Dickson, *Old world colony: Cork and south Munster 1630–1830* (Cork, 2005) pp. 135–48; Buchet, *British navy* pp. 163–89.

[57] David Hancock, *Oceans of wine: Madeira and the emergence of American trade and taste* (London, 2009) pp. 200–38; Peter Mathias, *The brewing industry in England, 1700–1830* (Cambridge, 1959) pp. 448–73; Paul Duguid, 'Networks and knowledge: the beginning and end of the port commodity chain, 1703–1860', *Business History Review*, 21 (2005) pp. 493–526; Buchet, *British navy* pp. 225–34.

[58] For recent discussions of mercantile trust, on which this paragraph is based, see in particular Francesca Trivellato, *The familiarity of strangers: the Sephardic diaspora, Livorno, and cross-cultural trade in the early modern period* (London, 2009) pp. 153–5; Nuala Zahedieh, *The capital and the colonies: London and the Atlantic economy, 1660–1700* (Cambridge, 2010) pp. 65–73.

Merchants therefore tended to form partnerships with close or adoptive family members, and employed relatives as factors, correspondents, or agents, because the mutual obligations and informal incentives and sanctions these 'strong ties' created could help regulate the behaviour of each party.[60] Religious connexions, within small communities already densely linked by kinship, allowed Jewish, Quaker, and Huguenot merchants and financiers to use communal structures to supplement kinship linkages, forming additional sanctions that helped bolster mutual trust.[61] Regional or national identity, such as between Scottish merchants, might also generate close connexions, helping to build mutual trust.[62] However, although merchants might choose to trade within their own social and cultural group, at some point they also invariably had to form trusted connexions with buyers or sellers who were outside the informal sanctions and obligations that common culture, community, or kinship provided. These connexions were thus often surrounded by, and criss-crossed with, 'strong networks of weak ties' which linked principals and agents together through more nebulous but equally important forms of trust, and which could cross otherwise impenetrable cultural or communal barriers to facilitate mutual exchange.[63]

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[59] Richard Grassby, *Kinship and capitalism: marriage, family, and business in the English speaking world, 1580–1740* (Cambridge, 2001) pp. 300–2.

[60] Grassby, *Kinship and capitalism* pp. 217–51, 290–6, 300–11; Trivellato, *Familiarity* pp. 132–44; Hancock, *Oceans of wine* pp. 145–7.

[61] See, for example, Trivellato, *Familiarity* pp. 21–41, 132–76, 194–233; Zahedieh, *Capital and the colonies* pp. 108–12.

[62] Steve Murdoch, *Network north: Scottish kin, commercial and covert association in Northern Europe, 1603–1746* (Leiden, 2006) pp. 16–124; Hancock, *Oceans of wine* pp. 147–56.

Friendship was among the most important of these ties, whether expressed in person or through correspondence, since it set up reciprocal obligations and informal sanctions and incentives that mirrored those found in kinship or cousinage networks.[64] Recent work on the languages of kinship by Naomi Tadmor has even emphasized that such languages could help turn friends into fictive family, as terms such as 'relation', 'kin', or 'cousin' were used 'to claim recognition . . . [and] serve as a powerful matrix for incorporating many non-kin into any kinship groups'.[65] The exchange of gifts, either as material goods or information, and the maintenance of a 'good correspondence' by the regular exchange of letters and news, further reinforced these ties, as did the mutual obligations created by the extension and receipt of credit, as Ilana Ben-Amos has emphasized.[66] Institutions such as civic or guild structures or overseas 'factories' all provided venues for personal contact and the circulation of information, while also creating informal self-regulating communities that could punish or reward commercial behaviour.[67] Breaches of trust obviously did occur, but these communities made it easier to inform others of this, and to punish malefactors by exclusion or expulsion rather than resorting to the slow processes of law.

Self-consciously constructed mercantile codes and cultures also helped generate trust and confidence by generating a framework of shared expectations about proper behaviour. Thus Francesca Trivellato argues that 'the use of shared rhetorical and legal conventions [in letters] provided merchants . . . with a decipherable code of expressions and nouns and regularized behaviour and expectations', facilitating cross-cultural trade.[68] In

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[63] I have surveyed the recent literature on this topic in Aaron Graham, 'Review article: mercantile networks in the early modern world', *Historical Journal*, 56 (2013) pp. 279–95.

[64] Naomi Tadmor, *Family and friends in eighteenth-century England: household, kinship, and patronage* (Cambridge, 2000) pp. 166–236; Trivellato, *Familiarity* pp. 181–4, 192; Tijl Vanneste, *Global trade and commercial networks: eighteenth-century diamond merchants* (London, 2011) pp. 84–7.

[65] Tadmor, *Family and friends* pp. 103–65; Grassby, *Kinship* pp. 241–50; Trivellato, *Familiarity* pp. 134–42.

[66] Ilana Krausman Ben-Amos, *The culture of giving: informal support and gift-exchange in early modern England* (Cambridge, 2008) p. 359; Hancock, *Oceans of wine* pp. 173–80; Zahedieh, *Capital and the colonies* pp. 99–103.

[67] Grassby, *Kinship* pp. 252–7; Zahedieh, *Capital and the colonies* pp. 103–6; Robin Pearson and David Richardson, 'Business networking in the Industrial Revolution', *Economic History Review*, 54 (2001) pp. 663–77; Hancock, *Oceans of wine* pp. 156–61, 193–7; Trivellato, *Familiarity* pp. 167–76.

[68] Trivellato, *Familiarity* pp. 177–93, 225–49; Hancock, *Oceans of wine* p. 180; Vanneste, *Global trade* pp. 67–94.