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Glorious Revolution as Financial Revolution

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In the late seventeenth century, England experienced a dramatic political and religious crisis that fundamentally reshaped the nation's future. In late 1688, a group of English elites invited William the Stadholder of the Netherlands and Mary Stuart, the daughter of King James II, to invade England. They did so and deposed the king in a relatively bloodless revolution that dramatically recast the political, economic, and religious future. William and Mary's invasion of England and accession to the throne has traditionally been called the Glorious Revolution.

One crucial key to the invitation was a group of influential London merchants who were envious of the Dutch economic success and displeased with the economic policies of James II. As a result, they invited William to invade and supported his invasion in hopes of bringing his economic policies to Britain. Their advocacy and support ultimately led them to be called the "Immortal Seven."

At mid-century, England and the Netherlands had adopted radically different fiscal and economic policies. As a result, the English experienced only middling economic growth especially as compared to the Dutch. Merchants considered the policies of the Stuart kings as disadvantageous to merchants, but saw Dutch taxation, monetary, and banking practices as fostering trade.

Historians have conventionally appreciated the Immortal Seven as motivated by religion and failed to fully acknowledge the economic motivations behind their support for William as an alternative to the reigning monarch James II. There are, however, some significant exceptions. P. G. M. Dixon's pathbreaking study, The Financial Revolution in Great Britain, makes him the forefather of all subsequent research on the fiscal-military state that emerged from this period, and coined the term "Financial Revolution," but his work pays very little attention to the revolution or its politics. In War and Economy, D. W. Jones presents a compelling economic argument by paying close attention to a group called the "New London Merchants." Steven Pincus, focuses on the "New London Merchants," as this paper does, as important to causing the Glorious Revolution.

This paper builds on these works. It shares with the many economic studies an emphasis on financial and monetary changes as fundamental to political events of the Glorious Revolution.[1] This paper, however, aims to study events both before and after the Glorious Revolution by focusing on the financial dimensions of both causes and effect. It focuses specifically on the economic motivations of individual members of the Immortal Seven and pays close attention to the exact fiscal and monetary changes that occurred in Britain during the Financial Revolution of the late 1690s.

First, I discuss in this paper the attractions of the Dutch economic model for seventeenth century Englishmen specifically for members of the wealthy merchant class that likely led them to look to William. Then I look to the policies William favored once he was in power – such as the establishment of the Bank of England, the creation of the national debt, and the resolution of chronic monetary shortages, known as the Currency Crisis –- and suggest that those merchants who invited William got the economic benefits they hoped to attain by initiating this seventeenth-century "regime change." William's economic and monetary reforms, brought to England by the Immortal Seven, taken together constitute a Financial Revolution.

Second, this paper analyzes the developments that led to the Financial Revolution in the last decade of the seventeenth century and the processes that allowed the revolution to occur. It will pay special attention to the role of the Bank of England and the Currency

Crisis in this revolution. Third, it will also analyze the effects of revolution in the creation of a self-conscious financial class in Britain. Finally, it will look to the ways in which the reforms promoted Britain's later commercial dominance. Ultimately this paper places the Glorious Revolution into is proper economic context by explaining the economic conditions that brought it about and the economic conditions that it produced.

Part I.A. : Mid-Seventeenth Century British Economic and Monetary Policies

In the mid-seventeenth century, the economy of Britain lagged significantly behind that of the Netherlands. Its banking sector was primitive by comparison, its taxation archaic, and its fiscal-monetary policy holding back the nation's development. The problems plaguing Britain's economy became especially evident in comparison to those pursued by Dutch leaders.

At that time, Britain's economy was primarily agrarian, and its largest export was woolen textiles to continental Europe. [2] The Crown taxed the little industry they did have heavily and did very little to protect and promote their interests. It promoted the large crown companies, like the Levant and East India Companies, to the detriment of small merchants.[3] Thus, the English economy was slow growing. Governmental policies also favored government monopolies over small merchants, such as those run by the upstart New London Merchants. Despite these other impediments to economic development, the most significant issues were the shortage of hard currency and feeble banking sector, which slowed development and expansion of trade.

Britain's financial sector developed later and more slowly than many other parts of Europe, slowing their development. Wealthy families like the Medicis had historically carried out banking, however successive governments bankrupted these finance houses when they defaulted on their debts. Some, such as the Fuggers eventually went on to build successful private banking houses. Britain's lack of a strong banking sector prevented the emergence of a more modern economy and stymied growth in the nation. The little financial sector in Britain that existed then was centered in the small one square-mile historical center, called The City of London. As is common in Britain, this paper will refer to Britain's financial sector metonymically as simply, "The City." Only with William's Financial Revolution would a modern banking sector in England emerge through the financial practices he imported from continental Europe.

In 1640 when Charles I seized all the coins deposited by merchants in the Tower of London for safekeeping he exposed the incredible weakness and archaic nature of the British banking sector. His action demonstrated to many merchants that the crown could not be trusted, but also that banks were not a reliable place to store their money.[4] So feeble were the banks there that they relied upon the Tower of London for storage, and could not perform their primary mission – serving as a place for the safekeeping of assets.

The seizure of this wealth forced merchants to begin developing an alternate solution. After this seizure, goldsmith-bankers became the primary location for merchants' deposit. The goldsmith bankers began using a fractional reserve system that underpins the modern-day banking system.[5] In a fractional reserve system, a bank has a reserve of cash of which it only keeps a small portion and makes loans and investments with the rest. To encourage the deposit of gold with them, the goldsmith-bankers paid depositors, "four pence the day interest per centum."[6] These goldsmith-bankers also provided basic investment mechanisms and issued their own forms of bills and notes. In the later seventeenth century these bankers evolved into more modern-appearing banks, and the bills that they issued held enormous credibility among businesspeople.[7] Although many of their practices were proto-modern, the goldsmith bankers were too small, too numerous, and too primitive to take Britain into the modern era. The banks made loans to the government, but, as government spending dramatically increased due to wars late in the century, the goldsmith-bankers could no longer lend enough to sustain the government.[8] This delta between private lenders' ability to loan to the government and their spending needs demanded a solution that would eventually emerge in William's national bank.

Seventeenth-century England also experienced a cyclical shortage of hard currency. This shortage stemmed from England's large trade deficit, which occurred as England purchased large quantities of goods from foreign nations to supply their armies in the field on the continent. These deficits had to be settled with a combination of silver bullion and gold coins shipped abroad. British economic development was significantly impeded by the lack of hard currency.

Over the course of the seventeenth century, however, several new expedients designed to cope with the lack of currency emerged. First, individuals created bills of exchange to implement transactions. For example, in the 1640s, Sir William Cavendish, a nobleman with wool interests, was not able to transport £13,500 in coin from Derbyshire to London, so he utilized a bill of exchange between another merchant and himself.[9] Slowly but steadily, bills like Cavendish's became more and more accepted and emerged as a sort of currency among merchants. The bills became uniform with the creation of the "inland bill of exchange," which standardized the writing and signing of the bill.[10] The development of these bills was a not only harbinger of future currency developments, but also allowed merchants to adapt to the shortage of currency. Another simpler solution to the lack of currency circulating involved the cutting of coins into smaller pieces. The coins commonly were stripped of up to forty percent of their metal content.[11] This obviously devalued the coins, but more seriously, caused a loss of confidence in the government behind them. D.W. Jones, who extensively studied these balances of payment in this period, argues that the clipping of coins for their silver content in the period, nevertheless, allowed Britain's economy to limp along economically. It could just manage to meet its international obligations while also sustaining trade at home.[12]

Despite these problems, the underlying foundation of the English economy was fairly strong, particularly because a strong, uniform internal market boosted it. This internal market developed around the markets of metropolitan areas. Leading the internal market's development and standardization was the wool market. The great demand for English wool helped fuel the building of roads, long-distance money carriers, and some financial institutions to deal with money on credit and short-term debts. Together, these developments resulted in one market throughout the British Isles. Then - mainly radiating from London - the extended or extra-metropolitan market existed through exports oversea.[13] For Britain, this meant a vibrant internal trade, but a failure to translate their domestic economy into broad strength due to the underdeveloped financial sector and lack of currency liquidity.

Although the reigning Stuart monarchs attempted positive policies, they were not particularly well implemented or successful. An example was the creation of free-trade zones. In response to growing Dutch power, Parliament, led by King James II, attempted to develop entrepôts, or free trade zones, similar to those which had grown up spontaneously near Amsterdam.[14] These government-fostered free trade zones in London were not successful in the immediate-term in advancing the British economy.[15] It is unclear exactly why they did not prosper, but it is possible that the difference lay in either other macroeconomic factors or the difference between organic and government-fostered free-trade zones.

Additionally, Charles II, recognizing the inadequacy of the English financial system and the ever growing Currency Crisis, in the middle of the seventeenth century attempted to address these failures. One such example involved the Crown pushing for paper bills to replace actual specie in business transactions to ease pressures from the lack of currency that were beginning to emerge. Memoirs from the time reveal popular resistance to this policy: "though paper credit, such as bank notes… do pass in the City of London… real specie is necessary [in] the country," and "country people. . . will [therefore] never take their paper in payments."[16] This lack of currency grew more problematic each year and became one of the greatest challenges of William's reign.

Charles II proposed a solution to Parliament in 1673 to address the growing Currency Crisis and to modernize banking. His proposal would have allowed him to spend more than the government brought in annually by using more paper money. He also proposed building a system of "publick and private banks" that handled large transactions and ensured that they were "fairly registered, and put to each man's account."[17] These banks were, "in the most convenient parts of the Kingdom, [to] be erected, where all receipts and payments to and from the Crown. . . may be respectively made." He also proposed the creation of bills in small denominations for everyday transactions, claiming they constituted "a new specie of money" backed by the king's credit and valid for all transactions.[18] Charles seemed to hope that the banks and their depositors would handle their large transactions internally, not utilizing currency at all, and that the bills would proliferate and reduce the need for coinage.[19] Parliament did not embrace his solution, and the Currency Crisis continued largely unabated because of inadequate measures. So despite Charles's initiatives, by mid century only limited success had been achieved in modernizing the English banking and monetary system. While these policies could have solved some of the currency problem, they were either not embraced fully or not adopted at all. Merchants' observance of the ineptitude of the Stuart kings in addressing these ever-growing issues likely led them to support William's invasion.

In contrast, the Dutch government during the same period advocated for their businesses, and this did not go unremarked by the Stuart Kings. Even though their measures were not entirely successful, the Stuart kings likely modeled them on their more successful Dutch counterparts, particularly in the case of Charles II's banking changes and James's entrepôts. However, true emulation of Dutch economic and fiscal police would require a Dutch ruler brought to power by the English merchants.

Part I.B. : The Dutch Model

Dutch economic development on the other hand offered a starkly contrasting pattern of development to England's plodding one. In the mid-seventeenth century, the United Provinces were unquestionably the leading commercial and banking power, and Amsterdam was Europe's financial and commercial hub. This foil to England perhaps explains, in part, the allure William of Orange may have had for the English merchants, envious of the positive effects of his policies in the Netherlands, which had produced a diverse and booming economy.[20] The Dutch had established a national bank before nearly any other nation, created an efficient taxation system, sustained a national debt, and developed, as early as the seventeenth century, a highly monetized economy with different currencies for domestic and international use.[21] The nation based its economy on the use of coins and money in everyday life, and their merchants saved and invested in the Netherlands. These developments gave the Dutch great economic power in the mercantilist currency-based era as "[t]he Republic's per capita money supply [was] nearly double that of England and triple that of France" at end of seventeenth century with high rates of domestic saving.[22]

The emerging middle class of Dutch merchants actively supported the Bank of Amsterdam – the Wisselbank – which intended its founding in 1609 to be a convenience for and promoter of merchants' interests. To advance the banking system, the bank also created investment products intended for middle class purchase.[23] The Wisselbank sold three types of debt to the public - *Obligatien, Losrenten, and Lijfrenten.* The first were short-term negotiable bonds; the second were redeemable perpetual bonds; and third were life annuities which were self-amortizing loans.[24] Among contemporary middle class Dutch, it became a symbol of class and status to own bonds. The debt certificates would be displayed alongside art in homes to demonstrate a family's status and national pride.[25] Widespread bond purchase and ownership from the national bank was an especially important commercial development as it allowed the Dutch to finance their wars with a lower tax burden than would be otherwise required. Moreover, these early forms of debt products created the basis of banking and finance. This system of monetization, national bank, and investment securities became a powerhouse that the British envied and later implemented after the accession of Dutch rulers.

In addition to creating a powerful monetary and banking system, the mid-seventeenth-century Dutch were also leaders in tax policy. They created an effective tax system early on, based on excises known as *gemene middelen*, that was generally predictable but also raised or lowered quickly. Additionally, according to Dutch economic historian Jan De Vries' research, these indirect excise taxes "deflected public anger from the regents and their government."[26] Although excise taxes made up the majority of collections, the Dutch taxed both broadly and deeply: taxes were levied on income, wealth, and trade.[27] Ellis Verryard, an Englishman travelling though Holland in the 1670s, commented that "[t]hough the people boast of their Free State, I am confident no subjects in the world are more burdened with taxes then they…. [T]here comes not a joint of meat to their tables but what has paid excise at least 18 or 20 times."[28] Thus, effective tax collection and advanced tax policy also served as a contributed to Dutch economic success.

All of these policies had fostered Dutch economic growth. Thus, at the outset of the Glorious Revolution, the Dutch were clearly innovators in fiscal and economic policies, while the English were hamstrung by their antiquated systems. The Dutch monetized economy and national bank, along with widespread rates of securities ownership allowed them to finance expensive wars without suppressing domestic consumption with high taxes. Conversely, the English could barely run their economy due to the shortage of currency and a feeble banking sector. Although the Stuarts had attempted to institute Dutch-style reforms, a hostile Parliament and public resisted them. Only a coup d'etat bringing Dutch rulers and policies to England could resolve the logjam preventing English fiscal policy from advancing into modernity.

Part I.C. : The Immortal Seven and the Glorious Revolution

Although conventionally understood as a political event, the Glorious Revolution of 1688 fundamentally transformed the British economy. The economic interests of those individual actors behind the invitation have been largely overlooked in most histories of this event. As discussed, Britain in this period experienced plodding economic growth and an archaic financial sector, while their neighbors the Dutch had rulers who successfully expanded commerce and advocated for merchant interests.

This paper argues the Immortal Seven – those English elite who invited William to invade England - were influenced primarily by economic interests. They could not fail to recognize the shortcomings of their government to protect and advocate for commerce. But the Seven directly reflected the greater commercial concerns of the emerging New London Merchants. The merchants then looked to William of Orange to remedy what was wrong with the English economy and to address specific problems, such as the lack of national debt, national bank, financial products, and the shortage of hard currency, by applying a Dutch model. Additionally, small merchants wanted a government that would advocate English commercial development and advance small traders, as the Dutch had done, rather simply promoting than large monopolies. These economic interests were as significant as political and religious considerations in the unfolding of the Glorious Revolution as well as in its impact.

This gap in economic development has rarely been acknowledged as impetus to the significant event that changed English politics, religion, and dynasty. In 1688 a group of seven nobles sent a letter to William inviting him to invade and pledged their support. While scholars have analyzed their religious movies for this invitation at great length, the Immortal Seven had political and economic interests as well.[29] These economic concerns, as this paper argues, were those that truly propelled the Seven into action. Even the text of the Immortal Seven's invitation to William III supports this conclusion that their motivations were less a theological plea to a like-minded religious reformer and more a secular appraisal of the economic advantage a change of ruler might produce. The letter began by expressing displeasure with James, "[t]he people are so greatly dissatisfied with the present conduct of the government in relation to their religion, liberties and properties (all which have been greatly invaded), and they are in such expectations of their prospects being daily worse, that your Highness may be assured there are nineteen parts of twenty of the kingdom who are desirous of a change."[30] The letter described how they believed an invasion should occur and the support they would lend him, including mentioning that "we do upon very good grounds believe that [James II's] army would then be very much divided."[31]

An important aspect of their letter is that they had to appeal to William because their small, proprietary militias were no longer strong enough to remove James on their own. Although the letter mentioned that religion was infringed upon, it also specifically cites land and properties. The invitation, as a whole, is less that of a group of ideologues begging their co-religionist to save Protestantism than a cool, calculated military plan. To fully understand their motivations it is important to analyze the effects of William's invasion on the lives of many of the so-called "Immortal Seven" who invited him to England as well as the intellectual context of the era that underpinned their actions.[32]

Importantly, the merchants who brought William to the throne benefitted after the revolution from significantly greater influence on the government, and the fiscal and monetary policies imported from Holland that promoted commerce generally and their own interests in particular.[33]

Part I.C.i : John Locke and the Intellectual Context of the Age

Framing this time period intellectually is John Locke's *Two Treatises of Government*, published in 1689. These texts were written at roughly the same time as the Immortal Seven's invitation and echoes many of the same themes. Locke, like the Seven, focused on the public good, protection of property rights, and the limitations of rulers. His beliefs and writings reflect the sentiments of the English elite who invited William and elucidate the sort of government that should exist in England.

Although the *Two Treatises* are traditionally viewed as an ex post facto justification of William and Mary's invasion of England, more recent scholarship has contradicted that belief. Instead, it seems likely that Locke's exposure to the ideas of William of Orange in the Netherlands inspired his *Two Treatises*. Locke spent several years prior to the publication in exile in the Netherlands, and more contemporary scholarship suggests the *First Treatise* was written there around 1683.[34] Almost the entirety of the *Second Treatise* was composed there, and "[i]t may be fairly assumed that the whole work was substantially completed during Locke's last year or so of residence in Holland" in late 1688.[35] With this timeline in mind, Locke's call for a new relationship between government and governed, state and citizen is more "a demand for revolution to be brought about, [than] the rationalization of a revolution in need of defense," according to esteemed Locke scholar Peter Laslett.[36]

Tellingly, the time and location in which Locke wrote the *Second Treatise* was the United Provinces of the Netherlands. He carried that nation's political ideals with him back to Britain, as well as an appreciation of William and Mary's economic policies. Locke's conception of government in the *Two Treatises* demonstrates the anxieties and issues provoked by England's political and economic situation at that time.

Interestingly, Locke's language in the treatise is similar to that of Thomas Osborne's. Osborne, one of the so-called Immortal Seven, wrote *Thoughts of a Private Person* to justify subjects' right to rebel against James II. Osborne's letter also elucidated a vision of a more limited government as focused on property protection and advocacy of the "publick good," and framed opposition to James II's rule. Although there is no evidence to suggest a connection between Locke and Osborne, both men critiqued the contemporary government's policies towards property in order to re-conceptualize the nature of government. Throughout the *Treatise*, Locke bases his conceptualization of government fundamentally on protection of property. The respect for property rights is central to his concept of society and government. In fact, he refers to them several hundred times in his essays, underscoring their enormous importance to him.[37] This repetition and re-conceptualization reflects the importance of the protection of property to Locke's understanding of government. Locke may have seen such rights as threatened in Jacobite England as an exiled Briton. For example, Locke asserts, "The reason why men enter into society, is the preservation of their property" and that a person's labor and personality merit special protections from the government.[38] His conceptualization of government is one with appropriate powers designed to, "be directed to no other end, but the peace, safety, and public good of the people."[39] Locke's views of government's rights and obligations were based on his experiences in seventeenth century Britain, but were also influential in both the re-conceptualization of monarchy after the Glorious Revolution and in the American Revolution nearly a century later.

Part I.C.ii: Outcomes for the Immortal Seven after the Glorious Revolution

Members of the Seven were individually not only connected to the change of regime for ideological reasons; many directly benefitted from their involvement. One can look to the backgrounds and later lives of the "Immortal Seven" to understand the role of economic motives, rather than the traditionally presumed religious ones might have played in their support for William.

Charles Talbot, the Earl of Shrewsbury, has not left political writings, but after the revolution he was given the position of Secretary of State in the king's new court. Henry Sidney, likewise, has very few writings attributed to him before the revolution, but later emerged as a powerful leader in the army. William III made him a part of his cabinet as Secretary of State.[40] Only Lord of Lumley appears not to have benefitted directly from his support of the revolution. Edward Russell has left almost no record from before the war. However, after supporting the revolution, he became the head of the admiralty and took the navy into battle against the French. William Cavendish, Earl of Devonshire, became the Lord High Steward after William became king. According to Tony Claydon, his involvement in the group of Seven clearly was economically motivated in part because he was "[a] Whig who had been excluded from court posts in previous reigns. [Cavendish] thus resented the profits [his] opponents had gained in office before the Revolution," and viewed supporting William as an opportunity to "secure [his] own share of the reward."[41] Finally, Henry Compton was the bishop of London during James II's reign, and was an outspoken critic of the king. He was tried for seditious libel and acquitted. The very next day met with the rest of the Immortal Seven and issued the invitation to William. As clergyman, he was certainly motivated by religious zeal, but he also had a financial incentive for Anglicanism to remain the state religion and for Catholics to remain marginalized.[42] Thus most of the Seven benefitted directly from their support for William subsequent to the revolution.

Thomas Osborne, the Earl of Danby, left documents and records that made his feelings on the issue very clear in the historical record. His public letter "*The thoughts of a private person, about the justice of the gentlemen's undertaking at York, Nov. 1688 wherein is shewed, that it is neither against scripture, nor moral honesty, to defend their just and legal rights, against the illegal invaders of them: occasioned then by some private debates, and now submitted to better judgments"* lays out his justification for the revolt, arguing both the righteousness and legality of the invasion. His letter is as much a political treatise as a defense of the invasion. He lays out a defense of limited government, checks and balances, and the right of subjects to rise up against tyranny. The tone of the entire letter echoes that of John Locke. It advocated for a government with a limited monarch promoting national defense, "publick good," and property rights with the consent of the governed. Although Osborne speaks of God and religion as justification for resistance to the king, the letter's subject and focus is not on the religion of either James or William but rather an ideal government. His letter's similarity to many of Locke's points is significant: they both support similar conclusion of the necessity of a government founded to protect property interests.

Osborne's letter explicitly emphasizes protecting property from the incursions of James II and scarcely mentions his assaults on the Anglican religion. In fact, he mentioned "Popery," "Papists," "Jesuites, and "Protestants" one time each. In contrast, he wrote at great length about the need to protect property, mentioning it over a dozen times.[43] The discrepancy is significant as it further bolsters the argument that these men were not moved to support William due to primarily religious motives, but rather were led by commercial and property-based interests. Most tellingly to his overall point, Osborne's discussed his main focus, the "publick good," in dozens of occasions throughout his pamphlet, and argued that a ruler must maximize the public good and seek the consent of the governed. He also trusted a monarch with the responsibility of maximizing the "public treasure" and ensuring the financial wellbeing of his citizens. This economic argument is especially important in the context of the Seven's significant, economically based motives for supporting William.

Osborne compares the contemporary regime of James II to that of a burglar in a home and argued that citizens, "have [a] right to defend themselves, not only against the private assailant, which is allowed in all Governments, but also against illegal force."[44] Later Osborne asserted that opposing the government in defense of one's property is the only acceptable course if it were infringed upon. However, "[h]ad the King an arbitrary power, which he did abuse to vex the Protestants, I for my part should think myself obliged to suffer and not resist."[45] Thus, he explicitly claimed that opposing the king on solely religious grounds would not be legitimate, but that, by contrast, property rights were valid reasons to depose a king. Osborne closed in a defense of the Seven by arguing, “I cannot but conclude it is a very worthy and virtuous act to be in arms for defence of the laws, the kings’ just rights and the publick good; and consequently that those gentlemen, who are in arms for defence of our laws, liberties, and lives against illegal forces, arbitrary commands, and usurped powers, are in a virtuous post.”[46] Throughout the letter, he laid out clearly that the struggle against James is for limited government, defense of property rights, and morality. His argument explicitly failed to endorse religion as the legitimate rationale for revolt, but instead developed an alternate theory for the role of government and right to revolt.

The few documents produced by the Immortal Seven infrequently mention religion as a factor to their support of the regime change. This lack of emphasis on religion is striking. Historians have long asserted religious zeal as the Seven’s motivation for their financial and material support of William’s invasion as opposed to cold calculation of economic gain or financial incentive. This oversight is surprising, for, as Wilfred Priest points out, James’s regime economically threatened the Anglican clergy, Tory landholders, army officers, and university dons. These groups together created a powerful dispossessed base to oppose his reign.[47] Since many the Seven were drawn from these groups, it is not surprising that they were concerned about the negative impact of James’s policies on their finances. Many of them had major commercial interests and landownings and would likely have been motivated to bring to England the successful economic policies of the rival Dutch. While the Seven were part of traditional English elite, their economic concerns were shared by the emerging New London Merchants. It was these economic interests that led them to support a change in government to one known for its success in promoting trade and commerce – William's. To reform the backward English economy – marked by its feeble banking sector, lack of national debt or bank, and absence of hard currency -- they could no longer wait for the Stuarts' ineffectual emulation of Dutch policies. Real reform required a Dutch ruler installed by English traditional elite.

Part I.D: Dutch Designs and Motivations

The Dutch too supported William's invasion of England with primarily economic considerations underpinning their support. Rather than having the English engage them in additional wars over trade – like the three wars over the previous four decades - they would instead have a sympathetic king ruling on the English throne if William became King of England. In terms of strategy it also removed the possibility of an Anglo-French alliance to impede Dutch shipping and commercial activities. Further, a Dutch ruler of England would provide additional opportunities for Dutch merchants. These economic considerations were significant in the United Provinces' decision to bankroll an invasion of the British Isles.

Dutch foreign policy interests supported the invasion, as the French were threatening Dutch trade with increased tariffs and naval aggression. A potential Anglo-French alliance, between two Catholic kings, could have proven disastrous had James remained king.[48] The Dutch then tried to convince the English that the French were their true enemies. To make this point they had to counter decades of anti-Dutch propaganda as well as three wars between the nations to bring them into an association to counter the French. The French ambassador discounted the possibility of such a partnership remarking at the time, "[t]heir [the Dutch] commerce will always prevent their coming to agreement with the English."[49] The ambassador surely did not foresee the possibility of a

Dutch-supported invasion of Britain coupled with a public relations push in the churches to reorient Britain's foreign policy goals.

William was able to convince the United Provinces, normally suspicious of the political agenda of the House of Orange, that providing him an army to invade England would be in their strategic interest as it would place a friendly ruler in London. Ultimately, the merchant oligarchs of the Netherlands funded William's invasion of England "to preserve the supremacy of the Dutch trading system on the high seas" according to De Vries' research on the topic.[50] These merchants did not contradict the public statements of support for their Protestant brothers. However, privately they knew full well that to protect themselves from the French, they needed the English army and navy at their disposal.[51] In both the Netherlands and England, then, merchants supported William's and Mary's Glorious Revolution in the name of commerce and self-interest.

A contemporary English source well understood the Dutch foreign policy interests. He expressed his views of the Dutch motives in the form of a pamphlet distributed to Church of England attendees called *The Dutch Design Anatomized.* The author is simply named a "member of the Church of England," however, modern scholarship has indicated that one of King James II's propagandists produced it.[52] The pamphlet argues that the Dutch were motivated to invade "[a]s soon as the Prince of Wales was Born whereby the crown was not so likely to come [to William or Mary]."[53] Understanding that the crown was slipping away, the author expressed his belief that the economic motives predominated as "[t]his single consideration was powerful enough to invite them to study the most effectual means… attempt something against the king."[54] "The true motives," he asserts, "must have been the care of preserving their Trade; which is the only enriching of that Country."[55] This royal propagandist presented England's superior economic potential as compared to the Untied Provinces. As a result the Dutch needed to protect their colonial and trade interests by keeping the English impoverished. He adamantly asserted that the change of regime promoted Dutch interests rather than those of the English.

Furthermore, he contended, the Dutch not only intended to exploit the English economically, but also to align their foreign policy to "oblige [England] to joyn with them against France [in war]." He claimed that religion and political philosophy are being invoked as specious rationale for the invasion. He explained, "[S]o daring and hazardous a design, required some colorable pretext to give it countenance, and hopes of success. Hence the glorious title of Protector of the Protestant Religion, and Defender of the English Liberties."[56] He thus argued that the invasion was a deliberate move by the Dutch to protect their trade and advance their foreign policy. Protecting the Protestant religion was the guise William assumed to legitimize it.

This anonymous author was not alone in his assessment that the Dutch invaded due to economics. Another work, *Some Reflections on the Prince of Orange's Declaration,* also discredited the official view that religion was the reason for the invasion. Its author, too, cited economics and political self-interest in preserving their trade for the invasion.[57]

The economic and political motives have largely been overlooked in the centuries of writings about the Glorious Revolution. The religious argument has been taken in large part at its face value. Political arguments have sometimes been considered as propelling the Glorious Revolution, but economic ones have been rarely considered significant. It is especially interesting that both participants in the events and polemicists arguing against them acknowledged that economics were the primary concern.

William of Orange and his army invaded England in late 1688 and, in a relatively bloodless invasion, quickly took power of the country. James II fled to France and took with him both the specter of a Catholic monarchy and the outdated and ineffective economic policies of the Stuart kings. William and Mary's Glorious Revolution brought a new spirit of tolerance and openness across the English Channel, as well as the economic ideas that had made the Netherlands the global commercial leader. For the Immortal Seven, it was these economic ideas that truly motivated them into action. The implementation of these economic policies brought about an English Financial Revolution, just as they had hoped.

Part II: William's "Financial Revolution"

The Glorious Revolution is often praised for the inauguration of greater tolerance, the installation of a Protestant king in England, and promulgation of the Bill of Rights, *but* the greatest change was the financial reform initiated by William in his first ten years as king of England. As king, William resolved the issues that were holding back the English economy. He instituted policies friendly to merchant interests such as the establishment of the Bank of England, the creation of the national debt, and resolution of the Currency Crisis, which had impeded commerce through a lack of specie. Additionally, the crown began to assertively advocate for English commercial interests and broke up the large state-sponsored enterprises, which advanced the emerging New London Merchants. These changes to the monetary and banking systems led to a burgeoning self-conscious class whose earnings were based on the developing financial and banking sector. These developments are significant because they allowed Britain to become to world's leading economy and largest imperial power in the modern era. So much so that some have deemed the foundation of the Bank of England along with the changes to currency and emergence of a financial sector as a "Financial Revolution."

London was poised for success, even with poor leadership from the Stuart kings, due to a number of inherent factors that put it in a great position to take the lead in global commerce in the future. As a foundation for its future success under William, London had a population twice that of Amsterdam, merchants that invested primarily in local manufacturing, and a London-centric economy. The Netherlands' markets were, by contrast, more decentralized. Demonstrating that decentralization, customs receipts in Amsterdam in 1698 made up roughly 51% of the Dutch total, while those in London made up 82% of the national total. Lower taxes also played a role in the change of fortunes. As David Ormrod has noted: "the political and financial resources approached [their] natural 'tax ceiling" in the Netherlands, and "[t]he tax burden (tax revenue per capita) was much higher than in Britain, being almost twice as high."[58] Thus, once unchained from an archaic banking system and released from a crucial shortage of currency, through William's policy innovations, London would be poised to capitalize on its advantages of low taxes, a large population, and a London-centric economy to do business. These factors lay a powerful foundation for London's future success.

But despite his relatively bloodless invasion, the implementation of William's financial policies was not achieved without resistance. All of his actions took on a political life of their own, and many were actively debated in the public discourse as well as the Parliament. It is important to analyze the discussions and debates surrounding the implementation of the Financial Revolution to gain an understanding of the change William truly brought to England.

Part II.A.: Bank of England, National Debt, and a Fiscal-Military State

Almost immediately after taking power William took Britain in to a war with France. This war, along with many of his future conflicts, was costly and greatly increased government spending. In order to finance these wars, a modernization of the economy was necessary. The creation of a national debt, the Bank of England, and emergence of a fiscal-military state allowed both the economic modernization William's supporters had wanted as well as the military strength and preparation a war demanded.

As the English polemicists at the time of William's invasion had accurately predicted, part of William's motivation for invading England was to involve it in wars with France to protect Holland. To do so, he quickly ran up large deficits for the English. In the first twelve years of William and Mary's rule in England, military costs tripled from £2 million per year to £6 million.[59] In the Netherlands where they had previously ruled, critics claimed that they had "the secret of running the state over head and ears in debt" which was necessary in their circumstances.[60] King William III was hard pressed to find new ways to finance the war without drastically increasing taxes on landowners.[61] To avoid doing so, he created new financial institutions. He inaugurated public borrowing, and ultimately the Bank of England.

Contemporary treasury and mint data offer compelling evidence the enormous shortfalls England faced between 1689 and 1697: these shortfalls made the drastic fiscal changes necessary. First, William nearly quintupled spending in his first ten years. This massive spending required the creation of England's first substantial national debt. During his first ten years as king, the debt grew from almost nothing to nearly 17.5 million pounds; the portion financed by long-term bank notes grew from zero to roughly thirty percent.[62] Long-term debt was a particularly attractive way to finance large government expenditures because it allowed the government to spend money immediately on the military but simply pay a small amount in interest to bondholders.[63] This allowed their cash supplies to grow -- a calculation especially important in the mercantilist system. (Mercantilism was the economic system most prevalent in this period. Mercantilism emphasized a nation's balance of payments and its holding of gold and silver bullion as a measure of national strength.) These long-term notes were crucial in curtailing the significant monetary constriction which had occurred as a result of both an unfavorable balance-of-payments produced by disruption of war and the ongoing Currency Crisis. These were all sharp shifts in England's fiscal policy, which were necessitated by William's policies but also inaugurated by him to address his own "fiscal cliff."

Prior to 1688, the Crown borrowed relatively little on either a short or long-term basis.[64] Private lenders and foreigners who made loans generally did not distinguish between short and long-term borrowing. Their demands for payments at irregular times caused P.G.M. Dickson – the forefather of this field of history and creator of the term Financial Revolution – to call it a "growing snowball of debt," with the government careening from one short-term payment to another. Due to high interest rates on the short-term borrowing, the government frequently had to repay loans in crown lands. For example, previously they had to sell a number of estates in Ireland to creditors due to early redemption of loans.[65] This practice was unsustainable and unhealthy to the government's finances.

But Dutch practice suggested a different model than frenetic short-term sales: in the Netherlands, William had previously allowed individuals to purchase insurance policies or annuities from the government to finance large loan sales.[66] These sales, with fixed terms and interest rates, gave the government more certainty in borrowing and were soon implemented in Britain. William III employed creative strategies to raise revenues, including the Million Lottery of 1694 which sold 140,000 tickets of £10 each.[67] The lottery did raise some money, but failed to reach its goals and was generally considered a failure. Its failure, however, indirectly led to the foundation of the Bank of England only a year later.

The development of the Bank of England was intended to dramatically change the nature of borrowing by issuing government bonds. While this development is retrospectively seen as an unquestionably positive economic development, at the time, its creation involved a great deal of debate and criticism. Immediately following the revolution, the debate surrounding the issue was politically charged. It divided the Parliament and hamstrung William's efforts. Due to the importance of the Bank of England's establishment, it is important to analyze the discourse surrounding it at the time.

Although to modern observers the creation of the national debt appears unquestionably positive, to contemporary polemicists the development was controversial and worrisome. A series of essays "On the Public Debt," "On Paper-Money, Banking, etc," and "On Frugality" are most commonly attributed to Earl Alexander Montgomerie of Edington. The essays take a historical look at the issues of public debt, paper money and the financial sector's role; they also emphasize the importance of frugality. Montgomerie objected to the fact that, while the public debt was owed by all the inhabitants, the profits only went to a few people – who were deemed "bloodsuckers" by the Earl.[68] He believed that the debt was unnatural and that it "[was] an absolute alienation."[69] According to Montgomerie, the public debt emerged from King William's War; it "involved this nation in an expense unknown till then" and new "inventions" were needed to finance it. Profits of thirty to forty percent were made off debt sold during the Nine Years War from 1688 to 1697. The earl considered individuals profiting off of peacetime debt particularly distressing.[70] He framed his opposition to the debt primarily in moral terms and hoped to abolish it eventually. Like the propagandist during the Glorious Revolution who predicted that William would lead England into many wars, this later critic too saw William's many wars as financed because many people were making money off of buying the new government bonds and securities. In other words, they were war profiteers.

However, there were strong supporters of public financing of the national debt as well. In a pamphlet distributed to the Houses of Lords and Commons, John Briscoe vigorously supported the creation of "publik credit," now known as national debt, as well as an increase in the money supply through paper specie. Briscoe's pamphlet, written in 1694, advocated the foundation of the Bank of England for a number of reasons. He geared his arguments towards the upper class that would be reading his pamphlet.[71] According to his pamphlet, the acts considered by Parliament in 1694 allowed the selling of government

"Bills of Credit" to people in order to finance government spending greater than the regular revenue intake. To encourage their purchase, interest was given on the annuities and landowners were allowed to deduct the annuities from their tax bill to the state. These annuities would pay a regular coupon based on the size of the bill and an interest rate ranging from 2.1 to 13.1% per year, depending on the term of the bill.[72]

Briscoe, a member of Parliament, asserted that the sale of "Bills of Credit" would "unite [people's] Majesties and the People in each others interest" and would increase the supply of money available for trade and investment. The credit, according to Briscoe, would also "bring new manufacturers to the Kingdom that cannot now be wrought here by reason of high interest, and set many thousands to work… by [easing] all the Nobility and Gentry from Taxes."[73] Appealing to the landed gentry, he asserted (although he did not specify how) that "Bills of Credit" would raise the value of land and allow inheritance of assets other than land.[74] All of these financial limitations or concerns could be, in his view, redressed through acceptance of a public debt.

Briscoe's analysis of the issue was more analytical and systematic than that of many of his contemporaries. He understood that merchants needed to be able to have credit and liquidity to carry out trade. He also accurately predicted that bills of credit would allow for greater investment in manufacturing. On the other hand, the concerns of his critics who were afraid that the Bank of England would end up with control over the money were also ultimately accurate, despite Briscoe's assertion that it would only control certain aspects of money. But too his arguments would have been well received by the landowning gentry and lords before whom he made them because the creation of national debt through bills of credit reduced pressure on Parliament to raise taxes. Moreover, their purchase of the bills allowed them to reduce their tax liability.

In 1694, when the Bank of England received its charter from Parliament, it was charged to supply a national debt but with specific restrictions on its lending. Its first leader, Michael Godfrey created the plans for the bank in 1693. It was chartered to float the same sort of annuities that the Dutch central bank had sold to raise revenue.[75] In *The Bank of England Act, 1694,* the bank received a royal commission to "[deal] in Bills of Exchange, or in buying or selling Bullion, Gold or Silver, or in selling any Goods, Wares or Merchandize whatsoever, which shall really and bona fide by left or deposited with the said Corporation for Money lent and advanced thereon."[76] It was explicitly prohibited, however, "to deal or trade with any of the Stock Moneys… belonging to the said Corporation, in the buying or selling of any Goods, Wares, or Merchandizes."[77] Thus its charter explicitly granted the bank permission to engage in any banking transaction it wanted – bypassing many of the contemporary rules on banks – while protecting the merchants from a monopolistic competitor in trade. A lithograph of the charter signing depicts John Somers, representing the Crown as Lord Keeper, signing the charter and Houblon and Godfrey, who wrote the plans, as the Governor and Deputy Governors respectively of the bank.[78] The bank obtained its initial cohort of deposits from subscribers to the bank who raised £1,200,000 in only ten days.[79] The Bank of England was born: it immediately began loaning to the English government at favorable terms and offering a safe investment for British people and businesses.

The first decade of the bank's history, from 1694 to 1704, were marked by both challenges and bright prospects. In its first few years, it had difficulty separating short and long-term loans and finding appropriate loan terms; they had to give financial incentives to extend the terms of the loans.[80] That said, within only a few years a national bank had been established with quality management that earned the respect of the City of London and foreign creditors.[81] As the bank grew larger it displaced the goldsmith-bankers as the safest place to save gold, and it began serving as a "banker's bank," supplying money and credit to them all.[82] This shift away from dozens of small independent goldsmith-bankers to a national bankers bank is an important development. It led the way to modern-day central banks controlling currency and lending money to commercial banks.

Another significant development associated with the creation of the Bank of England was that "Parliament guaranteed all these loans and made them 'debts of the nation or 'national debts'" which signaled an important shift to both domestic and foreign customers of the bank. This shift to a national debt evidences a change in the philosophy of governing away from a separate king and state to one where the king and the nation's finances were one in the same.[83] The creation of a national debt, owed and owned by all, created a fundamental shift in how government was run. In the first two decades after the Bank's foundation in 1694, Britain averaged between 31.1 and 39.9% of its budget raised from loans.[84] These substantial deficits changed the nature of the government by allowing it to build up a much larger military than tax revenues alone would have previously allowed.

This change in government correlates directly to the theories Locke presented. Rather than the king arbitrarily borrowing without his subjects' consent, the Bank of England was created by Parliament with its securities purchased by common people. No longer were the nation's finances only the domain of the king, but rather each citizen had a stake in them and could purchase their share of the country's future through the bonds. Each purchase of a bond or security served as sort of renewal of the social contract between the governors and governed and formed the basis of English prosperity.

Like the Dutch *Wisselbank*, the Bank of England created investment securities that encouraged saving and investing, and provided the basis for modern banking. The Bank of England began with the creation of a whole range of securities in which mercantile and financial houses could safely invest, and from which they could easily divest. Some authors have argued that without these facilities, the City's complex structure could not have been built up and the course of European history would have changed as a result.[85] While this may seem to be an overstatement, this development furthered British economic development beyond its earlier constraints. It took the economy into the modern era of banking and finance beyond simple lending. Stable financial products like government bonds form the bedrock of financial services and investments because of their predictable yields. Without them, there can be no advanced banking sector; England's vibrant financial services sector today is, in fact, based entirely on this development.

Of the sixty-six years following William and Mary's Glorious Revolution, the nation found itself at war twenty-nine of them.[86] The Bank of England provided for the enormous spending that was necessary to fight Louis XIV and others. Sufficient funds for this massive war effort could not have occurred had the traditional banking arrangements, which characterized England before William's reforms, such as the goldsmith bankers, remained in place. Under William, large debts allowed Britain to fight its frequent wars against Louis XIV and others because, unlike Louis and other rivals with more traditional financing structures, the British national debt did not have to be immediately serviced.[87] Benefits, such as prompt payment of soldiers and the building of ships, could be realized immediately while costs and interest were deferred and paid down the road. After its creation, the Bank of England served as the "financial counterpart in the Protestant coalition of the armies raised from among English, Dutch, Flemish, French and Swiss Protestants" against the Catholic armies of Louis XIV, according to the Financial Revolution's most significant historian, P.G.M. Dickson.[88] Without its financing of long-term debt, the English would not have been able to support their Protestant brothers in European theatres of war.

Thus, in William's first few years in England, he made great strides towards modernizing their backwards economy. The creation of a national debt and national bank on the model of the Bank of Amsterdam were some of the reforms that English merchants had wanted to see imported from the Low Countries. The Bank of England's financial products also allowed for the emergence of a more modern banking sector with advanced financial products along the lines of those in the Netherlands. In addition, the government fundamentally reoriented itself to one focused on protecting property along a Lockean model. The fiscal-military state William created was able to fight global wars, grow the English empire around the globe, and support a growing economy. William's Financial Revolution was not complete, however. Had he failed to resolve the Currency Crisis, none of his efforts would have been effective beyond the very short run. In order to bring long-term economic success to England, William would have to reform the currency.

Part II.B.i: Currency Crisis

As a significant an advance as the Bank of England may have been, however, without reforming the currency markets – the lifeblood of an economy – further progress could not be attained. As previously mentioned, Britain had a decades-long crisis over a lack of hard currency in the domestic market. Shipping gold and silver bullion abroad to settle large trade deficits led to fewer coins circulating domestically. In order to have enough coins even to carry out transactions, coins were cut down, or "clipped," to fit the value of the transaction. For instance, imagine today if there were not enough money for a grocer to even sell apples to a customer. In an era of clipping the grocer would take the patron's silver dollar and shave off some of the dollar, and then use the value of that shaved silver as the currency. Obviously the long-term effect of this would be a significant damper on commerce. The resolution of this problem is so significant, so controversial, and took so much effort on William's part that it merits particular attention in this paper. Without resolving the issues associated with currency, none of William's other financial reforms would have taken hold or been as effective in creating a modern economy.

To understand how a wealthy nation like Britain found itself in such a primitive and limiting situation with its currency, it is important to study the background of the issue. Due to their involvement in continental wars, England's balance-of-payments, or trade deficit, drained them of silver and gold bullion. Coins were then melted down and shipped out of the country to settle these payments. This led to a scarcity of coins in the domestic market and greatly impeded the conduct of commercial transactions. There was literally not enough money flowing through the economy to carry out business. As a stopgap, people "clipped" their coins down into smaller amounts, based on the value of the metal content coins to carry out their daily transactions. For example, if one man was buying wool from a merchant, and he only had one gold guinea he could weigh the coin, cut off enough of the coin's weight to equal the value of the transaction, and pay the person with the fraction of the coin. This was a significant problem in contemporary England, and it affected all aspects of the economy. To resolve this overriding issue – more significant than either their lack of banking sector or national debt – William adopted a currency model based on his experiences in Holland.

William changed the English monetary system by deploying two strategies. The first part of William's solution involved a highly disruptive "great recoinage" of all of the coins circulating throughout England.[89] The other part of his solution to the Currency Crisis involved the nascent Bank of England. To provide greater liquidity in the currency market without additional gold or silver bullion, William began to push the use of paper money. The Bank of England began issuing its own paper notes for the internal market, and these paper notes slowly emerged as the national standard. The Bank of England's success in their push for paper specie compared to previous efforts can perhaps be attributed to its greater scope and authority than goldsmith-merchants and the increased severity of the Currency Crisis. Taken together these resolved both the problems of worthless clipped coins and a lack of currency in the marketplace.

The lack of currency in England had led to the clipping, so it is important to analyze the root of the issue. England found itself shifting monetarily, but also philosophically. Coins no longer represented a value of silver, but rather changed to represent a greater faith in a government stating the worth of a coin. In the 1690s it was cheaper to buy silver bullion than mint silver coins, so the English began converting their existing coins to silver bullion. John Briscoe claimed, at that time, a great deal of the nation's money was being taken abroad in the form of bullion for debt payments and currency transactions.[90] These deficits had to be settled with a combination of silver bullion and bills. Coins circulating day-to-day were stripped of up to forty percent of their metal content to assist in settling the deficits.[91]

In the "great recoinage," the government then mixed silver with other metals to create less valuable coins with the same stated value.[92] This development was controversial at the time as the coins then had less value in silver but the same stated market value. A modern day example would be a nickel being worth 5¢ in silver, the price of silver declining and making the coin worth only 3¢, but still calling the coin a nickel. Philosopher John Locke understood these developments, however, and wrote "the intrinsick value of silver [being] the true instrument and measure of commerce, is partly true and partly false; for the money of every country not the ounce of silver… [correlates] to its denomination and the standard of the coin of each nation's is very different."[93] This devaluation of the coins away from their intrinsic value reflected Locke's statement that each nation's standards were different and began a movement towards the value of metal in the coin not equaling its denomination. To Locke, the coin represented what the government said it did, not what a goldsmith said its weight in precious metals was. This reflects the Lockean views about government and the place of governance in society as well.

Part II.B.ii. : Debate Surrounding the Currency Crisis

With changes as enormous as a national recoinage and a push for paper money, it was only natural that a great deal of debate would ensue in the public sphere. As William had only recently taken the throne, many of the developments he promoted were all the more controversial; having a foreigner come and change the monetary system is quite radical. The debate surrounding the issue is also important to study both in the context of William's reign as well as of future developments in currency and money. Four contemporary sources are particularly revealing and important to analyze for their impact on the debate. The authors include a man known today as "An English Merchant," Henry Layton, Clement Simon, and A. Vickaris, all of whom wrote widely-read pamphlets – some even distributed to people leaving church – that attempted to influence the discourse and debate of the time over William's radical solutions to the Currency Crisis. Whether they named him, all of these authors addressed William's reforms in one way or another, as the Currency Crisis was the hot topic of that time. These reforms were his project and focus, as without them his reign could have come to an early close and certainly would not have been as significant.

The first attack in this debate came from an Englishman living abroad at the time of the Currency Crisis debate who weighed in with "A Letter From An English Merchant at Amsterdam to his Friend at London" regarding the perils of the change in the silver and gold currency. The author, who remains unnamed still today, began by asserting that a slippery slope starts by "[c]lipping [money] by degrees three or four times over, till at last its come to this, that it can hardly be clipt any longer."[94] An educated reader knows, of course, that his argument that the English are on a slippery slope is a fallacious because devaluation did not necessarily lead to another. He pointed out that the English got in to their debt at "too dear a rate, making good the Old Proverb," and that they simply cannot offset the change in silver by selling commodities.[95] The expatriate believed "the Dutch are wiser," and that "[the government] [has] almost cut the English Merchant, and English Shipping out of all trade."[96] Clearly his dire predictions about the future of English commerce and shipping were incorrect, however, he did accurately predict the benefit of the London Exchange in trade. The Merchant also conceded that " I do not see how you can carry on the war unless" the changes were made to the currency, and circulated the contemporary rumor that "one third of [the light money] is Iron."[97] He emphasized that "you [will] lose so much of your rents, debts, and value of your lands" if the currency were changed.[98]

The arguments the English Merchant in Amsterdam advances are representative of conservative thought on the issue and of the resistance to William. A foreign merchant stood to lose more than nearly any other group with the changing of the English silver and gold money, dependent on trade, as he benefitted directly from the imbalance in exchange rates. Much of what he said in his pamphlet seems to a reflection of what was likely being said by the contemporary merchant class. As a fellow English man, this merchant in Amsterdam had a special ability to sway opinion among his countrymen due to his exposure to the Netherlands and the effects of William's policies there. His pamphlet was evidently influential as both Henry Layton and John Locke responded directly to it in their own pamphlets that circulated among the members of Parliament at the same time.

The next contemporary polemic on the Currency Crisis, Henry Layton refuted the merchant in his "Observations Concerning Money and Coin," an extensive treatise defending the proposed new system of money. He spends almost the entire pamphlet directly refuting the letter written by the "English Merchant in Amsterdam." The preface stated that a friend lent him "the Merchant of Amsterdam's Letter, also Mr. Locke's Book and his two letters about gold and silver" which motivated him to write his "Observations."[99] He hoped that his pamphlet would be published and circulated early enough and before the next sitting of Parliament in 1697, so as to influence its members to support the new monetary system.[100]

An advocate for William's changes to the monetary system, Layton began by giving an extensive history of the monetary systems of the British Isles. He described the Roman coins of silver and gold, then proceeds to the silver coins of varying weights from the Anglo-Saxon kings, and finally to the more contemporary changes to weights and make-ups of the silver currency.[101] From his history of coins, he demonstrated that the contemporary hysteria over the "lightening" of the coins – changing their alloy and reducing their silver content – was unfounded due to numerous occasions of such lightening over the years. He then stated that he aims to directly counter the pamphlet of "The Amsterdam Merchant." He asserted that England is being made poorer because their money is too intrinsically valuable – based on the precious metal content in them - and is being carried out of the country by foreigners.[102] He also claimed that English merchants would benefit from increased monetary circulation, which would end the chronic shortages of the lifeblood of commerce. Too, the value of the currency is of little importance to most Englishmen day-to-day. Reduced value, he claimed, will "appear only in our trade with other nations."[103] According to Layton, England experienced an incredible scarcity of specie because of foreigners exporting it for their profits and because of English debts to other nations.

Interestingly, his views on reducing the worth of the coin as a way to pay off debt more easily is akin to a modern day currency devaluation.

Layton also wrote about the need to abolish "clip't money" or coins that have been cut down in pieces or damaged, because, with the value no longer tied to weight, clipping of money would be unnecessary.[104] In contrast with the "Letter from an Amsterdam Merchant," he claimed that other nations would not stop trading with Britain because of the change in currency. Most pertinent from a historical perspective, he stated "though they know it to be of the [reduced weight], and this proves the Stamp of Authority upon Money at home, more valuable than the weight or quantity of it."[105] This argument evidences a change to a more modern perspective; he sees the backing of the state behind currency as the source of the coin's value opposed to a coin's weight in silver. This concept of the state behind the currency is enormously important: William in effect recreated the state and so recreating the money in the image of his new kingdom made financial and symbolic sense. England was to longer be ruled by Catholic monarchs with pretensions of being like their "Sun King" cousin in France, but rather a nation based on the advancement of the public good with a Bill of Rights and the consent of the governed. The king and his people were no longer to be separate – akin to the debt becoming "nationalized" – and the currency was to represent the nation, not just the metal in the coins.

Adding the perspective of a "stockjobber," Simon Clement also contributed to the contemporary monetary debate in "A Discourse of the General Notions of Money, Trade & Exchanges." His purpose was to "[write]… in hopes that [he] might have been of service" to that session of Parliament; his pamphlet was published at the opening of the session.[106] First, he believed "encouragement may be given for people to bring in their silver to the mint" and that it would be ineffective to attempt to "prevent the carrying out of our bullion or exporting of our coin." These were both important policy considerations at the time in Parliament, and he pointed out the inefficacy of stopping bullion export. Instead, Clement advocated a full re-issuance of the currency with coins "one quarter part less in weight." Noting the role of government to determine economic policy, he wrote "distinct governments made the allay of their metals finer or courser and gave their coins such denominations and as many different species as they thought necessary to themselves without regard to the different usage of their neighbors." With this statement, he indirectly addressed those who asserted that William could not or should not alter the makeup of the coinage away from its current weight and makeup.

His proposal to solve the Currency Crisis contained many elements that were eventually taken up by the government – most notably his proposal to take in and recoin all the nation's clipped money. He argued that the government should "receive in all the Good Clipt Money… enter the sum and weight of every man's parcel in a book and seal up the same in bags giving them as many certificate as they please in parchment to the amount of the sum they brought in." Arguing in favor of paper currency, "These certificates… should be delivered from man to man in payments," and "people of business [are]…. content to take the endorsed certificates." [107] A radical solution to be sure, but elements of this were actually taken up only two years later by King William III. In Clement's view, one of the best ways to solve the crisis was to prevent counterfeiting and clipping of the currency. Additionally, reflecting his firsthand experience in the London Exchange, he encouraged "[preventing] exchangers from taking advantage" of the markets with "regulation upon the price of bullion and exchanges." He closed by noting the difficulty and unpopularity of some of these measures but predicts they will be unable to fight war if they do not change and take charge of the silver market.[108] Clement's suggestions were, in large part, adopted. The government did eventually re-coin the money, take in clipped money, restrict the purchase of certain imported goods, and begin moving to more paper currency to reduce dependence on silver.

Also weighing in on the currency debate, the merchant A. Vickaris in "An Essay for Regulating of the Coyn" was notable for his advocacy of making the currency from a cheaper alloy, which was part of the ultimate solution. The merchant addressed his essay to the leaders of the government, including members of the King's Privy Council and the Exchequer, and Parliament hoping to sway them in favor of currency regulation. He began by pointing out that the previous fifteen years of war with Spain and France "hath put a stop to the regular proceedings of the fleets" that delivered gold and silver to Britain.[109] Rather than accusing speculators or bullion exports, he cited the war with Spain and decline of imports from the New World to help explain why there was such an acute shortage of hard currency in this period. He asserted that in order to decrease their trade deficit they should impose import duties to discourage the purchase of goods like Spanish wine or Portuguese oil. A taste for foreign goods has "lost [at] the expense of our own product and manufactory" and the government should "obstruct the importation of so much as they import."[110] His protectionist stance is surprising from the British merchant class who is historically thought of as favoring free trade. Then echoing what many of his contemporaries wrote Vickaris claimed, "our coyned money hath proceeded from the suffering bullion to be shipped off, [because] the price of it doth exceed the value of our coyned silver and gold."[111]

William's addressing the pressing Currency Crisis brought a variety of proposals in response. Vicaris' suggestions resembled the ultimate action taken by the government. Like Clement, he advocated collecting all the clipped coins "and re-coyning [them] into pieces of the same denomination, but of less value in substance," or in other words create a less-valuable alloyed coin.[112] Clement also claimed the shortages of specie warrant melting down the "seven millions of pounds sterling in household plate… gold rings, buttons, buckles, watches, sword-hilts, etc." and all of the clipped money throughout the country. Recognizing the difficulty in collecting the silver plates throughout the country, Vickaris suggested "[going] to the house of any person where they are advised to be above fifty pounds value of plate to be stamped."[113] This radical proposal should signal to the modern reader how dire the shortage of currency was to 1690s England when a merchant polemicist advocates melting down candlesticks and belt buckles. His most significant proposal was to make the new money a cheaper alloy because it "makes up the weight taken [out]" in silver and gold, while does not "make any great difference in the colour, sound or weight" of the money. Having conducted research on the weight of coins nationwide he calculated that "what money is new coyned, must be at the rate of twelve and a half per cent less weight [in gold or silver] each species than before it was coyned for."[114] Further, he laid out the need for a cheaper alloy, and the amount of each metal to make the coins the same weight with less silver or gold content. Attempting to calculate the commercial benefits of a recoining, Vickaris estimated the recoining would bring a "five hundred thousand pound a year advantage to the nation."[115] His work is most important because the makeup of the coins that William eventually issued were similar to those advocated by Vickaris. His extensive research also could have appealed to the data-lovers of the day during the Currency Crisis debate.

Altogether, the scholars' and polemicists' ideas form a compelling collection of proclamations directed to moving fiscal and monetary policy forward. Aspects of each author's arguments found their way into policies advocated and ultimately adopted by the government. From Locke and Layton, the stamp of the government conferring the coin's true value; from Clement the idea of a national recoinage of all of the nation's money supply; and from Vickaris a cheaper alloy to make the coins less valuable. Taken together – along with increased use of paper money, which various authors also mentioned –- the Currency Crisis began to be resolved. Each of these authors played an important part in shaping the contentious debate surrounding the issues at the time, as well as offering solutions to the nation for the crisis plaguing them. Without resolution of the Currency Crisis, it would not have been possible for England's economy to modernize or for William's Financial Revolution to take place at all.

Part II.B.iii: William's Resolution of the Crisis

William resolved the crisis through a serious of royal proclamations and actions that were inspired by both his time in the Netherlands and the merchant interests that brought him to power. His reliance on proclamations to achieve his agenda reflected the contentious nature of the issues surrounding the Currency Crisis and the stiff resistance he encountered in Parliament. Committed to his agenda, he resolved the crisis through a series of royal proclamations in the late 1690s. He recognized that he could not wait for action or consensus from Parliament: Doing so would continue to stymie commercial activity in the British Isles.

The first of his proclamations relating to the Currency Crisis dates from 4 January 1696. In it, he declared "no clipped crowns or half crowns, nor shillings, or other money, clipped within the Ring, should pass or be currency in any payments, except only to the receivers or collector of our revenues and taxes."[116] The expected result of the proclamation was that by requiring that having clipped money no longer be used for anything but paying taxes, it would remove them from circulation most effectively. Thus, he could start the process of taking in clipped coins for reissuance – without alarming confiscation – and ending their use in day-to-day transactions. He then listed a timetable for how long people could use the clipped money, lasting "unto the Second day of April next inclusive" and instructed his collectors to "tender the same to them for any of our Taxes of Revenues." [117] This first proclamation was an enormous step towards starting to address the problem; William had been brought in by merchants for action on the economy, and action he quickly delivered. While the Stuart kings were willing to tolerate the issues a commerce-focused king like William took action.

Only four months later, William issued another proclamation aimed at the Currency Crisis. In it, he levied an additional four shilling per person tax to fight France. His proclamation encouraged people to use their clipped money to pay the additional levy. He instructed his collectors to "tender the same such clipped money as aforesaid," and allowed the use of the clipped money "at any time before the said fourth day of May next."[118] The king reiterated his goal of recoining the nation's money and eliminating the clipped money; his collectors will "use the utmost speed and diligence in the raising, collecting, and paying all such clipped moneys into our exchequer."[119] His proclamation threatened punishment for those who did not stop using clipped money or who did not pay the tax to fund the war against France. The proclamation is notable for not simply how quickly it followed the previous one, but also for its multiple purposes. It provided revenue to wage war against France, it took clipped coins out of circulation, and supplied the Mint with gold and silver to mint the new recoined currency. This need for money to fight France helps demonstrate the crucial importance of the recoinage: even though the Bank of England had been established, it was still not strong enough to overcome the problems the lack of currency posed for Britain.

After inaugurating the crucial elements of his Financial Revolution, William highlighted the important economic and monetary changes he had instituted in a July of 1698 in a speech to Parliament. Of all the reforms he and Parliament had accomplished, whether with them or through proclamations, he mentioned the reforms to the currency before any others. This reflects their primacy in the Financial Revolution; without them nothing else could have been accomplished. His speech thanked Parliament for quickly "the remedying of the corruption of the coin" and "the restoring of credit" to the nation.[120] He then commended their efforts "towards satisfying the debts in so long a war with as little burden to the Kingdom as is possible." He also praised Parliament for the creation of the Bank of England and "The establishment of [his] revenue," or the national debt, because it allowed a lower tax burden to be placed on the people of England. While he mentioned a few other parliamentary accomplishments of the previous years, his greatest focus was on the monetary changes.[121] His speech did not acknowledge the significant divisions within the Parliament or the political resistance they put up against his ideas and policies. Perhaps the king did not feel it was necessary to address this, or perhaps he felt so strongly about his reforms there was no need to reach out to opponents. Either way, he clearly considered his financial reforms the most important aspects of his reign as king.

Indeed, of all the elements of William's financial revolution, his resolution of the Currency Crisis was doubtless the most significant. Had he not been able to institute changes to inject currency into the market, the economy would have continued to stagnate, and his other measures, such as, his changes to the national debt and banking, would have had little impact or been for naught. Longer-term, England's movement to a currency based on the strength of the nation behind it laid the foundation for Britain's later commercial dominance and leadership in the Industrial Revolution.

Combined with the creation of the Bank of England and of the national debt, along with government advocacy for the merchant class, a fiscal-military state began to emerge. This fiscal-military state combined both a world-class armed forces and an enormous financial sector, backed by government-subsidized debt, which allowed Britain to grow an enormous empire. None of this future growth, however tantalizing would have been possible had it not been for William's ascension to the throne or resolution of the Currency Crisis.

Part III: Effects of William's Revolution

Part III.A: Culture of Commerce

A true "culture of commerce" began to develop in this period, as has been noted by a number of historians such as Glaisyer, Houston and Pincus, and Ormrod.[122] This shift in the culture, however, can also be tied to the political and economic changes in Britain of this time. The New London Merchants and the Immortal Seven brought a king to the throne who would put their concerns first and who would institute enormous financial reforms. His fiscal and monetary changes created a vast expansion of the financial sector in Britain as this paper has chronicled. This financial sector began to take a central role in the culture of the nation. In its culture, William's era reflected the constituency that brought him to power, and, thus, can be characterized as a Culture of Commerce.

Merchants brought about the Glorious Revolution, and King William III advanced their interests while in power. As a consequence of having an advocate in power, English culture shifted to one that aimed to glorify the merchant. For example, The London Exchange in the 1690s became the center of London's commercial life and culture.[123] Glaisyer writes about the London Exchange, which was rebuilt gloriously after the London fire in 1666 in the center of the city.[124] Its grandeur symbolized a return to glory for the Exchange but also for the priorities and values of the government and merchants at the time. The building even included sculpture niches along its exterior filled with Greco-Roman style sculptures of modern merchants. Commerce was no longer a profession whose morality was subject to debate; it was a top priority of the king and to be celebrated by the nation. Stopping by the Exchange – which was both a market and sort of proto-stock exchange – was the main part of a merchant's routine in the late 1690s. As time progressed and the City of London began to overtake Amsterdam as the center of finance, the London Exchange became the center of global trade as well. A writer at the time wrote, "[t]his is the Centre of Commerce for here nations from the circumference [of the world] appear; here we see, point and meet the worlds extream's." Reflecting this cosmopolitan perspective, the rebuilt Exchange had separate areas of the building for areas as diverse as the Baltic, the East Indies, and Turkey.[125] Without the reform of the monetary and financial sectors the Exchange would not have been as cosmopolitan or busy.

William's revolution and commercial developments also fostered other noteworthy social changes. Accompanying this rise in trade in the Exchange and of finance in The City of London, specialized business newspapers like *The Collection* by Houghton and *British Mercury* began to be published regularly. They reported foreign exchange prices, stock prices, commodity prices, shipping news, and foreign news.[126] In addition, records from the British East India and Levant Companies show an increase in the attention paid to merchants. Remaining copies of written sermons from that time show merchants increasingly being included in parables or serving as examples of morality. Sermons "honoured [merchant] as heroes in accounts of trade, and lent their glory… to London, the nation and the monarch."[127] Also reflecting the glorification of the merchant, the motto of the city of London, based on the 1706 almanac and calendar published by the City, was "Our Loyalty is the High-Road. To a full Trade, at home and abroad." This motto was accompanied with an engraving of the Exchange building as the symbol of the City of London.[128] This demonstrates that a new "spiritual" center of the city was not a church or government building, but rather the commercial exchange and the promotion of business and trade it epitomized. These individuals were no longer seen merely as profit-seekers or leeches on society, but rather as respectable class of people who were to be promoted by the government and praised by the clergy. Merchants who had installed a king friendly to their interests, not only reaped economic benefits, but also those of increased prestige.

The emergence of this culture of commerce reflects the interests of the new reign. It is fitting that a king brought to power, to a significant degree, by economic concerns and with the support of a group called the New London Merchants would preside over an era that celebrated merchants. This cultural shift – to a “Culture of Commerce” – is emblematic of both William’s kingship and a larger shift in governance to one that celebrated commerce and merchant-traders. Just as Locke’s theory of government proclaimed that the government existed to protect property, so too merchants of this era too desired that the government protect their property from foreign invasion and advocate their interests.

Part III.B: Revolution in Political Economy

Although history has traditionally focused on the political and religious implications and motivations of the Glorious Revolution, the financial changes William and Mary brought with them from the Netherlands were truly revolutionary. As D.W. Jones has argued: “[t]he primary consequence of the Glorious Revolution on economic and commercial life has generally been identified as … the emergence of a ‘fiscal-military state,’ underpinned by new financial techniques and institutions.”[129] Although many of the most important changes associated with the Financial Revolution occurred during the 1690s, the impetus for these changes began earlier, as we have seen. The Immortal Seven and the New London Merchants’ actions led to the Glorious Revolution, and William and Mary’s enormous fiscal changes. In large part, economic interests on both sides of the North Sea are what truly brought about the Glorious Revolution. William represented, in both political and economic terms, the fulfillment of a new social compact; much like that Locke defined in his *Two Treatises.* The closer correspondence between William’s actions and Locke’s philosophy made the latter a representation of the age.

The actions taken during this period were revolutionary in setting up Britain for future economic success. By 1713, Britain had fought twenty years of wars against Louis XIV, and built a substantial fiscal-military state that had overtaken Amsterdam as the center of European finance and commerce –- all made possible largely by William's financial innovations. Britain's enhanced military capability no longer served merely defensive purposes but now would be used to support strategic foreign and imperial policies designed to weaken rival commercial empires.[130] Central to this fiscal-military state was the foundation of "public credit" or a national debt, which served as both a safe haven investment for consumers and an instrument of increased government spending. Also critical in this era was the development of a more mature financial sector from the humble goldsmith-bankers. Public credit provided for government spending to increase threefold in the decade and a half of William III's reign to fight wars abroad, and the steady interest that the Bank of England's bonds provided formed the basis of a financial sector. This financial sector was not only important economically, but also socially because they saw themselves a distinct socioeconomic group.

None of the changes in this period can individually be considered revolutionary or particularly radical. For example, lightening in the currency had occurred previously as Layton pointed out in his pamphlet. However, the cumulative effects on Britain were dramatic. Without the stabilization of the money market, creation a public debt and national bank, and growth of a financial sector Britain, certainly can be argued that it is highly unlikely that the nation would have achieved as much in the eighteenth and nineteenth century, and certainly not as swiftly or dramatically. Had Britain not possessed the means to fight wars against France without significant tax burdens or without a strong financial sector to loan money to industrialists, there likely could not have been the Grand Armies or Industrial Revolution on the scale that they occurred. All of the developments together attest to a shift in the nature of the state and business in Britain. Although no single action considered independently was totally revolutionary, that does not preclude this period from being considered a true "financial revolution" in its own right.

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[1] Dickson, P. G. M. *The Financial Revolution in England: a Study in the Development of Public Credit, 1688-1756*. London, New York: Melbourne [etc.] Macmillan; St. Martin's P, 1967. Dale E. Hoak, *The World of William and Mary: Anglo-Dutch Perspectives on the Revolution of 1688-89,* (Stanford, CA: Stanford University Press, 1996). Seiichiro Ito, "The Making of Institutional Credit in England, 1600 to 1688," The European Journal of the History of Economic Thought, 18.4 (2011): 487–519. D. W. Jones, *War and Economy in the Age of William III and Marlborough* (Oxford, UK: Oxford Universty Press, 1988). David Ormrod, *The Rise of Commercial Empires: England and the Netherlands in the Age of Mercantilism, 1650-1770* (Cambridge, U.K.: Cambridge University Press, 2003). Steven C. Pincus, *England's Glorious Revolution, 1688-1689: a Brief History with Documents* (New York, N.Y: Palgrave Macmillan, 2006). All of these works focus primarily on economics as central to the time, and provide valuable information about William and Mary's revolutions.

[2] Wilfrid Priest, *Albion Ascendant* (Oxford, UK: Oxford University Press, 1998), 10.

[3] Ibid., 11.

[4] Eric Kerridge. *Trade and Banking in Early Modern England* (Manchester, England: Manchester University Press, 1988), 69.

[5] Ibid., 76.

[6] Ibid., 69.

[7] Ibid., 70.

[8] Ibid., 78.

[9] Ibid., 50.

[10] Ibid., 57.

[11] D. W. Jones, *War and Economy in the Age of William III and Marlborough* (Oxford, UK: Oxford University Press, 1988), 41.

[12] Ibid., 53.

[13] Eric Kerridge, *Trade and Banking*, 1-31.

[14]David Ormrod, *The Rise of Commercial Empires: England and the Netherlands in the Age of Mercantilism, 1650-1770* (Cambridge, U.K.: Cambridge University Press, 2003), 32.

[15] Ibid., 27.

[16] Natasha Glaisyer, *The Culture of Commerce in England, 1660 – 1720* (Rochester, NY: Boydell Press, 2006), 7.

[17] Charles II, King of England, 1660-1685, *An Humble Proposal, Whereby His Majesty May Raise and Extend His Credit to the Annual Value of His Revenue without Interest or Damage to the Kingdom* (London, 1673), 4.

[18] Ibid., 5.

[19] Ibid., 7-11.

[20] Jan De Vries. *The First Modern Economy: Success, Failure, and Perseverance of the Dutch Economy, 1500-1815* (Cambridge, UK: Cambridge University Ppress, 1997), 80.

[21] Ibid., 84.

[22] Ibid., 89.

[23] Ibid., 89.

[24] Ibid., 114.

[25] Ibid., 116.

[26] Ibid., 106.

[27] Ibid., 108.

[28] Ibid., 109.

[29] Tony Claydon *William III and the Godly Revolution* (Cambridge, UK: Cambridge University Press, 1996), 93. Simon Groenveld, "The English Civil Wars As a Cause of the First Anglo-Dutch War, 1640-1652," The Historical Journal 30.3 (1987): 541–566. Wilfrid Priest, *Albion Ascendant* (Oxford, UK: Oxfored University Press). George Southcombe, *Restoration Politics, Religion and Culture: Britain and Ireland, 1660-1714* (Basingstoke: Macmillan, 2010). All of these works, among many others, consider the religious motives as central to the events of the Glorious Revolution.

[30] Steven C. Pincus, *England's Glorious Revolution, 1688-1689: a Brief History with Documents* (New York, N.Y: Palgrave Macmillan, 2006), 38.

[31] Ibid., 38.

[32] Ibid., 37 – 39.

[33] Priest, *Albion Ascendant,* 96.

[34] John Locke, *Two Treatises of Government,* ed. Peter Laslett (Cambridge: Cambridge University Press, 1960), 64.

[35] Ibid., 61.

[36] Ibid., 59.

[37] Ibid., Sec 130.

[38] Ibid Sec. 138.

[39] Ibid Sec. 131.

[40] Pincus, *England's Glorious Revolution*, 37.

[41] Tony Claydon, *William III and the Godly Revolution* (Cambridge, UK: Cambridge University Press, 1996), 93.

[42] Priest, *Albion Ascendant*, 51.

[43] Thomas Osborne, *The Thoughts of a Private Person, About the Justice of the Gentlemens Undertaking at York, Nov. 1688 Wherein Is Shewed, That It Is Neither Against Scripture, nor Moral Honesty, to Defend Their Just and Legal Rights, Against the Illegal Invaders of Them : Occasioned Then by Some Private Debates, and Now Submitted to Better Judgments* (London, 1689), 14.

[44] Ibid., 11.

[45] Ibid., 15.

[46] Ibid., 24.

[47] Priest, *Albion Ascendant*, 51.

[48] George Southcombe, *Restoration Politics, Religion and Culture: Britain and Ireland, 1660-1714* (Basingstoke: Macmillan, 2010), 95.

[49] Jonathan I. Israel, *The Anglo-Dutch Moment: Essays on the Glorious Revolution and Its World Impact*, (New York: Cambridge University Press, 1991), 81.

[50] Dale E. Hoak, *The World of William and Mary: Anglo-Dutch Perspectives on the Revolution of 1688-89,* (Stanford, CA: Stanford University Press, 1996), 26.

[51] Hoak, *The World of William and Mary*, 26.

[52] Hoak, *The World of William and Mary,* 78.

[53]Anon. self-described "True member of the Church of England," *The Dutch Design Anatomized, or, A Discovery of the Wickedness and Unjustice of the Intended Invasion and a Clear Proof That It Is the Interest of All the King's Subjects to Defend His Majesty and Their Country Against It (*London, 1688), 5.

[54] Ibid., 7-8.

[55] Ibid., 7.

[56] Ibid., 8.

[57] Anon., *Some Reflections Upon His Highness the Prince of Oranges Declaration* (London, 1688], 49.

[58] Ormrod, *Rise of Commercial Empire*, 21-22.

[59] Priest, *Albion Ascendant*, 46.

[60] Ibid., 39.

[61] Glaisyer, *Culture of Commerce*, 2.

[62] Jones, *War and Economy,* 70 – 75.

[63] Jones, *War and Economy,* 13.

[64] P.G.M. Dickson, *The Financial Revolution in England* (New York: St Martin's Press, 1967), 39.

[65] Ibid., 39-40.

[66] Ibid., 42.

[67] Ibid., 52.

[68] Alexander Montgomerie, *Essays, I. On the public debt. II. On paper-money, banking, & III. On frugality*, (London, 1755), 2.

[69] Ibid., 3.

[70] Ibid., 4-5.

[71] J. Briscoe, *An Abstract of the Discourse on the Late Funds of the Million Act, Lottery Act, and the Bank of England* (London, 1694), 2.

[72] Ibid., 3 and 6.

[73] Ibid., 7-8.

[74] Ibid., 9.

[75] Dickson, *The Financial Revolution,* 51.

[76] *Bank of England Act 1694* , 1694.

[77] Ibid, 1.

[78] Lady Jane Lindsay, *Sealing of the Bank of England Charter* (The Houblon Family, vol. 1, 1907: 1694), 1.

[79] Dickson, *The Financial Revolution,* 55.

[80] Ibid., 57.

[81] Ibid., 58.

[82] Ibid., 79.

[83] Ibid., 50.

[84] Kerridge, *Trade and Banking,* 10.

[85] Ibid., 11-12.

[86] Dickson, *The Financial Revolution,* 6-7.

[87] Ibid., 11 and 41.

[88] Ibid., 79.

[89] Glaisyer, *Culture of Commerce,* 6.

[90] Ibid., 8.

[91] Dickson, *The Financial Revolution*, 41.

[92] Glaisyer, *Culture of Commerce*, 6.

[93] Ibid., 7.

[94] Anon., *A letter from an English merchant at Amsterdam, to his friend at London, concerning the trade and coin of England* (London, 1695), 2.

[95] Ibid., 3.

[96] Ibid., 4.

[97] Ibid., 6.

[98] Ibid., 8.

[99] Henry Layton, *Observations Concerning Money and Coin* (London, 1697), 11.

[100] Ibid., 11.

[101] Ibid., 2-7.

[102] Ibid., 10-12.

[103] Ibid., 14.

[104] Ibid., 12.

[105] Ibid 27-29.

[106] Simon Clement, *A Discourse of the General Notions of Money, Trade & Exchanges* (London, 1695), 29.

[107] Ibid., 6-8.

[108] Ibid., 35.

[109] A. Vickaris, An Essay For Regulating of the Coyn (London, 1696), 9.

[110] Ibid., 10.

[111] Ibid., 3.

[112] Ibid., 7.

[113] Ibid., 15.

[114] Ibid., 10-11.

[115] Ibid., 30.

[116] William III, *(London,* 1695), 1.

[117] Ibid., 1.

[118] William III, *An Act for Remedying the Ill State of the Coin of the Kingdom (*London, 1696), 1.

[119] Ibid., 2.

[120] William III, "His Majesties Most Gracious Speech To Both Houses of Parliament, On Tuesday the Fifth Day of July, 1698" (London, 1698), 2.

[121] Ibid., 1-3.

[122] Glaisyer, *Culture of Commerce.* Alan Houston and Steven Pincus, *A Nation Transformed: England After the Restoration* (Cambridge, U.K. : Cambridge University Press, 2001). Ormrod, *Rise of Commercial Empire*. All of these works discuss at varying lengths the culture of commerce that developed in Britain during this period. Ormrod focuses on the importance of their self-consciousnes, while Glaisyer discusses their institutions.

[123] Glaisyer, *Culture of Commerce*, 67.

[124] Ibid., 63.

[125] Ibid., 47-48.

[126] Ibid., 156-157.

[127] Ibid., 185.

[128] Ibid., 65.

[129] Ibid., 43.

[130] Ibid., 23.

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