A Thesis submitted for the Degree of PhD

at the Institute of Historical Research

University of London

BANK CLIENTS AND THE DEVELOPMENT OF PERSONAL BANKING IN LONDON, 1672-1780

By

Philip Winterbottom

2024

DECLARATION

by Philip Winterbottom

This thesis is entirely my own work

and has not been submitted for a degree at any other university

Contents

Bank clients and the development of personal banking in London, 1672-1780

Abstract

In 1780 many of the aristocracy and upper middling sort were using banks to meet their financial needs: it is estimated that in that year London's banks together held around 55,000 accounts of personal clients. Such clients are rarely visible in histories of banks and banking during the seventeenth and eighteenth centuries. Yet banks could not have developed and flourished if they had not attracted and retained clients. Only by understanding who those clients were, why they turned to banks to meet their financial needs, why they continued to do business with them, and how banks responded to that demand, is it possible to explain the growth of personal banking in the capital.

This thesis charts the banking experience of personal clients of London banks between 1672 and 1780. It argues that by end of the period clients' use of banks and banking services might best be characterised as a 'culture of banking'. This culture was underpinned by personal, and increasingly long-standing, relationships between clients and their bankers, as use of banks became commonplace among elite and wealthier middling members of society, and as a stable banking system emerged. It took shape as bankers learned how to respond to clients' growing and varied demands, and those clients' expectations were themselves shaped by bankers. The culture of banking encompassed much more than simply the operation of a bank account and the development of a banking habit. Core to the culture was bankers' provision of a single, trusted point of access to a suite of banking services. Bankers thereby also acted as gatekeepers of the financial system, mediating their clients' access to credit and debt markets. For the majority of clients, banking was above all convenient, offering them a range of familiar, mostly straightforward, safe and flexible services which they increasingly found it necessary to take up.

This thesis charts the development of the culture of banking by undertaking the first detailed study of clients of London banks, and those clients' banking activity, across multiple banks and over an extended timescale. It draws on a sample of nearly 4,000 client bank accounts and around 1,400 loans recorded in the ledgers of five private 'West End' banks in

London, spanning more than a century. The experience of a small group of selected clients is examined at a number of points in the thesis to complement the broader statistical analysis. In order to place the study in context, the thesis first surveys existing work on personal financial activity in the late seventeenth and eighteenth centuries. It then moves on to establish the identity and development of banks and their clienteles, demonstrating that from the 1730s an increasingly stable banking system emerged capable of serving a rapidly expanding customer base. It is argued, from a comparison of the social status of bank clients and that of the population of England and Wales, that by 1780 the majority of male elite and wealthier middling members of society used banks. The study then examines, and compares over time and between banks, the nature of clients' engagement with banks during three sample periods, the 1670s, 1730s and 1780s. Whilst many individuals, including bank clients, would have used financial services and forms of financial intermediation provided outside the banking system studied in this thesis, it is shown that many elements of the culture of banking were emerging by the 1730s, and that individual banks found their niche serving distinct groups of clients in a banking market which was complementary as much as it was competitive. Two of the most commonly used banking services, borrowing and saving or investment, are then considered in greater detail, demonstrating the importance of personal relationships between clients and bankers in enabling clients to borrow and to invest, or save, money.

Although by 1780 some of London's banks had well over 1,000 clients, many of those clients engaged with banks in ways which required them to know, and be known by, their bankers. Such interaction involved an interplay between clients' and bankers' expectations, motivations and needs. Bankers learned how best to satisfy their clients whilst also developing sound and enduring businesses. Clients gained greater financial understanding, competence and confidence. All of these inter-related factors shaped the development of banks and banking services, and contributed to the emergence of an eighteenth-century 'culture of banking'.

List of Tables

List of Charts

List of Figures

List of Appendices

Abbreviations

BEA	Bank of England Archive
BGA	Barclays Group Archives
HALS	Hertfordshire Archives and Local Studies
HBA	Hoare's Bank Archive
LMA	London Metropolitan Archives
NWGA	NatWest Group Archives
ROLLR	The Record Office for Leicestershire, Leicester and Rutland

Conventions

Dates

In England and Wales until 1752 the year was taken to begin on 25 March (Lady Day). From 1753 the new year started on 1 January. Most original documents and publications prior to 1753 therefore referred to dates between 1 January and 24 March as being in the same year as those in the preceding March to December, for example the year 25 March – 24 March 1734. In this thesis all dates, both up to and after 1752, are referred to as if the year began on 1 January. For example, a reference in an original source to 14 February 1734 would usually be stated in this thesis as 14 February 1735. However, if there was clear evidence that the pre-1753 source document rendered a date between 1 January and 24 March as if the year began on 1 January, the date would be stated here as 14 February 1734. Where an original document provides dual dating, for example, 14 February 1734/5, the date is stated here as 14 February 1735.

Quotations

Where quotations are provided from source material (original documents and published transcripts), the spelling, capitalization and punctuation in the source are retained. Abbreviations are generally only expanded [in square brackets] where the identity or meaning of the abbreviated word would otherwise be unclear to a modern reader.

Monetary amounts

Pounds, shillings, and pence are given as £ s d, except where some other form of reference is contained within a quotation from an original source. There were 12 pence in a shilling, and 20 shillings in a pound.

Ledger page and folio references

Many records maintained by banks were in the form of bound volumes. Most ledgers, including loan and customer account ledgers, give a single number to both pages on an open spread, and these were referred to as folios, and are referenced as f. or ff. Other volumes contain numbered pages, with separate numbers for the pages on the left- and right-hand sides of an open spread, and these are referenced as p. or pp. Other volumes do not have any numbering system, and are mostly referenced by the date of the entries.

Acknowledgements

This thesis could not have been produced without the help and guidance of many people.

First and foremost, I owe a great debt of gratitude to my supervisors Dr Philip Carter and Dr Perry Gauci, who have been a source of constant encouragement and inspiration. It has been a privilege and joy to study with them. I thank them for their expert and patient guidance and advice over the last four and half years, longer than any of us anticipated as I started out on this study, just before the Covid pandemic hit. I am also grateful to Professor Julian Hoppit and Dr Natasha Glaisyer for their very helpful comments and suggestions at my upgrade assessment.

I would like to thank the many archivists and librarians who have assisted me in my research. The staff of bank archives have borne the greatest burden. I am grateful to them all for their help in identifying suitable material, providing long lists of records and extracts from indexes in advance of my visits, delivering the often heavy and cumbersome volumes for me to consult, and being so accommodating when I have asked for extra material whilst on site. I have greatly appreciated their warm welcome and their interest in my work. They include Mike Anson, Lara Garrett, Kat Harrington, Joseph Hettrick, Liane MacIver, Margherita Orlando and Evie Stevenson at the Bank of England Archive; Mandy Condren, Helen Cragg, James Darby, Rosie Fogarty, Maddie Sheldon, Maria Sienkiewicz and Nicholas Webb at Barclays Group Archives; Pamela Hunter at Hoare's Bank Archive; and Sally Cholewa, Lyn Crawford, Rosemary Hall, Kimberley Harsley, Ruth Reed, James Towe and Sophie Volker at NatWest Group Archives. I also acknowledge the additional assistance provided by NatWest Group Archives in enabling me to obtain scans of selected ledgers whilst the archive was closed to researchers during the Covid pandemic. I am very grateful to the Friends of the Institute of Historical Research who generously provided funding to assist with this scanning.

I am grateful to the staff at the Institute of Historical Research, and in particular Simon Trafford and Kate Wilcox, and for access to the Merchants Database. The IHR Reading Group has been a great encouragement, and I am grateful to my fellow student Janette Bright for her leadership of the group, and to its members for their friendship.

I would also like to thank all those who have offered suggestions and asked thought-provoking questions following presentations of my work at various seminars held at the IHR, and also at the School of Advanced Study, Oxford and York Universities, BSECS, and the Women's Studies Group; and also at conferences of the Economic History Society and Social History Society, and the Women, Money and Markets conference.

I have greatly appreciated the help of Duncan Gager, David Gagie, Catherine Ryan and Amanda Westcott, each of whom kindly read parts of the thesis as it neared completion, and offered valuable insights and suggestions as well as necessary corrections. I have also appreciated the helpful advice and encouragement of Diane Clements, Stuart Parks and Carole Taylor.

I am grateful to Iain Black and the trustees of *The London Journal* Trust for permission to reproduce the illustration used in Figure 2.1.

Finally, none of this would have been possible without the practical and loving support of my wife Sue, who has patiently endured my long journey towards this thesis. Although it would be wildly optimistic to think that that she might venture beyond this page, this thesis is dedicated to her.

Chapter 1: Introduction

1.1 Introduction

On 18 September 1736 Rev Dr Charles Briscoe visited the bankers Messrs Hoare & Arnold in Fleet Street. It was the only time that he called in person at the bank to review the state of his account and agree the balance due to him, which then amounted to £240 18s 9¾d, for which he received a note. The event was recorded on the bank's ledger page containing his account, which he signed in confirmation.[1] Briscoe had starting banking with Hoare's twelve years earlier, in April 1724, initially as executor of his father Sir John Briscoe.[2] His relationship with the bank was to last until April 1747, just under a year before his death. Briscoe was resident in Northamptonshire, where he was a rector, and he conducted his banking business almost entirely by post. A total of £29,997 passed through his account over the course of its operation, including sums relating to the purchase and sale of, and receipt of dividends on, a number of securities, the purchase of lottery tickets, and loans to other individuals. Most transactions were to named individuals. He did not take a loan from Hoare's, but his account was occasionally overdrawn.

Bank clients, such as Charles Briscoe, are largely absent from the published histories of London's banks and appear mostly fleetingly in the literature on banking in the seventeenth and eighteenth centuries. Yet their banking activity and experience prompts many questions. Why, for instance, did Briscoe choose to entrust his money and financial affairs to Messrs Hoare & Arnold. Indeed, why did he choose to use a bank at all? Was his visit to Fleet Street to settle his balance the only time he stepped inside the bank, and how easy was it for him to bank there when he was living nearly eighty miles distant by road? Did he have any qualms about leaving money in his banker's hands? From the perspective of the bankers on the other side of the counter, why did they want Briscoe's business? Was it worth their while? Was Briscoe in any way a typical banking client?

The intention of this thesis is to attempt to provide answers to some of these questions as they applied generally to bankers and their clients in the late seventeenth and eighteenth

[1] Hoare's Bank Archive (HBA) Customer ledger 35 (1735-6), f.297.
[2] For simplicity, the bank is referred to hereafter as Hoare's. See footnote 83 below concerning bank names.

centuries. In the case of Charles Briscoe, surviving correspondence with his bankers provides evidence of how he successfully conducted his banking from a distance, and indicates what he expected of his bankers. It also demonstrates the varied utility to him of his banking engagement. Analysis in this thesis of the banking activity of many hundreds of clients demonstrates that although Briscoe was by no means a typical banking client, and indeed no client could be described in that way, neither was his banking activity exceptional. In common with many other clients, he availed himself of a variety of services offered by his bankers. It is also possible to see why Briscoe's business was welcomed by the Fleet Street bankers: he mostly had a credit balance on his account, contributing to the pool of clients' money which Hoare's could put to productive use, and he made mostly modest demands on their time and resources. Like many other banking clients, Briscoe continued his father's relationship with a particular London bank, and in common with others he maintained his banking relationship over multiple decades. Yet the surviving evidence is insufficient to indicate whether Briscoe ever worried about the risks involved in leaving money in his banker's hands.

Central to this thesis are three inter-related arguments. First, that across the period 1672-1780 many aspects of the relationship between clients and bankers could be described as 'personal'. Second, that although many individuals and families, including bank clients, also made use of other forms of financial mediation and provision, by 1780 banking had become commonplace for the elite and wealthier middling sort, in large part because it had become convenient and offered convenience. Third, that as a result there had emerged by 1780 a 'culture of banking'. This culture was more than just a banking 'habit'. The culture was centred in the personal and increasingly long-standing relationships between clients and bankers. It emerged because for many of the wealthier members of society, it became necessary, convenient and the norm to have a banker and a bank account. At its heart was a symbiotic relationship between clients and their bankers. For clients, the culture of banking meant access not only to the benefits of a bank account, but also to a suite of services which they could use, or set aside, at their convenience. For bankers, it provided the opportunity to establish enduring businesses through which they could earn a comfortable and sometimes substantial income by putting their clients' money to use as they lent to both their clients and to the state.

As is further explained in Chapter 2, the thesis considers personal banking during a period of just over a century from 1672. The starting point is the Stop of the Exchequer in 1672, by which Charles II suspended payment of interest on a form of government debt held mostly by a group of London goldsmith-bankers. This event led to a re-setting of the structure and nature of London banking. A significant consequence of the Stop for bank clients after 1672 was that most bankers soon ceased to pay interest on client deposits. By 1780, the end point of the time span covered here, the services offered to banking clients had reached something of a steady state. Although the number of banks in London continued to increase after 1780, serving a rapidly expanding clientele, there were relatively few innovations thereafter in those banks' business models. By 1780 London banks had been joined by a new group of provincial banking firms, a group whose size expanded at a significant pace thereafter. 1780 is therefore a suitable point at which to evaluate how, and how far, personal banking had evolved in the seventeenth and eighteenth centuries.

The thesis will demonstrate that over the course of the period between 1672 and 1780 there was a significant growth in the number of banks and banking clients in London. Numerous new banks entered the market during this time, the majority of which later ceased trading, many after only a few years' operation, whether through failure or for other reasons. For much of the period, particularly until the 1730s, banking was a precarious business. From that decade onwards a more stable banking 'system' began to emerge in London's West End and the number of bank clients increased substantially. It is estimated that by 1780 London's banks might between them have managed between 50,000 and 55,000 client accounts.[3] Many of these accounts were those of clients who lived outside the capital. A comparison of estimates of numbers of bank clients of high social status with equivalent estimates for such members of society as a whole demonstrates that among these groups banking had by 1780 become commonplace.

As the number of banks and banking clients increased so also did the extent to which individual clients used their banks. The banks increasingly offered a very similar range of services to their clients, though the use of services varied between banks as the latter

[3] The basis for this estimate is provided in Chapter 2, section 2.3.2. It is likely that the total number of bank clients would have been of a similar magnitude.

together formed a complementary 'system' in which each attracted a slightly different mix of clients. Clients themselves varied in the types of services they used, and many clients accessed a changing mix of services over the course of their banking relationships. Banks may not have met all client needs, but they provided sufficient relevant services that it became necessary for clients to use them. Clients became increasingly familiar with their banks and bankers, willing to entrust their money to them, and confident in accessing the variety of banking services on offer. The fact that increasing numbers were using banks acted as an inducement for others to do likewise, contributing to the cumulative growth.

The state of banking in 1780 has been characterised by Peter Temin and Hans-Joachim Voth as 'boring banking'.[4] It is true that for the most part banks were stable businesses by 1780, but it is argued here that neither bankers nor clients would have characterised banking as boring. From the bankers' point of view there was a need for constant vigilance in monitoring loans and client balances in order to maintain liquidity and profitability. By 1780 this was being done in a way which produced efficient, reliable and trustworthy banking businesses. Those businesses were dependent on their clients. It was the balances in client accounts which bankers needed in order to earn income. It is argued here that from the perspective of clients, the range of services provided by bankers in London's West End in 1780 might better be described as 'convenient' or 'convenience' banking. Some elements of clients' use of bank services might well have been routine, but for many clients there was a need for regular contact with their bankers. The relationships between clients and bankers were still important.

The thesis considers banking from both sides of the counter, with the focus on clients and client banking. It provides the first detailed study of clients of one group of London banks, the so-called 'West End' banks, and those clients' banking activity across multiple banks and over a long timescale.[5] In doing so the thesis redresses the balance of the existing banking historiography by shifting the lens from the study of the supply and suppliers of financial services to consider the role and importance of clients and client demand. In taking this

[4] Peter Temin and Hans-Joachim Voth, *Prometheus Shackled: Goldsmith Banks and England's Financial Revolution after 1700* (Oxford, 2013), pp.125-147.
[5] The identity of the West End banks, and other banks in London, is explored in Chapter 2, section 2.1.

approach the development of banking services is viewed within the broader context of the widening of financial opportunities for elite and middling individuals during the late seventeenth and eighteenth centuries. Many existing studies have concentrated on aspects of client banking at particular points in time. By comparing banking activity over an extended period the thesis demonstrates how and when a 'culture of banking' developed in the capital.

The thesis proceeds by considering a series of common questions at different points in time. It asks, and compares over time, how many people used banks, who they were, and what form their banking activity took. The thesis also considers how clients and bankers interacted with each other. In doing so the thesis suggests why banking in London's West End developed in the way that it did, and the importance of client demand in driving the change.

It is already known that each of the West End banks had clienteles whose characteristics were to some extent unique.[6] This thesis undertakes a far more thorough examination of the archival evidence to show how particular groups of clients were drawn to certain banks. This thesis argues that by 1780 most of the banks studied offered a broadly similar range of services, but to different degrees. These differences are also shown to have played out in the types of banking services clients required of their chosen banks. The thesis suggests why these differences existed, and how and why they changed over time. The thesis also suggests that together banks formed a complementary, rather than competitive, system.

For many bank clients their banking engagement formed just one part, albeit often an important part, of their financial activity. The evidence contained in client bank accounts also offers new insights into contemporary credit and investment markets during the late seventeenth and eighteenth centuries. By analysing in depth datasets containing detailed information on 3,901 customer accounts and 1,371 loans between 1672 and 1780 it is

---

[6] As noted, for example, in David M. Joslin, 'London private bankers, 1720-1785', *Economic History Review*, 7 (1954), pp.167-186, and his 'London bankers in wartime, 1739-1784' in Leslie S. Pressnell (ed.), *Studies in the Industrial Revolution Presented to T. S. Ashton* (London, 1960), pp.156-177; Frank T. Melton, 'Deposit banking in London, 1700-1790', *Business History*, 28 (1986), pp.40-50; and Iain S. Black, 'Private banking in London's West End, 1750-1830', *London Journal*, 28 (2003), pp.29-59.

possible for the first time to obtain an aggregate view of bank clients' engagement with those markets.

1.2 'Personal banking' and the scope of the thesis

This thesis focuses on 'personal banking'. 'Personal' is used here in a number of ways. First, it is used to delimit the scope of the thesis, which focuses on the banking activity of individuals, as opposed to corporate clients (for example the East India Company) or other institutional account holders (for example charitable bodies, livery companies, schools or colleges, whose accounts were often in the name of one or more persons, such as a bursar or treasurer). Most personal accounts and loans were those of a single client alone, but there were also many joint accounts, including those of partnerships, and of executors, trustees and administrators.

For convenience users of banks are mostly referred to in this thesis as clients, and in aggregate as a bank's clientele (or clienteles when referring to clients of multiple banks). However bankers in the seventeenth and eighteenth centuries often used the term 'friends' in correspondence between themselves or with those who used their services. Sometimes they also referred to them as 'customers'. It is suggested here that the relationship between bankers and those using their services was often similar to that between members of the professions, such as doctors and lawyers, and their clients. Banking was not considered a profession during the period of this study, yet the ways in which its practitioners conducted business had much in common with those of the professions. Their clients had similar expectations, centred on confidentiality, honesty, discretion, personal service, and in some cases deference. Whilst some clients' routine requirements might have made them no more than customers, as were those who, for example, purchased luxury goods from the West End's many shops, other clients expected and received a personal service akin to that of professionals' clients. However, the engagement of banking clients with banks differed from that of the professions: banking activity was often regular or frequent, banking relationships often lasted many years or decades, and many clients made use of a variety of banking services as and when they required them. It is the combination of these features that lay at the heart of the 'culture of banking'.

The thesis also uses the phrase 'personal banking' in the sense of inter-personal banking engagement. In so doing the thesis engages with the debate as to whether financial interactions during the period are best characterised as personal or impersonal, and whether and when there was a shift towards more impersonal activity.[7] It is argued that neither label is sufficient alone to describe how bank clients and their bankers engaged with each other, and that a more nuanced view is required. The nature of a client's interaction might exhibit both characteristics, according to the banking services they used. The extent to which this changed over time is also considered. It is argued that, although by 1780 some of London's banks had well over 1,000 clients, some of the ways in which clients engaged with banks could still be characterised as personal, reflecting the often long-standing relationships that developed between clients and their bankers.

This study looks at client 'banking' in relation to clients' use of services provided by individuals or partnerships that are now recognised as banks. The definition of 'bank' used here is an individual or firm which received money from clients, agreed to repay an equivalent value of money on demand or subject to a pre-arranged notice period, and lent out a proportion of its deposits in its own name. In these terms financiers who solely lent their own money, who acted only as a loan brokers, or who only received and repaid deposits, are not considered bankers, and their activity is not analysed here. It is unlikely that users of such financial services would have made such a distinction, and indeed many financial and associated needs were met informally, often within families or through personal networks, or through other providers such as lawyers, brokers, money-lenders, scriveners, pawnbrokers, merchants, traders or shopkeepers, some of whom offered pseudo-banking arrangements.[8] The evidence of legal disputes and imprisonment for debt

---

[7] This is discussed further in the following section, 1.3.

[8] In addition to trade credit, other services included money transfer, peer to peer borrowing and lending, estate management, rent collection, executorship, guardianship, trusteeship and safe custody of money and valuables. See, for example, Bruce L. Anderson, 'The attorney and the early capital market in Lancashire' in John R. Harris (ed.), *Liverpool and Merseyside: Essays in the Economic and Social History of the Port and its Hinterland* (London, 1969), pp.50-77; Donald C. Coleman, 'London scriveners and the estate market in the later seventeenth century', *Economic History Review*, 4 (1951), pp.221-230; Peter Earle, *The Making of the English Middle Class: Business, Society and Family Life in London*, 1660-1756 (London, 1989), pp.48-51, 107-157; Richard Grassby, *Kinship and Capitalism: Marriage, Family, and Business in the English-Speaking World, 1580-1740* (Cambridge, 2001), pp.282-288, 396-408; Margaret R. Hunt, *The Middling Sort: Commerce, Gender and the Family in England, 1680-1780* (Berkeley CA, 1996), pp.23-45; and Susan E. Whyman, *Sociability and Power in Late-Stuart England: The Cultural Worlds of the Verneys, 1660-1720* (Oxford, 1999), pp.76-80.

demonstrates that trade credit was ubiquitous in this period, and many individuals had running accounts with the providers of goods and services, though the full extent of such activity is impossible to quantify.[9] The extent to which individuals were able to manage their finances largely through Bank of England notes and coin, and independently of banks, is not known. The banks whose clients are the focus of the current research developed their own particular place within this wider financial landscape, but throughout the period covered in this thesis they only met a portion of the total demand for financial services.

Most of the providers of banking services whose client activity is studied in this thesis, particularly until the mid eighteenth century, had been apprenticed as goldsmiths or were members of the Goldsmiths' Company, though they comprised a small proportion of the latter's freemen or liverymen. As late as the 1740s these goldsmith-bankers often described themselves, and were referred to by others, as goldsmiths rather than bankers. However, during the period of study the primary focus of their business activity was banking. As will be considered in Chapter 2, there were also other providers of banking services, but for the most part their businesses were relatively short-lived and have left a limited archival legacy. The concentration here on a group of businesses which were mostly founded by goldsmiths is for the simple reason that these banks continued to trade until at least the early twentieth century. Most were then acquired by banking companies whose successors are still trading today. Those current businesses have retained the archives of their seventeenth- and eighteenth-century predecessors, records which provide sufficient and appropriate evidence of clients' banking activity for use in this study.

The thesis looks primarily at clients of a number of London's West End banks, because it is the records of these firms that have survived in relatively complete form. In contrast, there are relatively few surviving archives of the other group of London banks, the 'City' banks, during the period of this study, and even less material from which client activity can be

[9] As discussed, for example, in Margot C. Finn*, The Character of Credit: Personal Debt in English Culture, 1740-1914* (Cambridge, 2003), particularly pp.64-105; Craig Muldrew, *The Economy of Obligation: The Culture of Credit and Social Relations in Early Modern England* (Basingstoke, 1998); Tawny Paul, *The Poverty of Disaster: Debt and Insecurity in Eighteenth-Century Britain* (Cambridge, 2019), pp.7-10, 31-94; and Alexander Wakelam, *Credit and Debt in Eighteenth-Century England: An Economic History of Debtors' Prisons* (Abingdon, 2021), pp.18-50.

analysed. However, where possible, some comparisons have been made with City banks. The voluminous records of the Bank of England, which also served a considerable number of personal clients during the period, have been consulted for comparison, but have not been studied in any detail.

The thesis seeks to identify banking activity at points in time and to make comparisons over time, but the scale of the surviving records (including, for example, 320 customer account ledgers covering the period 1672-1780 of those West End banks studied in this thesis alone) means that it cannot attempt to be comprehensive.[10] The selection of banks for this study reflects both the existence and quality of available sources, and the facilities and access offered by the archive services by which the records are held. In part the selection, and certainly the order and nature of study, has been dictated by the restrictions posed by the Covid pandemic.

1.3 Historiography

The development of banking in England, and London in particular, as it has been described in the existing literature, will be considered in Chapter 2. It will be argued that there is need to look anew at that narrative through the lens of client demand and behaviour.

This section instead reviews that literature which relates more widely to personal financial activity in the period of study. The transformation over time in individuals' access to, and use of, an increasing variety of financial services is also considered, some of which was mediated by banks.

The origin, development and use of financial products and facilities, and the providers of such services, have attracted considerable attention in recent decades, stimulated by Peter Dickson's pioneering and detailed work on the financial revolution in relation to public investment in government debt and the development of the stock market.[11] Much of this

[10] The other largest collections of customer account ledgers are those of Coutts and the 444 Bank of England volumes comprising the drawing office account ledgers and their associated indexes, 1694-1780.
[11] Peter G. M. Dickson, *The Financial Revolution in England: A Study in the Development of Public Credit, 1688-1756* (London, 1967, reprinted with new introduction: Aldershot, 1993).

work has sought to chart the economic and fiscal consequences of the financial revolution and the impact on the development of the fiscal-military state.[12] At the same time the spectacular rise in the size, or perceived value, of the chartered trading companies, in particular the South Sea Company and the East India Company, offered another range of investment opportunities.[13] These developments, including the events of the South Sea Bubble, were the subject of much contemporary debate in regard to their political, social, economic and moral consequences.[14] However, over the course of the late seventeenth and eighteenth centuries a significant consequence of the financial revolution was a great widening of knowledge of, and participation in, financial markets.[15] Such involvement was part of a shift in attitudes towards, and a differentiation between, consumption and the preservation of wealth. This played out through an increasing emphasis on putting aside money for the future in 'invisible' property as well as, or instead of, preserving it in physical form, whether in moveable property or land.[16] A number of studies of such investment have included statistical analysis of investors in government and other securities, sometimes citing as examples the behaviour of specific investors.[17] Over time the social status of such participants in the market widened.

Dickson provided the first detailed references (mostly focused on the partners and clients of Child & Co) to the involvement of goldsmiths and bankers as investors and agents for clients

---

[12] Including John Brewer, *The Sinews of Power: War and the English State, 1688-1783* (London, 1989); Bruce G. Carruthers, *City of Capital: Politics and Markets in the English Financial Revolution* (Princeton NJ, 1999); Henry Roseveare, *The Financial Revolution, 1660-1760* (Harlow, 1991).

[13] Dickson, *The Financial Revolution*, pp.249-303; Anne L. Murphy, *The Origins of English Financial Markets: Investment and Speculation before the South Sea Bubble* (Cambridge, 2009), pp.137-159, 193-219.

[14] As explored in Paul Slack, *The Invention of Improvement: Information and Material Progress in Seventeenth-Century England* (Oxford, 2014).

[15] Natasha Glaisyer, *The Culture of Commerce in England, 1660-1720* (Woodbridge, 2006); Amy M. Froide, *Silent Partners: Women as Public Investors during Britain's Financial Revolution, 1690-1750* (Oxford, 2016); Murphy, *The Origins of English Financial Markets*, pp.89-113, 137-159, 193-219.

[16] Alexandra Shepard, *Accounting for Oneself: Worth, Status, and the Social Order in Early Modern England* (Oxford, 2015), p.302.

[17] Most notably Murphy, *The Origins of English Financial Markets*; and also, for example, for holdings and trading in Bankers' Annuities, Carruthers, *City of Capital*, and Ling-Fan Li, 'The Stop of the Exchequer and the secondary market for English sovereign debt, 1677-1705', *The Journal of Economic History*, 79 (2019), pp.176-200; for subscribers to the Bank of England and the land banks, Steve Pincus and Alice Wolfram, 'A proactive state? The Land Bank, investment and party politics in the 1690s' in Perry Gauci (ed.), *Regulating the British Economy, 1660-1850* (Farnham, 2011), pp.41-62; and for investors in Bank Stock, Ann M. Carlos and Larry Neal, 'The micro-foundations of the early London capital market: Bank of England shareholders during and after the South Sea Bubble, 1720-1725', *Economic History Review*, 59 (2006), pp.498-538.

in relation to government debt and the stock market.[18] Whilst Temin and Voth note that in the early eighteenth century 'Hoare's bought and sold bonds and shares on behalf of its customers and for its own account, as other goldsmith bankers did', they did not undertake an analysis of client investment via bankers.[19] Their only direct reference to bank clients' stock holdings is in relation to the use of South Sea Stock as collateral security for client lending in the period around the South Sea Bubble.[20]

Such broad studies have been supplemented by detailed work on particular sectors,[21] and commissioned histories of surviving institutions,[22] and have also included an analysis of the trends in participation by different social groupings. Geoffrey Clarke's study of insurance took this a stage further by focusing on client agency and motivation, in particular considering the relative importance of prudential and speculative motives for investment in insurance policies.[23] These motivations, and attitudes to risk, are similarly analysed by Bob Harris and Anne Murphy in relation to participation in lotteries and by Diane Clements in relation to annuity loans.[24] Clarke also demonstrates the role of social and spatial networks in the spread and adoption of insurance.[25]

---

[18] Dickson, *The Financial Revolution,* pp.45, 76, 280, 437-442, 449-450. The involvement of goldsmith-bankers as significant investors and brokers in Royal African Company and Hudson's Bay Company shares is noted in Ann M. Carlos, Jennifer Key and Jill L. Dupree, 'Learning and the creation of stock-market institutions: evidence from the Royal African and Hudson's Bay Companies, 1670-1700', *Journal of Economic History*, 58 (1998), pp.318-344.

[19] Temin and Voth, *Prometheus Shackled*, p.67, and restated on p.110.

[20] Temin and Voth, *Prometheus Shackled*, pp.116-119.

[21] Including, for example, Arthur H. John, 'Insurance investment and the London money market of the 18th Century', *Economica*, 20 (1953), pp.137-158; David R. Green, 'Tontines, annuities and civic improvements in Georgian Britain', *Urban History*, 46 (2019), pp.649-694; Diane Clements, 'Invested in Identity: The Freemasons' Tontine of 1775' (unpublished MRes dissertation, University of London, 2018); Bob Harris, 'Fantasy, speculation, and the British state lottery in the eighteenth century', in Elaine Chalus and Perry Gauci (eds.), *Revisiting the Polite and Commercial People: Essays in Georgian Politics, Society, and Culture in Honour of Professor Paul Langford* (Oxford, 2019), pp.119-135; Bob Harris, *Gambling in Britain in the Long Eighteenth Century* (Cambridge, 2022); and Anne L. Murphy, 'Lotteries in the 1690s: investment or gamble?', *Financial History Review*, 12 (2005), pp.227-246.

[22] Including John H. Clapham, *The Bank of England: A History*, 2 vols. (London, 1944); Peter G. M. Dickson, *The Sun Insurance Office 1710-1960: The History of Two and a Half Centuries of British Insurance* (London, 1960); Barry Supple, *The Royal Exchange Assurance: A History of British Insurance, 1720-1970* (Cambridge, 1970); Ranald C. Michie, *The London Stock Exchange: A History* (Oxford, 1999).

[23] Geoffrey W. Clark, *Betting on Lives: The Culture of Life Insurance in England, 1695-1775* (Manchester, 1999).

[24] Harris, 'Fantasy, speculation, and the British state lottery' and Harris, *Gambling in Britain;* Murphy, 'Lotteries in the 1690s: investment or gamble?'; Diane Clements, 'Annuity Loans and Private Credit in Britain, 1750-1813' (unpublished PhD thesis, University of London, 2022).

[25] Geoffrey W. Clark, 'Life Insurance in the Society and Culture of London, 1700-1775', *Urban History*, 24 (1997), pp.17-36.

Some of the recent work in these areas has been that focused on female financial agency, including the pioneering work of Amy Froide and Anne Laurence in considering not only trends in activity, but also undertaking detailed case studies which have been revelatory concerning the activities and motivations of the selected individuals.[26] Barbara Todd and Jessica Ayres similarly demonstrate how women made use of the saving and investment opportunities available to them, including through the Bankers' Assignments created after the Stop of the Exchequer and through the Court of Orphans.[27] Froide also shows the importance of published information sources in facilitating participation, as also discussed more widely by Natasha Glaisyer, Larry Neal and Anne Murphy.[28]

These and other studies of personal financial agency have contributed to the debate on the importance of networks, modernisation and institutionalisation within the financial sphere. Laurence for instance, explicitly challenges the view of Larry Neal and Stephen Quinn that commercial transactions were largely impersonal by the early eighteenth century.[29] She supports Bruce Carruthers' view that personal, political and religious networks were of significance in financial decision-making.[30] Murphy, even though she argues that Carruthers' sample was too small to warrant his conclusions, considers that 'for many investors [in the early financial markets], the pursuit of economic goals was accompanied by non-economic ones',[31] and also stresses the importance of human networks of information on participation in the early financial markets.[32] Similarly, Margot Finn argues that 'the history of personal debt and credit relations … underscores the inability (or refusal) of consumers, creditors,

---

[26] Froide, *Silent Partners*; Anne Laurence, 'The emergence of a private clientele for banks in the early eighteenth century: Hoare's Bank and some women customers', *Economic History Review*, 61 (2008), pp.565-586; and Anne Laurence, 'Women, banks and the securities market in early eighteenth-century England', in Anne Laurence, Josephine Maltby and Janette Rutterford (eds.), *Women and their Money 1700–1950: Essays on Women and Finance* (London, 2009), pp.46-58.

[27] Barbara J. Todd, 'Fiscal citizens: female investors in public finance before the South Sea Bubble' in Sigrun Haude and Melinda S. Zook, *Challenging Orthodoxies: The Social and Cultural Worlds of Early Modern Women* (Farnham, 2014), pp.53-74; Jessica Ayres 'Women in London's Court of Orphans, 1660-1720' (unpublished PhD thesis, University of York, 2023). I am grateful to Jessica for providing me with access to her thesis. Wider consideration of trading in Bankers' Annuities is provided in Li, 'The Stop of the Exchequer'.

[28] Glaisyer, pp.156-161; Larry Neal, *The Rise of Financial Capitalism: International Capital Markets in the Age of Reason* (Cambridge, 1990), pp.21-43; Murphy, *The Origins of English Financial Markets,* pp.89-113.

[29] Anne Laurence, 'The emergence of a private clientele'; Larry Neal and Stephen Quinn, 'Networks of information, markets, and institutions in the rise of London as a financial centre, 1660-1720', *Financial History Review*, 8 (2001), pp.7-26.

[30] Carruthers, *City of Capital*.

[31] Murphy, *The Origins of English Financial Markets*, pp.7 and 208.

[32] Ibid., pp.114-136.

lawyers and judges to endorse the 'modern' commercial concepts of economic individualism and freedom of contract'.[33] More recently Murphy has noted that even for those who conducted business at the Bank of England in the 1780s, 'relationships were mediated, and personal interactions remained important … personal connections made a difference'.[34] This thesis argues that the same was true of clients of London's West End banks.

Laurence's analysis - of clients' investment in stock via their bankers - developed out of her interest in women's agency and accordingly her work looks particularly, but not exclusively, at female clients.[35] However, in the process, and in common with Ann Carlos, Karen Maguire and Larry Neal's work on women investors in the 1720s, Laurence shifted the focus from providers of services, in her case banks, to consumers.[36] Like Froide, Laurence uses private papers to elucidate motivation in financial agency.[37]

Research into the history of credit and debt has brought valuable new perspectives to the social history of finance.[38] Craig Muldrew's ground-breaking work demonstrates the long history of sales credit and the increasing formality of credit relationships by the early eighteenth century.[39] Margot Finn explores this further in her study of personal (mostly small) debt from the mid eighteenth century onwards.[40] Common to these studies is recognition of the importance of character and reputation in assessing creditworthiness and the foundation of trust in credit relationships. Muldrew considers that the emergence and growth of financial institutions and more impersonal financial markets relatively quickly

---

[33] Margot C. Finn*, The Character of Credit*, p.2.
[34] Anne L. Murphy, *Virtuous Bankers: A Day in the Life of the Eighteenth-Century Bank of England* (Princeton NJ, 2023), p.79
[35] Other studies of female financial agency include Susan Staves: 'Investment, votes, and "bribes": women as shareholders in the chartered national companies', in Hilda L. Smith (ed.), *Women Writers and the Early Modern British Political Tradition* (Cambridge, 1998), pp.259-278; Amanda L. Capern, Briony McDonagh and Jennifer Aston (eds.), *Women and the Land, 1500-1900* (Woodbridge, 2019); and Rita J. Dashwood and Karen Lipsedge (eds.), *Journal for Eighteenth-Century Studies*, special issue on 'Women and property in the long eighteenth century', 44 (2021).
[36] Ann M. Carlos and Larry Neal, 'Women investors in early capital markets, 1720-1725', *Financial History Review*, 11 (2004), pp.197-224; Ann M. Carlos, Karen Maguire and Larry Neal, 'Financial Acumen, Women Speculators, and the Royal African Company during the South Sea Bubble', *Accounting, Business & Financial History*, 16 (2006), pp.219-243.
[37] Froide, *Silent Partners*.
[38] Julian Hoppit, 'Attitudes to credit in Britain, 1680-1790', *Historical Journal,* 33 (1990), pp.305-322; Paul, *The Poverty of Disaster*; and Wakelam, *Credit and Debt*.
[39] Craig Muldrew, *The Economy of Obligation*.
[40] Finn*, The Character of Credit.*

moved credit relationships from ones of mutual obligation to a more contractual basis in the first half of the eighteenth century.[41] Muldrew's argument rests in part on the sudden decline in financial litigation in central and local courts after 1720, whereas Finn notes that instead 'local small claims courts … proliferated throughout England from the 1740s'.[42]

Muldrew also notes that from the late seventeenth century onwards participation in government debt and investment in joint stock companies offered alternatives to investment within local communities and thereby affected credit relations.[43] However, by the early years of the eighteenth century the number of individuals who made such investments was small.[44] Dickson suggests that in 1707-9 the total number of public creditors was around 10,000, but had risen to around 40,000 by 1719.[45] However, Julian Hoppit notes that, contrary to some contemporary opinion and some later commentary, those involved in and affected by the events of the South Sea Bubble in 1720 were limited in number and came from a narrow section of society.[46] Pelham's conversion of the national debt, begun in 1749, might have been a significant long-term driver of the expansion in the number, and social diversity, of investors in public debt. Dickson suggests that by 1752 the number of owners of public debt had reached around 60,000, including many more small investors.[47]

Finn argues for the 'protracted nature and partial effects of the eighteenth-century's modernising impulses', rejecting the idea that there might have been an identifiable watershed of financial modernity during the eighteenth century.[48] Shepard contends that from the late seventeenth century onwards reputation became increasingly important in assessing creditworthiness as other signifiers became harder to assess.[49] Trust was critical in banking too. John Wordie, for example, shows how the Leveson-Gower family seem to have

[41] Muldrew, pp.328-9.
[42] Finn, *The Character of Credit*, p.15.
[43] Muldrew, pp.237-242.
[44] Muldrew, p.328; Murphy, *The Origins of English Financial Markets*, p.160.
[45] Dickson, *The Financial Revolution*, pp.262 and 273.
[46] Julian Hoppit, 'The myths of the South Sea Bubble', *Transactions of the Royal Historical Society*, 12 (2002), pp.141-165.
[47] Dickson, *The Financial Revolution*, p.285.
[48] Finn, *The Character of Credit*, p.327.
[49] Shepard, p.302.

been distrustful of London banks well into the eighteenth century.[50] In their study of the Perreau forgery case in the 1770s, Donna Andrew and Randall McGowen note that when in 1775 the apothecary Robert Perreau asked the banker Henry Drummond for 'the "favour" of a loan … he relied upon the social connections between them. He assumed Drummond would know something of his income and status from his clientele and social relations. Many of the financial transactions among the London elite were made like this, on the basis of polite requests, supported by knowledge of personal creditworthiness, in private conversations.'[51]

The work of Laurence and Finn reveals that the common view that 'changes in credit relations form an integral component of models of historical change that posit the eighteenth century as a moment of modernisation'[52] fails to take account of the enduring importance of personal relationships in financial agency. Compared with the joint stock banks of the nineteenth century, during the previous two centuries most of London's West End banks were relatively modest in scale, and their operations were underpinned by mutual assessments of trust. Laurence notes that 'Much of the business of the [Hoare's] bank and its customers, including their ventures into the stock market, took place within groups of people united by kinship, religion, and politics'[53] and that 'customers started to use the bank to extend their financial operations into an impersonal [stock] market but through highly personal networks.'[54] This thesis aims to contribute in particular to this debate by considering evidence from a range of banks and over an extended time period.

Whilst this debate has to a considerable extent been concerned with the rise of new institutions and investment opportunities, other work has looked more widely at middling and aristocratic finance. John Beckett, for instance, set out to track financial motivations and rewards in relation to the various forms of investment and credit available to the landed

[50] John R. Wordie, *Estate Management in Eighteenth-Century England: The Building of the Leveson-Gower Fortune* (London, 1982), p.274.
[51] Donna T. Andrew and Randall McGowen, *The Perreaus and Mrs. Rudd: Forgery and Betrayal in Eighteenth-Century London* (Berkeley CA, 2001), p.17.
[52] Finn, *The Character of Credit*, p.327.
[53] Laurence, 'The emergence of a private clientele', p.565.
[54] Ibid., p.585.

aristocracy.[55] He notes that 'from the second half of the seventeenth century, the condition of indebtedness among the English aristocracy became increasingly endemic'.[56] John Habakkuk's *Marriage, Debt and the Estates System* includes a valuable survey of the reasons for incurring such debt, whilst John Cannon went on to consider how, for members of the peerage, wealth and political power were linked.[57] Habakkuk's detailed work on the financial aspects of the challenges and opportunities facing the aristocracy and landed gentry in part demonstrates that financial provision in the late seventeenth century and throughout the following century was often sought and provided within families and close social networks.[58] Habakkuk also notes that this was combined with investment in government debt and the stock market. Susan Whyman's study of the Verney family also confirms the importance of such networks, including their significance in financial agency.[59] However, private lending beyond such networks could be demanding of time and attention, both in finding borrowers, assessing their creditworthiness, and ensuring that they met the terms of their loans. There was also considerable risk.[60]

Very few of these studies consider the role of banks or institutional lenders. A common finding is that, as Beckett summarised, 'the majority of the money was borrowed privately',[61] though increasingly supplemented by institutional sources.[62] In the latter respect it is notable that in the seven hundred pages of text in Habakkuk's *Marriage, Debt and the Estates System*, only a single paragraph relates to the services provided by banks 'who specialized in the business of landed families', and two paragraphs to loans by insurance companies.[63] Peter Roebuck is almost unique in such surveys of landed and aristocratic

---

[55] John V. Beckett, *The Aristocracy in England 1660-1914* (Oxford, 1986).
[56] Ibid*.*, p.295.
[57] H. John Habakkuk, *Marriage, Debt and the Estates System: English Landownership 1650-1950* (Oxford, 1994), pp.243-358; John Cannon, *Aristocratic Century: The Peerage of Eighteenth-Century England* (Cambridge, 1984), pp.126-146.
[58] Summarised by James M. Rosenheim, *The Emergence of a Ruling Order: English Landed Society 1650-1750* (Harlow, 1998), particularly pp.48-58 and 73-88.
[59] Susan E. Whyman, *Sociability and Power*.
[60] This is discussed further in Brendan Twomey 'Personal Financial Management in Early Eighteenth-Century Ireland: Practices, Participants and Outcomes' (unpublished PhD thesis, Trinity College Dublin, 2018), in particular Chapter 4, pp.141-179.
[61] Beckett, p.309.
[62] Ibid., pp.309-315.
[63] Habakkuk, pp.341-2. Habakkuk also devotes fifteen paragraphs to bankers' own purchases of land and its importance for their social acceptance and reputation, pp.432-8, 552-3 and 581-2.

finance in drawing attention to the varied use of bankers, in London and elsewhere.[64] Some biographical works on aristocrats and their families make reference to their banking arrangements,[65] or use banking records as a source.[66]

Work on the middling sort, including the professions, has often sought to define membership, lifestyle and social mobility, including, to varying degrees, consideration of wealth, income, credit and patterns of expenditure.[67] Paul Langford, in his magisterial work on polite society, touches only in passing, and in general terms, on wealth, income, investment, debt, credit, paper currency, forgery and patterns of consumption, and made virtually no reference to the rise and use of banks except in relation to the crisis of 1772-3.[68] Penelope Corfield, in looking at the power derived from the specialist knowledge of professionals as against those whose social authority was derived from land, wealth and titles (Southey's 'aristocracy of wealth'),[69] refers only briefly to financial factors.[70]

Much recent work has focused instead on the financial foundations and effects of colonialism by looking at widespread investment in stocks and annuities which funded such state activity and the wealth derived from investments and appointments abroad.[71] Other studies have surveyed broader financial behaviour in some detail. There was also a vast

---

[64] Peter Roebuck, *Yorkshire Baronets 1640-1760: Families, Estates and Fortunes* (Oxford, 1980), pp.7, 41, 100, 53 and 255.

[65] For example, Ray A. Kelch, *Newcastle – a Duke without Money: Thomas Pelham-Holles, 1693-1768* (London, 1974); Gladys S. Thomson, *The Russells in Bloomsbury 1669-1771* (London, 1940), pp.298-311; and Bernard Falk, *The Bridgewater Millions: A Candid Family History* (London, 1942), pp.99 and 101.

[66] For example, J. D. Williams, 'A Study of an Eighteenth-Century Nobleman, his House, Household and Estate: Sir John Griffin Griffin, 4th Lord Howard de Walden, 1st Lord Braybrooke, of Audley End, Essex, 1719-1797' (unpublished PhD thesis, University of London, 1974).

[67] Including Penelope J. Corfield, *Power and the Professions in Britain 1700-1850* (London, 1995); Peter Earle, *The Making of the English Middle Class*; Geoffrey Holmes, *Augustan England: Professions, State and Society, 1680-1730* (London, 1982); Margaret R. Hunt, *The Middling Sort*; and Wilfrid Prest (ed.), *The Professions in Early Modern England* (London, 1987).

[68] Paul Langford, *A Polite and Commercial People: England 1727-1783* (Oxford, 1989), pp.567-71.

[69] Corfield, *Power and the Professions*, pp.8-13.

[70] Ibid., pp.223-238.

[71] For example, Stephanie Barczewski, *Country Houses and the British Empire, 1700-1930* (Manchester, 2014); Sheryllynne Haggerty, *Merely for Money'? Business Culture in the British Atlantic, 1750-1815* (Liverpool, 2012); Katie Donington, *The Bonds of Family: Slavery, Commerce and Culture in the British Atlantic World* (Manchester, 2020); and Margot C. Finn and Kate Smith (eds.), *The East India Company at Home, 1757-1857* (London, 2018). The focus of this thesis is on how individuals engaged with banks to manage their money, and does not consider sources of wealth, such as income derived directly or indirectly from the colonial economy. In Chapter 6 the analysis of client investment activity includes a survey of the securities in which they placed their money, including those of the South Sea Company and East India Company.

number of schemes, or 'projects', which sought investors' money, though only a few delivered returns.[72] David Joslin, in the introduction to his survey of banking in eighteenth-century London, notes that one of the capital's attributes by the end of the previous century was as 'the focus for borrowers; the government, the joint-stock companies, the needy aristocrat and others all tapped here the resources which derived largely from London's metropolitan position'.[73]

However, Peter Earle found that in his sample of middle-class City residents between 1660 and 1730 investment behaviour showed a predominance of loans and mortgages ('to relatives, neighbours and West End gentry'), leases and land, as opposed to government debt and stocks, though the mix varied according to wealth.[74] He also recognises the 'ubiquity of credit', both in its provision and receipt,[75] though few in his sample borrowed from a bank, instead using pawnbrokers and money-lenders.[76] Geoffrey Holmes, drawing on Peter Dickson, notes investment by members of various professions, including civil servants.[77] Margaret Hunt, in considering contemporary attitudes to credit and debt, highlights instead the importance of the family, particularly in the financing of middling commercial activity, again pointing to the importance of relationships in financial agency.[78]

Behind much of this debt was an increased appetite for expenditure. Studies of consumption have done much to highlight the explosion of the market for material goods, services, landed property, and the construction of elegant town and country houses and gardens. They have also charted changing attitudes to consumption and luxury, and how these developments were experienced by and in turn helped to define different social groups.[79]

---

[72] Koji Yamamoto, *Taming Capitalism before its Triumph: Public Service, Distrust, and 'Projecting' in Early Modern England* (Oxford, 2018); Slack, *The Invention of Improvement*.
[73] Joslin, 'London private bankers', pp.167-8.
[74] Earle, pp.143-157.
[75] Ibid., pp.115-7.
[76] Ibid., pp.48-51 and fn.112 (p.352).
[77] Dickson, *The Financial Revolution*; Holmes, pp.259-261.
[78] Hunt, *The Middling Sort.*
[79] For example, Lorna Weatherill, *Consumer Behaviour and Material Culture in Britain, 1660-1760* (London, 1996); Neil McKendrick, John Brewer and John H. Plumb, *The Birth of a Consumer Society: The Commercialization of Eighteenth-Century England* (Bloomington IN, 1982); John Brewer and Roy Porter (eds.), *Consumption and the World of Goods* (London, 1992); Michael H. Port, 'West End palaces: The aristocratic town house in London, 1730-1830', *London Journal*, 20 (1995), pp.17-46; and Jon Stobart and Mark Rothery, *Consumption and the Country House* (Oxford, 2016).

Yet few of the authors of these studies have been concerned with the financial factors driving and supporting consumer behaviour.[80] Even more rarely has such work considered the role of the providers of financial services. Even literature on the suppliers and consumers of luxury goods and services which has utilised, and referred to, banking records, has rarely addressed the question of how those individuals' financial requirements were met by their bankers.[81]

This thesis aims to contribute to these many areas of scholarship by establishing how an increasing number of middling and aristocratic individuals used banks to meet at least some of their financial needs and aspirations. It will assess how they did so by accessing credit, through investment, or, for the majority, simply by means of the convenience afforded by the operation of a bank account. In so doing it will also assess how banks positioned themselves within a wide and increasingly diverse financial landscape.

1.4 Methodology

The thesis uses a combination of statistical analysis of client banking datasets focused on a number of common dates alongside client case studies which look at client banking activity over longer time spans and in relation to particular banking services, such as loans and investments. The case studies are used to illustrate some of the findings of, and address questions prompted by, the dataset analysis.

1.4.1 Datasets

This thesis takes three chronological snapshots as the basis for comparison of client activity between banks and over time. These snapshots cover date spans around 1672, 1730 and 1780, and are described in more detail below. Each of these snapshots comprises datasets constructed for a selection of banks. Each bank dataset has been compiled using one or more of the selected bank's surviving customer account ledgers, loan ledgers, balance books

---

[80] Though see, for example, Neil McKendrick, 'Commercialization and politics', in McKendrick, Brewer and Plumb, *The Birth of a Consumer Society*, pp.197-264, and particularly pp.203-230.
[81] Including, for example, that of David Brown and Tom Williamson, *Lancelot Brown and the Capability Men: Landscape Revolution in Eighteenth-Century England* (London, 2016); Michael J. Burden, *Impresario and Diva: Regina Mingotti's Years at London's King's Theatre*, Royal Musical Association Monograph 22 (Farnham, 2013); and Ellen T. Harris, 'Courting gentility: Handel at the Bank of England', *Music & Letters*, 91 (2010), pp.357-375.

and profit and loss ledgers. Where the relevant information survives, the datasets contain information on client activity in general, on client investments, and on client borrowing.

The datasets contain quantitative information on individual client accounts and/or loans, supplemented in some cases with qualitative information where an account contained unusual or noteworthy elements. The datasets have been compiled with a common structure to enable comparison between banks and over time, though the precise contents vary according to the information available in the source material. Appendix 1 lists the common elements contained within account and loan datasets.

The core information recorded for each client account in the client account datasets comprises the name and title or epithet of the client, the number and total value of debit and credit transactions within the dataset time span, the opening and closing balances of the account, and the turnover of the account (calculated as the higher of the total value of debit or total credit transactions). Opening and closing balances have been taken directly from the source material. Sometimes the total value of debit and credit transactions has also been copied directly from the ledgers, but often this has had to be calculated, particularly where accounts were balanced one or more times within the time span. Numbers of transactions have been counted, and turnover has been derived from the debit and credit totals.

For the loan datasets, the source material is more varied, and the core information recorded for each loan includes the following within the dataset time span: the value of the principal outstanding at the start and end of the period, the rate of interest charged, the date and value of principal of new loans, and the date(s) and amount(s) of repayment of principal and payment of interest. Where available the following have also been recorded: the original loan date for existing loans, the type of loan security, and the date of the final repayment of the loan. However, some banks consolidated existing and new loans making it difficult to track repayments of individual loans.

Table 1.1 summarises the chronological scope and activity types recorded for each dataset. As shown in the table, within each chronological period the precise date spans of the datasets varies. These differences reflect the survival and content of the source records and the impact of those factors on the extraction of client data. The early 1730s dataset for Hoare's bank, for example, covers a nine-month period (269 days) bounded by the bank's balancing of all of its client accounts on 29 September 1730 and 24 June 1731. These balances appear both in the bank's balance books, from which client names and balances were initially extracted, and in the bank's customer account ledgers, from which additional information was added to the dataset. Using existing balance figures reduces the need to calculate balances from the account ledgers, and often allows for the simple calculation of account turnover. However, where an account was particularly active it might additionally have been balanced between those dates, in which case further calculations are necessary to establish total debit and credit transactions and turnover within the period.

For the 1780s account datasets, and the 1730s Hoare's account dataset, the scope has been limited to clients with surnames A-C in order to make the data collection, transcription and analysis manageable. These datasets each represent around a quarter of the total accounts current in the relevant date spans.[82]

Each dataset has been analysed in a similar manner to provide information which can be compared over time and between banks. Some additional more detailed analysis has been undertaken for investment by Drummonds clients in 1780.

A limited set of comparative information has been collected from other sources, for example from the ledgers of the money scriveners Clayton & Morris in the 1670s and those of the Bank of England and other London banks in the 1730s and 1780s.

[82] Further detail on the sample sizes is given in Chapter 4, sections 4.1 and 4.2.

Dataset periods	Bank[83]	Dataset span dates and principal source records for client activity types	
		Bank accounts (incl deposits/investments)	**Loans**
1670s	**Edward Backwell[84]**	25 Mar 1671 – 25 Mar 1672	25 Mar 1671 – 25 Mar 1672
	Robert Blanchard[85]	1 Jan – 31 Dec 1672	1 Jan 1674 – 31 Dec 1678
1730s	**Child & Co[86]**	[Incomplete surviving records]	21 Nov 1734 - 25 Nov 1735
	Drummonds[87]	25 Mar 1731 – 25 Mar 1732	26 Mar 1731 – 25 Mar 1732
	Goslings[88]	25 Mar 1731 – 25 Mar 1732	29 Sep 1742 -1 Aug 1743
	Hoare's[89]	29 Sep 1730 to 24 Jun 1731	29 Sep 1730 - 24 Jun 1731
1780s	**Child & Co[90]**	[No surviving records]	1 Jan – 31 Dec 1780
	Drummonds[91]	1 Jan – 31 Dec 1780	1 Jan – 31 Dec 1780
	Goslings[92]	1 Jan – 31 Dec 1780	1 Jan – 31 Dec 1780
	Hoare's[93]	29 Sep 1780 – 29 Sep 1781	29 Sep 1780 – 29 Sep 1781

Table 1.1: Dataset contents

[83] Each of the banks traded under a variety of partnership names over the course of their existence. For simplicity the banks are referred to in this thesis in the forms used in this table, by which most of them came to be known by the twentieth century.
[84] Source: NatWest Group Archives (NWGA) EB/1/9 Customer account ledger.
[85] Robert Blanchard's business later continued as Child & Co. Sources: NWGA CH/194/1-4, 6 Customer account ledgers including 'Pawnes' account in CH/194/6. The date span for the loans dataset was determined by the fact that the earliest surviving Pawnes account in the customer ledgers begins in 1674 (including outstanding loans dating back to 1669).
[86] Source: NWGA CH/200 'Pawnes' account. The infrequent and irregular dates on which the Pawnes account was balanced determined the date span chosen for this dataset.
[87] Source: NWGA DR/427/11 Customer account ledger including Money Lent account.
[88] Source: Barclays Group Archives (BGA) 130-0011 - 130-014 Customer account ledgers and 0130-719 Balance book. The date span of this dataset was determined by the fact that there are no surviving balance books containing information on loans prior to 29 September 1742.
[89] Source: HBA Customer account ledgers 27-32 and H-L covering the dataset date span (later sets of ledgers are also referred to using identical alphabetical and numerical sequences) and HB/5/C/1/2 Balance ledger and HB/5/H/2 Money Lent ledger.
[90] Source: NWGA CH/203/1-3 Profit and loss ledgers.
[91] Source: NWGA DR/427/84-87 Customer account ledgers including Money Lent and Interest accounts.
[92] Source: BGA 0130-061 - 0130-064 Customer account ledgers, 0130-715 and 130-718 Balance books and 0130-667 Profit and loss ledger.
[93] Source: HBA Customer account ledgers 97-100, 1-11, G and Little Ledger covering the dataset date span, HB/5/C/2/1 Michaelmas papers and HB/5/H/5 Money lent ledger.

1.4.2 Case studies

In order to set the findings from the datasets in context a number of case studies have been compiled. These are used to illustrate particular forms of client activity in more depth, to place banking within the context of a client's wider life, and to show how an individual client's activity could change over time as their needs and circumstances altered. The case studies also help to show the variety in the forms of client banking activity, and how clients and bankers engaged with each other. Whilst the case studies do not attempt to portray typical clients, they do illustrate most of the common features of such client banking over the period studied in the thesis. The case studies draw both on additional banking records and on other types of record, including correspondence and secondary literature, and most have been chosen in part because there is relevant primary or secondary source material.

The banking engagement of the following clients, presented below in chronological order of the start of their banking relationship, is examined at various points throughout the thesis. Many of these clients are familiar to us today, but the majority of them were not widely known when they began their banking relationships. Their banking activity has received little, if any, attention.

Samuel Pepys, naval official and diarist (1633-1703): client of Edward Backwell 1660-1672, and of Richard and Henry Hoare 1680-1703

Pepys' engagement with a number of goldsmiths and goldsmith-bankers is examined in Chapter 3 using the evidence contained in his diary entries alongside that in the few surviving contemporary ledgers of Edward Backwell and of Richard and Henry Hoare.

Pepys was a banking client both before and after the Stop of the Exchequer in 1672. He used the banking and goldsmithing services of both City and West End bankers. The surviving records show only intermittent use of banks. Whilst it is impossible to know whether he also used other banks during his lifetime, his known banking experience demonstrates how a single client might use banks both for business and personal purposes. Pepys's own words demonstrate some of his financial worries, and he considered it prudent to have to hand a considerable quantity of coin at home. His experience illustrates the difficulty that might have faced London's bankers at that time when attempting to convince potential clients to entrust them with money, and also the ways in which clients might assess risk.

Rev Dr Charles Briscoe, clergyman (1699 – 1748): client of Hoare's bank 1724-1747

Charles Briscoe's interaction with his bankers Hoare & Co can be tracked through both his account in the ledgers of Hoare's Bank and the surviving correspondence that he sent to the bank. Briscoe's banking experience demonstrates a client's use, at different times during his banking relationship, of a variety of services provided by his bankers. The ways in which he did so, and the ways in which he instructed his bankers from a distance, are outlined in Chapter 4, and his investment activity is considered in further detail in Chapter 6. His use of his bankers to supply plate and jewellery demonstrates that bankers continued to offer such services for much of the first half of the eighteenth century. Briscoe's account also illustrates the fact that many bank clients managed their finances in multiple ways, in his case involving investment in the lottery and public debt and through peer-to-peer loans. Briscoe started banking in his mid twenties, initially as executor to his father, but like many others he continued with the same bankers thereafter, in his case until shortly before his death.

Mary Delany, correspondent and artist (1700-88): client of Goslings 1747-88

Mary Delany's account offers an opportunity to examine the banking activity of a female client, and one whose circumstances changed considerably over the duration of her bank relationship. Delany opened her account when she was in her late forties, and chose to use Goslings, where her brother had banked for over ten years. She began her banking relationship with the Fleet Street bank a few years after her second marriage, but her husband did not have his own account at the bank, and so her account illustrates how a married woman could operate her own account. Following her widowhood around twenty years later, in 1768, the pattern of her banking activity changed considerably, as outlined in Chapter 4, demonstrating how clients might adapt their use of a bank to reflect changes in their circumstances. Delany continued to bank with Goslings until her death. The ways in which Delany used her account in relation to her investments is considered in Chapter 6.

Edward Gibbon, historian and MP (1737-94): client of Goslings 1766-1794

Edward Gibbon began his banking relationship with Goslings in his late twenties when he and his father borrowed £15,000 from the bank. Gibbon had complex financial affairs, mostly as a consequence of his father's mismanagement of the family property. Goslings were heavily involved in his attempts to resolve his financial problems. The published correspondence of Gibbon, mostly with his friend John Baker Holroyd, later Lord Sheffield, provides a unique insight into a client's dealings with, and attitude towards, his bankers. His letters are used in Chapter 5 to illustrate how borrowers and bankers interacted with each other. Gibbon's banking activity, outlined in Chapter 4, changed considerably over the course of his life, as he moved from a situation of indebtedness to one in which he enjoyed considerable wealth, and as from the autumn of 1783 he lived mostly in Lausanne. In later life he was in a position to invest in public and other debt, partly on the advice of Holroyd, as summarised in Chapter 6.

Shorter case studies in Chapter 5 contrast the patterns of bank borrowing in 1780 of three providers of luxury services to middling and elite society: the architect Henry Holland junior (1745-1806), the architect and landscape designer Lancelot 'Capability' Brown (1716-1783) and the composer and performer Johann Christian Bach (1735-1782). A brief summary of borrowing by the 3rd Duke of Bridgewater indicates that potential borrowers sometimes also had to look beyond banks to meet their needs.

1.5 Sources

The principal sources for this study are those which were created by the banks whose client activity is studied, but these are supplemented by a variety of other sources, as described below.

1.5.1 Sources created by banks

Much of the work on the growth of banking in London has relied on the surviving records of banking firms. These records were originally created, for the most part, by firms which themselves were successful and have continued in business to the present day, either in their own name (Hoare's bank) or whose business was acquired by another bank whose business successors have survived to this day.[94] There are relatively few records relating to the clienteles of those firms which were unsuccessful or which for other reasons were short-lived.[95] The records of Edward Backwell are an exception, being those of a goldsmith-banker who was eventually forced into bankruptcy. This thesis is dependent on those same extant records, and its findings are therefore subject to the caveat that there may therefore be a degree of survivor bias in the sources.[96]

All of the bank archives are served by relatively small staff teams, and most sit within commercial banking companies whose priorities and procedures during the pandemic resulted in the long closure of their archives. Work started on this thesis in January 2020, but all of the bank archives closed to the public in March 2020. The first to re-open did so only in July 2021, and the last opened its doors in February 2022.

With the exception of a few small records series, when the research for this thesis was undertaken none of the banks had digitised their archives, and therefore none were available to consult online. Whilst bank archives staff were available to answer enquiries about their holdings, many staff did not themselves have access to their own archives for many months, and in a couple of cases for over a year. The customer ledgers of three seventeenth- or eighteenth-century banks had been microfilmed.[97] There were existing scans of one of these sets of ledgers, those of Edward Backwell (1663-1672), and the relevant archivists arranged to prepare these scans for access online. The first set of these scans became available in March 2021. This allowed for detailed work on client accounts to begin. Arrangements were also made to commission scans for the author's use of selected ledgers from the other two microfilmed series (for ledgers of Robert Blanchard, later Child & Co, and those of Drummonds), the cost of which was supported by the Friends of the IHR.

---

[94] John Orbell and Alison Turton, *British Banking: A Guide to Historical Records* (Aldershot, 2001), provides the most recent survey of extant banking records. Brief reference to the records of other banks not studied in detail in this thesis is provided in section 1.2 above.
[95] For example papers relating to the bankruptcy of the merchants and bankers Thompson & Co, described in Mabel Winter, *Banking, Projecting and Politicking in Early Modern England: The Rise and Fall of Thompson and Company, 1671-1678* (Cham, Switzerland, 2022); and a sole surviving letter book (covering 1730-33, Westminster City Archives 0762) of the Pall Mall banker John Ewer, who was declared bankrupt in 1735, which is referred to by Frank T. Melton, 'Deposit banking in London', pp.42-44.
[96] Survivor bias is also acknowledged by Temin and Voth, *Prometheus Shackled*, pp.7, 22 and 43.
[97] All held by NatWest Group Archives, and all are now digitised.

However, technical problems and restrictions on travel between Scotland and England during the pandemic meant that the first of these scans were not completed and supplied until May 2021. Once received, they provided a substantial further tranche of records from which evidence of client banking activity could be extracted prior to the re-opening of the banks' archives to researchers.

When they re-opened their search rooms, many archives did so with restricted visiting hours, and some had long waiting lists for appointments, often stretching to at least one and sometimes many months after the date on which they first reopened. Where train or tube strikes resulted in the cancellation of research trips there were sometimes long waits before the next available opportunities. The construction and composition of the datasets referred to below was therefore in part determined by the speed of access to records, and it was necessary to accept that some archives could not be included. The records of Coutts, for instance, have not been used in this study, and those of another West End bank, Cocks, Biddulph & Co, have only been consulted briefly for comparative purposes. Nevertheless, the final selection of records is sufficient to address the questions posed in this thesis.

For the purposes of this study the most relevant records are customer account ledgers, loan ledgers, balance books and profit and loss books, though many other bank records have also been utilised. Clients' loans were mostly recorded in separate records series to those used for clients' bank accounts, though the latter might also contain some loan transactions. Most banks recorded clients' investment transactions within client account ledgers, rather than in separate investment books.

Table 1.2 summarises the survival of the key record types for each of the West End banks studied in this thesis. These record series are mostly complete but in some cases there are gaps within a record series. The customer account ledgers of Robert Blanchard and his successors Child & Co, for instance, survive for the periods 1663-1733 and 1749-1755 only, but are not complete within either of those spans.

Record Type	Edward Backwell[98]	Child & Co[99]	Drummonds[100]	Goslings[101]	Hoare's[102]
Customer account ledgers[103]	1663-1672	1663-1733, 1749-1755	1717-1815	1712 onwards	1673 onwards
Loan ledgers/accounts	[1663-1672]	1674 onwards	1717-1815	1717 onwards	1696 onwards
Balance books[104]		1685 onwards		1742 onwards	1719 onwards
Profit and loss books/accounts[105]		1756 onwards		1727 onwards	[1696 onwards]

Table 1.2: Surviving records of the banks included in datasets

The format and content of each of these record types varies between banks, and sometimes also over time. This can be seen, for example, in the ways in which loans were tracked and recorded. Some banks maintained running accounts containing all client loans and repayments whilst other banks used loan account ledgers to record individual loans or client borrowing activity separately. Some banks used both systems, or moved from one method to another over time. Interest on loans was sometimes recorded additionally, or alternatively, in profit and loss books. Some of these transactions might also appear in the borrower's bank account in the customer account ledgers. Further commentary on, and images of extracts from, the above record series are provided in Appendix 2.

98 Details of Backwell's loans appear within client accounts in the customer account ledgers. Earlier and later customer account ledgers once existed, but no longer survive.

99 Earlier and later customer account ledgers of Child & Co once existed, but no longer survive. Loans were recorded in a variety of accounts in the customer account ledgers, most of which were headed 'Pawnes' or 'P'. The bank moved to recording individual loan accounts within its profit and loss ledgers from 1756.

100 Drummonds customer account ledgers continue beyond 1815 (one year per decade only). A Money Lent account tracking loans is contained within the annual sets of customer account ledgers.

101 Earlier ledgers of Goslings once existed but no longer survive. The bank maintained separate loan ledgers, which have not survived, but six-monthly summaries of loans appear within the balance books and transactions relating to loans also appear in the profit and loss books and customer account ledgers.

102 Loans are additionally recorded in private ledgers from 1702 onwards, and also in a 20th century transcript of a no longer extant private ledger 1677-85. Profit and loss accounts appear in the loans ledgers.

103 Within the dates shown the customer account ledgers are incomplete for all banks except Drummonds, though those for Goslings are complete from 1725, and those for Hoare's are complete from 1694 onwards.

104 Balance books contain periodic balances of individual client loans.

105 Profit and loss books contain transactions relating to loans, mostly recording receipt of interest on customer loans.

In addition to these principal record series, separate records relating to investments, to individual clients, and correspondence from clients or copies of letters to clients, have also been used where available, and these are referenced in the following chapters.

1.5.2 Other sources

Sources for the further identification of clients

Most bank records relating to clients and their business identify clients solely by their name and sometimes also by title or epithet. Occupations are rarely noted except in the case of clergy, medical doctors or military officers. Locations are occasionally recorded, often to distinguish between clients sharing the same name. Client titles and epithets tend mostly to be included in records which a client was expected to be able to see, such as customer account ledgers, and it is likely that they are the titles by which the client wished to be known and addressed.

Given the number of clients whose activity features in the datasets,[106] it is beyond the scope of this thesis to track all of them in other sources in order to identify their locations or occupations. However, for some sample sets of clients such identification has been attempted, using a range of sources. These include *Oxford Dictionary of National Biography*, *History of Parliament*, *Clergy of the Church of England database*, London directories and wills. For the 1670s datasets Hearth Tax records (accessed via *British History Online*) and the Centre for Metropolitan History Merchants Database have also been used to identify locations, and in the latter case occupations. For selected eighteenth-century datasets stock ledgers at the Bank of England (government annuities and Bank Stock) and the British Library (East India Stock) have been used for a similar purpose.[107]

Sources for comparative purposes

Customer ledgers and ledger indexes of the following providers of banking services have been used to compare against the clienteles of the West End bank datasets: Bank of England; the money scriveners Clayton & Morris; the merchants and bankers Thompson &

[106] 4,084 individuals, who held a total of 3,901 customer accounts (the number of individuals does not include those borrowers who did not hold an account with the lending bank in the sample period).
[107] Details of these sources are provided in Chapter 2, sections 2.2.2 and 2.3.2.

Co; the West End bankers Biddulph & Cocks, and Coutts; and the City bankers Lefevre, Curries, James & Yallowley and Cornewall, Staples & Watts.[108]

Sources for case studies and examples

A variety of sources additional to those referred to above have been consulted in the preparation of case studies and other examples of client banking engagement. These include secondary literature, edited collections of correspondence, and personal papers of clients, including personal accounts, bank pass books, and correspondence with bankers.

1.6 Chapter structure

Following this Introduction, the thesis continues (Chapter 2) with a brief overview of the development of banks and banking in London, in which the importance of studying clients and their banking behaviour is highlighted. The thesis then moves on to explore the identity of selected banks' clienteles, and how that varied by bank and over time. Clients' engagement with those banks is in turn examined by looking first at banking activity in general (Chapters 3 and 4) and then at client borrowing (Chapter 5) followed by client saving and investing (Chapter 6). This service-driven structure is derived from the forms of evidence provided in the banks' account and loan records. The thesis format therefore reflects what bankers thought it important to record, and how bankers and their clients might have categorised the various components of their banking engagement. The ordering of the chapters in the thesis is designed to demonstrate in turn, and cumulatively, how each of those components were important in the development of a culture of banking, and how far that was underpinned by personal relationships between clients and bankers.

The chapters vary in length, according to the period covered and the nature of the evidence presented. Chapter 3, for example, focuses on only one time period, the 1670s, and is therefore shorter in length than Chapter 4 which covers two, the 1730s and 1780s. Chapter 5, which concerns borrowing, is longer than Chapter 6, relating to saving and investing, as borrowing offers more scope to examine the nature of the interaction between clients and bankers than saving or investing.

---

[108] References to the relevant bank ledgers and other sources are given in Chapter 2, sections 2.2.2 and 2.3 2.

Chapter 2 - London banks and their clients

This chapter is comprised of two main sections, the first (2.2) relating to the 1670s, the second (2.3) focusing on the eighteenth century. Each section begins (2.2.1 and 2.3.1) with a review of the development of banks and the activity of bankers in London, mostly derived from secondary literature. Section 2.2.2 provides an analysis of identity of bank clienteles in the 1670s, and section 2.3.2 contains a similar analysis for both the 1730s and the 1780s. It is argued in the concluding section (2.4) that whilst banks were not the only providers of financial services in the late seventeenth and eighteenth centuries, the number of clients they served grew considerably, particularly between 1730 and 1780. Most of these clients were from the elite and middling sort, but each bank attracted a somewhat different mix of clients in which at least one particular client group was prominent or distinctive, for instance army agents at Drummonds, lawyers at Child & Co and Hoare's, and those connected with the print trade at Goslings. It is argued that banking had become the norm for elite and the wealthier middling sort by 1780.

Chapter 3 - Client banking in the 1670s

In this and the following chapter the extent and nature of client banking activity and the durations of banking relationships are examined.

This chapter looks in detail at how clients used banks over the course of a single year during the 1670s or 1680s. The first section (3.2) reviews levels of banking activity measured by the turnover and number of transactions contained within client accounts, both in aggregate and on average. The focus then shifts to consider (3.3) the different types of banking activity undertaken by clients, contrasting the wide range of services provided by the Lombard Street goldsmith-banker Edward Backwell with the smaller mix offered in Fleet Street by Robert Blanchard. The following section (3.4) looks at balances on client accounts at the start and end of the sample periods, further demonstrating how different groups of clients managed their accounts in contrasting ways. This is followed by an examination of account longevity and consistency (3.5), indicating that whilst some clients developed long-term banking relationships, many clients made sporadic and intermittent use of banks and that some clients used the services of multiple banks. A case study examining the banking activity of Samuel Pepys (3.6) illustrates the findings of this chapter, highlighting the fact that he turned to a range of goldsmiths and goldsmith-bankers for separate services, and that his banking activity was confined to a series of relatively short periods. The chapter concludes (3.7) by arguing that in the 1670s banking was in a state of flux as different providers of banking services tested a variety of banking models. It is proposed that the Stop of the Exchequer led to the demise of one particular form of banking business, but that experimentation and learning for bankers and clients would continue into the early decades of the next century.

Chapter 4 - Client banking in the 1730s and 1780s

This chapter follows a similar pattern to the previous chapter, but in this case considers client banking for two sample periods, the early 1730s and early 1780s. The chapter begins (4.2) by looking at trends in the volume of the banks' client business during the eighteenth century. It is demonstrated that the dramatic rise in the amount of client business handled by the banks was a product not only of increasing bank clienteles, but also reflects the increasing volume of business undertaken by those clients. The chapter then moves on to look in more detail at levels (4.3) and broad types (4.4) of client activity, before considering client account balances (4.5). It is argued that in maintaining credit account balances clients were demonstrating an appetite for convenience, keeping their money on account ready to withdraw or spend as they desired or required. As the next section (4.6) demonstrates, at the same time clients also had access to a wide range of other services, most of which they could access at their convenience, and which were provided free of charge, or at cost price, by their bankers.

The chapter then reviews client account longevity (4.7), showing that in both the 1730s and 1780s many clients had relationships with particular banks which lasted for one or more decades. A series of case studies follows (4.8), looking at the overall banking engagement of three clients: Rev Charles Briscoe, Mary Delany and Edward Gibbon. These examples together demonstrate the variety of banking experience among clients, but also show how individual clients' banking activity could vary over time as the circumstances of life changed. The chapter concludes (4.9) by noting that all of these clients, and numerous others, used multiple banking services, reflecting the fact that many banking relationships in the 1730s and 1780s involved much more than simply making payments from, and receiving monies into, a bank account, and went beyond a simple banking habit. It is argued that this access to a suite of services, provided and mediated through personal relationships between bankers and their clients, amounted to a culture of banking.

Having considered banking activity in the round, Chapters 5 and 6 focus on two particular types of banking activity across the time span of the thesis: borrowing, and saving and investing. Apart from operating a bank account, these were the two most popular services accessed by clients throughout the period of study.

Chapter 5 - Client borrowing

This chapter begins (5.2) by surveying trends in lending by banks during the eighteenth century, and its importance to banks' income and profitability. By plotting borrowing against aggregate client balances it is demonstrated that levels of borrowing changed in step with balances. It is argued that client balances had more impact on the ability and appetite of banks to lend than other factors such as partners' capital. Although client balances and borrowing increased significantly over the course of the eighteenth century, they did so in a relatively steady manner, reflecting a cautious approach to growth on the part of bankers.

There follow detailed reviews (5.3) of the nature of client borrowing in the 1670, 1730s and 1780s, demonstrating the significant difference between borrowing in the 1670s and that in the eighteenth century. The limits to bank lending are considered in a short survey of borrowing by the 3rd Duke of Bridgewater. A series of short case studies (5.4), looking at loans granted to Henry Holland junior, Lancelot 'Capability' Brown and Johann Christian Bach, highlight the varied nature of borrowing in 1780. The chapter then examines (5.5) how borrowers and bankers engaged with each other with regard to lending, looking in particular at the experience of Edward Gibbon. The chapter concludes (5.6) by noting that the flexibility and variety of bank lending was uniquely made possible by existing banking relationships between lenders and borrowers, but that client demand for borrowing often outstripped bankers' willingness to lend.

Chapter 6 - Client saving and investing

This chapter follows on from the previous one by focusing on a particular aspect of client banking, namely saving and investing, over the period covered by the thesis.

The chapter looks first (6.2.1) at saving through banks in the 1670s, focusing in particular on client deposits with Edward Backwell. It is noted that the provision of interest on deposits was reliant on lucrative bank lending to the Crown, but that after the Stop of the Exchequer in 1672 the opportunity to earn income in this way soon disappeared. The focus then shifts to examine and compare the extent and nature of client saving and investing in the 1730s and 1780s (6.2.2), which was mostly undertaken through participation in public debt. The analysis of client investment activity reveals that there were significant variations between banks and over time, reflecting a degree of specialisation within the banking system. The chapter continues (6.3) with a more in-depth look at client investment at one particular bank, Drummonds, in 1780. This confirms findings earlier in the chapter that the majority of clients elected to put their money into low-risk public debt, and that they were looking for income rather than capital gain. They were saving rather than investing. A series of short case studies (6.4), looking at the investment activity of Rev Charles Briscoe, Mary Delany and Edward Gibbon, demonstrate again the variety of client behaviour. In conclusion (6.5), it is noted how banks eased, and made convenient, the investment process for clients who were not willing, able, or sufficiently confident, to participate in the impersonal investment markets themselves. Banks appear to have fulfilled all of their clients' requests. The banks must have considered it worth meeting this demand, at some cost in time to themselves, in order to attract and retain clients whose account balances they could put to work. In doing so, banking relationships were continued and strengthened, underpinning the culture of banking.

Chapter 7 - Conclusion

The Conclusion draws together the findings from the earlier chapters to contend that by 1780 there had developed among the elite and wealthier middling sort a 'culture of banking'. At its heart were banking relationships between clients and bankers which often stretched over many decades, and increasingly, within families, over multiple generations. The precise ways in which these relationships played out in clients' banking experience varied greatly, but often they were based on personal interaction between clients and their bankers. For the majority of clients the culture of banking was about convenience. Their banks offered easy access to range of familiar, mostly straightforward, safe and flexible services which clients increasingly found it necessary to take up. For many clients banking extended beyond the operation of a bank account, or the development of a banking habit. It was an ongoing relationship which enabled them to fulfil a multiplicity of their financial needs.

Chapter 2 - London banks and their clients

2.1 Introduction

Chapter 1 outlined the broad changes in personal financial activity over the period covered by this study. It noted an increasing range of options available to individuals, through a variety of financial markets and providers, and also a general broadening of access to such services. The focus in this chapter is on both the transformation in the banking landscape in London over the same period and on the clienteles that some of those banks served.

The thesis as a whole will consider in detail the range of banking services utilised by clients, and the ways in which those services and their use changed over time and varied between banks. To provide a context for that analysis and discussion, this chapter examines the development of banks themselves, in terms of their numbers and activities, and also considers the identity and the increasing number of their clients. It presents for the first time a structured analysis of the identity of banking clients, and in particular their gender and status. By focusing on clients in three sample periods – the 1670s, 1730s and 1780s - the findings also allow for comparisons over time.

Section 2.2 considers London banks and their clients in the late seventeenth century. It is shown that at this time banking was in a state of flux, featuring a variety of banking models. The survey of banks in section 2.2.1 demonstrates this volatility, and notes trends in the numbers of banks, including the effects of the Stop of the Exchequer on the development of banking. Section 2.2.2 focuses on banks' clienteles, comparing the number, gender, status and location of clients of five different providers of banking services. It is clear that there was considerable demand for banking services, and that, in contrast to mainland Europe, the banks served a diverse range of clients. Section 2.3 presents a similar analysis of London banks and their clients in the 1730s and 1780s, focusing in particular on the West End banks. It is demonstrated in section 2.3.1 that after 1730 a more stable, and expanding, banking system emerged as an increasing number of banks became long-term concerns. At the same time, as shown in the section that follows, there was a substantial rise in the number of banking clients. It is demonstrated that whilst the West End banks increasingly served men and women from similar range of social status, each bank also attracted one or more distinct groups of clients. Section 2.4 concludes the chapter, contending that by 1780 banking had become commonplace among elite and wealthier middling society in London and beyond.

2.2 Banks and banking clients in seventeenth century London

This section begins with an overview of the development of banking in London in the late seventeenth century.[1] An analysis of the clienteles of five banks during the 1670s and 1680s illustrates the varied and extensive reach of banks at a pivotal moment in the history of banking in the capital and, indeed, in England.

2.2.1 Banks and bankers

The story of modern banking in England and Wales has its origins in the rapid rise of goldsmith-bankers in London in the mid seventeenth century and the simultaneous development of deposit banking by a small number of money scriveners.[2] During the 1660s and early 1670s a small group of the goldsmith-bankers focused on lending to the Crown, through which they developed extraordinarily large and profitable businesses. However, such a reliance on a single dominant income stream was also the cause of the collapse of many of their businesses following the Stop of the Exchequer in 1672, in which Charles II suspended payment of interest on a form of government debt held mostly by a group of London goldsmith-bankers.[3]

---

[1] In this section, and the following sections, reference is made to general surveys rather than histories of individual banks. The latter are mostly histories commissioned by the banks themselves or their successor companies, some of which will be referenced in subsequent chapters.

[2] As noted by Winter and Judges, the historiography of early banking is dominated by work on goldsmith-bankers, and Winter notes that one effect of this might have been to obscure other contemporary modes of banking provision: Mabel Winter, *Banking, Projecting and Politicking in Early Modern England: The Rise and Fall of Thompson and Company, 1671-1678* (Cham, Switzerland, 2022), pp.6-10; A. V. Judges, 'The origins of English banking', *History*, 16 (1931), pp.138-145. A succinct summary of the development of banking is given in John Orbell and Alison Turton, *British Banking: A Guide to Historical Records* (Aldershot, 2001), pp.1-12. Key sources, from an extensive list, surveying the history of banking include Youssef Cassis and Philip L. Cottrell, *Private Banking in Europe: Rise, Retreat, Resurgence* (Oxford, 2015), particularly pp.29-38, 42-63; Ranald C. Michie, *British Banking: Continuity and Change from 1694 to the Present* (Oxford, 2016), pp.16-69; Gareth D. Turner, 'English Banking in the Eighteenth Century: Bankers, Merchants and the Creation of the English Financial System' (unpublished MLitt thesis, University of Durham, 2015), particularly pp.30-48 and 76-94, including a detailed summary of the literature on the history of banking; Frank T. Melton, *Sir Robert Clayton and the Origins of English Deposit Banking* (Cambridge, 1986), particularly pp.16-39, 207-227 and 233-242; Richard D. Richards, *The Early History of Banking in England* (London, 1929); David M. Mitchell, *The Wider Goldsmiths' Trade in Elizabethan and Stuart London* (London, 2024), pp.335-348; and Winter, pp.57-58.

[3] For the Stop of the Exchequer see Richards, *The Early History of Banking in England*, Chapter 3, pp.65-91; Richard D. Richards, 'The "Stop of the Exchequer"', *Economic History: Supplement to the Economic Journal*, 2

Many of the first generation of goldsmith-bankers, including for example Edward Backwell and Robert Vyner, had begun to diversify into banking in the 1650s. Whilst they were trained as makers of plate and jewellery, most of those who became goldsmith-bankers turned instead to the retail trade, conducted from their ‘shops’. They bought and sold items, accepted commissions and arranged for repairs or refashioning of existing items, sub-contracting the work to other makers. They also accepted items for safe deposit and lent to clients against deposited plate and jewellery, or lent to enable clients to purchase such items. Many of the earliest goldsmith-bankers were also involved in the bullion trade, currency arbitrage and some undertook government contracts in relation to the coinage. They were trusted to handle items of high value. As they moved into providing banking services, they often dealt in part with the same personal and institutional clients, and as will be demonstrated in later chapters, individual clients might turn to them for their help both as goldsmiths and as bankers. At the same time, they expanded their clientele beyond those who required services relating to plate and jewellery, providing their new clients with safe deposit of cash, new means of payment, and loans.[4]

This gradual transformation continued with the second generation of goldsmith-bankers, including for example Francis Child and Richard Hoare. Sometimes seventeenth-century bankers worked in partnership, but rarely with more than two other partners. These goldsmith-bankers were often supported by a small number of assistants, including clerks and apprentices.

Whilst most of London’s early banks grew out of the business of goldsmiths, the goldsmith-bankers were, as David Joslin observes, only one group ‘among a whole host of financial intermediaries, scriveners, brokers and merchants’. Joslin cautions that the role of those other players in the market ‘may be underestimated because their lineal descendants are either less significant in monetary history or less easy to single out’.[5] Frank Melton’s detailed

(1930), pp.45-62; and J. Keith Horsefield, ‘The “Stop of the Exchequer” Revisited’, *Economic History Review*, 35 (1982), pp.511-528.

[4] Further information on early goldsmith-bankers is provided in Frederick G. Hilton Price, ‘Some notes of the early goldsmiths and bankers’, *Transactions of the London & Middlesex Archaeological Society*, 9 (1881), pp.225-281.

[5] David M. Joslin, ‘London private bankers, 1720-1785’, *Economic History Review*, 7 (1954), pp.167-186 (p.168).

exploration of the lending and loan-broking activities of the scriveners Clayton & Morris, and Mabel Winter's study of the banking activities of the merchants Thompson & Co illustrate this diversity in the late seventeenth century provision of financial services.[6]

The emergence of banks in the late seventeenth century went hand in hand with the development, and widespread use for the first time in England, of new forms accounting and of paper money.[7] Most important among the latter for personal clients were the bank note and the drawn note, the latter a forerunner of the cheque. A key accounting change was that bankers stopped tracking their use of individual client deposits, but instead simply added client deposits to the pool of funds to which they had access at any point in time. As Melton notes, in this way deposit banking emerged. As long as the banker was able to satisfy client demands for withdrawals at a particular moment, they could use a portion of the deposits for their own investments, for instance in loans on mortgage in the case of Clayton & Morris, or in loans to the Crown in the case of goldsmith-bankers such as Edward Backwell or Robert Vyner. Their clients certainly had no knowledge of how their particular deposits were being used. It is not clear how many clients had much idea of, or indeed interest in or curiosity about, how deposits in general were being used, though the rapid turnover of banks might have made them cautious. Melton argues that Clayton & Morris deliberately obscured evidence of such usage in their account books to keep it secret.[8]

---

[6] Melton, *Sir Robert Clayton*; Winter, *Banking, Projecting and Politicking*; Donald C. Coleman, 'London scriveners and the estate market in the later seventeenth century', *Economic History Review*, 4 (1951), pp.221-230.

[7] Basil S. Yamey in 'Some seventeenth and eighteenth century double-entry ledgers', *Accounting Review*, 34 (1959), pp.534-546. Some forms of double-entry accounting were in use well before the seventeenth century, as described in Alan Sangster, 'The emergence of double entry bookkeeping', *Economic History Review* (2024), online early view of article, https://doi.org/10.1111/ehr.13358, accessed 25 May 2024. There were numerous, and varied, guides to double-entry bookkeeping, as considered in J. G. C. Jackson, 'The history of methods of exposition of double-entry book-keeping in England' in Ananias C. Littleton and Basil S. Yamey (eds.), *Studies in the History of Accounting* (London, 1956), pp.288-312. For new forms of paper money see Richards, *The Early History of Banking in England*; J. Milnes Holden, *The History of Negotiable Instruments in English Law* (London, 1955); Richard D. Richards, 'The evolution of paper money in England', *Quarterly Journal of Economics*, 41 (1927), pp.361-404; J. Keith Horsefield, 'The beginnings of paper money in England', *Journal of European Economic History*, 6 (1977), pp.117-132; and Stephen Quinn, 'Money, finance and capital markets' in Roderick Floud and Paul Johnson (eds.), *The Cambridge Economic History of Modern Britain. Vol. 1: Industrialisation, 1700-1860* (Cambridge, 2004), pp.147–174.

[8] Melton, *Sir Robert Clayton*, pp.49-51.

However, goldsmith-bankers' investment of deposits in Crown debt was possibly less of a secret to at least some of their clients given that some of that debt was purchased from individual holders who themselves were clients. Even so, it is unlikely that all, or even many, of the clients of the early bankers fully understood the potential risks to the security of their deposits.[9] When those risks materialised, as they did in 1672, and in many bankers' failures thereafter, clients stood to lose at least part of the value of their deposited funds.

The goldsmith-banking model prior to 1672, based on a specific form of Crown borrowing, had proved to be too risky. Other forms of business model, such as that of the merchants and bankers Thompson & Co, whose business failed in 1678, by which customers' deposits were used both to lend to other customers and to fund the partners' merchant activities, had not proved any more dependable.[10]

The disappearance of the leading players in the early banking market in 1672 meant that the banking landscape in London was re-set, and the market opened up to new entrants. Over the next fifty years many goldsmiths tried their hand at diversifying into banking, albeit with mixed success. Many of these firms were short-lived. During the mid and late seventeenth century others such as scriveners and merchants experimented with alternative banking models, but with no lasting legacy.[11] During the late seventeenth century there were numerous calls and proposals for the establishment of national banks, out of which arose the formation of the Bank of England in 1694, itself a provider of banking services to personal and institutional clients in addition to its role in state finance.[12]

---

[9] However, Winter argues that clients of Thompson & Co entered into a 'tacit contract' with the firm, in which they understand the terms of fractional reserve banking, such that the firm could use customers' deposits for their own trading purposes and to lend to others, and also that customers should not join together to simultaneously demand back their funds and force a run on the firm. Winter, pp.44-45.

[10] Winter, p.44.

[11] As noted by Winter, pp.61-64. See also Frank Kelsall and Timothy Walker, *Nicholas Barbon: Developing London, 1667-1698* (London, 2022), pp.141-149.

[12] J. Keith Horsefield, *British Monetary Experiments 1650-1710* (London, 1960); Peter G. M. Dickson, *The Financial Revolution in England: A Study in the Development of Public Credit, 1688-1756* (London, 1967, reprinted with new introduction: Aldershot, 1993), pp.15-26; Anne L. Murphy, *The Origins of English Financial Markets: Investment and Speculation before the South Sea Bubble* (Cambridge, 2009), pp.39-43; Carl Wennerlind, *Casualties of Credit: The English Financial Revolution, 1620-1720* (Cambridge MA, 2011), pp.92-122; Paul Slack, *The Invention of Improvement: Information and Material Progress in Seventeenth-Century England* (Oxford, 2014), pp.182-3; Steve Pincus and Alice Wolfram, 'A proactive state? The Land Bank, investment and party politics in the 1690s' in Perry Gauci (ed.), *Regulating the British Economy, 1660-1850* (Farnham, 2011), pp.41-62.

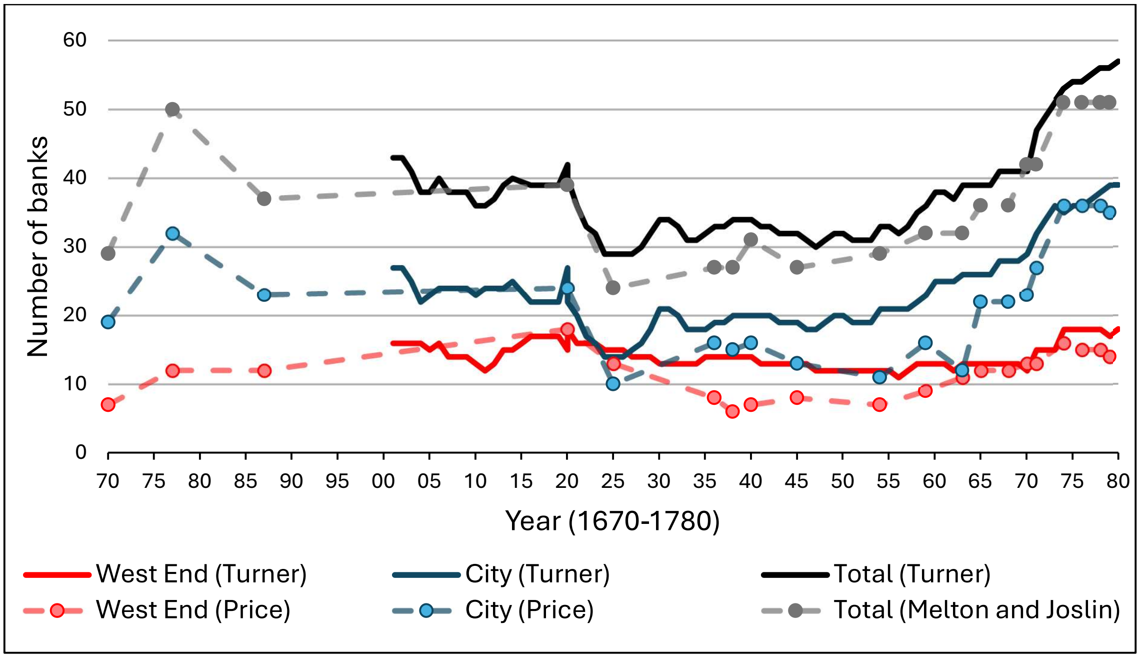


Chart 2.1: London bank numbers, 1670-1780

Chart 2.1 shows the number of bankers in London between 1670 and 1780. The totals for the West End and City banks are based on the evidence, partly derived from published directories, collected by Hilton Price, with total numbers of banks as modified by Frank Melton, David Joslin and Gareth Turner.[13] The first attempt to comprehensively track the existence and histories of individual London banks and bankers in early modern London was made in 1876 by Hilton Price in his *Handbook of London Bankers*, a work he revised in 1890-1. However, whilst these figures demonstrate the variable total numbers of bankers in the capital over time, they do not fully reveal the rapid turnover in those offering banking services.

Overall, Melton concludes that there were, according to one or more of Price's lists as adjusted with other known information, at least 93 separate banking businesses in the

[13] Frederick G. Hilton Price, *Handbook of London Bankers: With Some Account of their Predecessors, the Early Goldsmiths* (London, 1890-1)*;* Melton, *Sir Robert Clayton*, pp.233-242; Joslin, 'London private bankers', pp.173-4; and Turner, pp.32, 67-74. Further commentary on these figures is provided by Turner and in Peter Temin & Hans-Joachim Voth, *Prometheus Shackled: Goldsmith Banks and England's Financial Revolution after 1700* (Oxford, 2013), p.41. Hilton Price's data was partly derived from unspecified sources then in his possession, and the resultant totals differ from those which can be deduced from surviving directories alone. For that reason his findings are the basis on which later revisions have been made. Lists of bankers also appear *inter alia* in Ambrose Heal, *The London Goldsmiths 1200-1800* (Cambridge, 1935), and David M. Mitchell, *Silversmiths in Elizabethan and Stuart London: Their Lives and their Marks* (Woodbridge, 2017).

capital during the last 30 years of the seventeenth century.[14] Turner used Melton's lists to establish that the survival rate for banks in the periods between the listings (periods which ranged from 7 to 13 years) varied between 49% and 62%.[15] Peter Temin and Hans Joachim-Voth look at how many bankers or their firms were added to, or disappeared from, the source lists over time, similarly demonstrating a high level of volatility in the number of banks between 1677 and 1701. However, of the 76 firms they identify as having disappeared between 1671 and 1701, only 14 appeared in the *London Gazette* as bankruptcies.[16]

Among the goldsmith-bankers there had developed a broad distinction by the late seventeenth century between 'West End' firms and 'City' banks,[17] a divide which was to continue into the following century and beyond. Whilst the activities of, and client services provided by, these banks were very similar at this time, there was more than just a geographical distinction between them. As will be demonstrated later in this chapter for the eighteenth century, they were also differentiated to a degree by the composition of their clientele. Indeed, use of the terms 'West End' and 'City' bank has often centred on the distinction between the types of clients they served, the former characterised as being patronised primarily by the gentry and aristocracy who lived mostly outside the City of London, the latter by the mercantile community based in and close to the City. This split in clientele resulted in some differences in emphasis among the banking activities they undertook, for instance with a greater focus on foreign exchange and bills of exchange in the City.

---

[14] Melton, *Sir Robert Clayton*, p.234.
[15] Turner, p.32.
[16] Temin and Voth, *Prometheus Shackled*, Table 3.1, p.41. Their analysis also tracked bankruptcy entries in the *London Gazette*, but they based their work on the 1876 edition of Hilton Price's *Handbook*, rather than the revised version published in 1890-1. The accuracy of their analysis is questionable as they record no new banks between 1737 and 1766, when it is clear from Hilton Price's lists that the number of firms increased.
[17] This terminology was introduced by Joslin, 'London private bankers', p.167, though a similar distinction had been drawn by James W. Gilbart, *The Principles and Practice of Banking* (London, 1871), p.448. The distinction was not carried forward in the work of Price, *Handbook of London Bankers* or Richards, *The Early History of Banking in England*, but has been followed since the publication of Joslin's article. Gent re-framed this distinction, in relation to London private banks in the late eighteenth and early nineteenth centuries, as one between 'Goldsmith' banks and 'Discounter' banks, these categories roughly equating with the City and West End groupings: John A. Gent, 'Abundance and Scarcity: Classical Theories of Money, Bank Balance Sheets and Business Models, and the British Restriction of 1797-1818' (unpublished PhD thesis, London School of Economics and Political Science, 2016).

There may have been a drift of aristocratic and gentry clients from the City banks to the West firms due to the Stop of the Exchequer, as clients of those City banks which were driven out of business were forced to look for new goldsmiths and bankers to meet their needs.[18] In the case of the clients of the Lombard Street goldsmith-banker Edward Backwell, such a migration may have begun earlier since after 1665 he largely ceased acting as a retail goldsmith for both those clients and a larger group of City merchants and tradesmen.[19]

Although the focus here is on those who provided banking services, it is worth noting that most of those who traded as bankers also had business interests which sat alongside or stretched beyond that of a goldsmith, scrivener or banker, just as some merchants' operations were similarly diverse.[20] The activities of Edward Backwell and Robert Vyner, for example, both before and after the Stop of the Exchequer, were varied and extensive, including bullion exchange, currency arbitrage, tax farming, property investment, overseas shipping and trading ventures, commodity trading and cattle farming. Both also undertook duties by royal appointment.[21] Among the next generation of goldsmith-bankers, both Sir Francis Child and Sir Richard Hoare were significant importers of diamonds.[22]

---

[18] David Mitchell remarks that the effect of the Stop on the City bankers 'may have helped the smaller group of Fleet Street goldsmith-bankers despite their client bases being substantially different': David M. Mitchell, '"Mr. Fowle pray pay the washwoman": The trade of a London goldsmith-banker, 1660-1692', *Business and Economic History*, 23 (1994), pp.27-39 (p.28).

[19] In 1663, for example, Backwell had sold plate and jewellery to over 200 customers, about 75% of whom were City merchants and tradesmen, less than 25% were peers, knights and esquires, and thirteen were women (of whom 6 were peeresses). By 1672 Backwell supplied plate and jewellery to only a handful of clients. See also Chapter 3, section 3.5. David M. Mitchell, 'Innovation and the transfer of skill in the goldsmith's trade in Restoration London', in David M. Mitchell (ed.), *Goldsmiths, Silversmiths and Bankers: Innovation and the Transfer of Skill, 1550-1750* (Stroud, 1995), pp.5-22 (p.14); David M. Mitchell, '"To Alderman Backwells for the candlesticks for Mr Coventry": the manufacture and sale of plate and jewellery at the Unicorn, Lombard Street, 1663-72', *Silver Society Journal*, 12 (2000), pp.111-124 (pp.111-112).

[20] For merchants, see for example Perry Gauci, *Emporium of the World: The Merchants of London 1660-1800* (London, 2007), Chapter 6, pp.141-164.

[21] As described, for example, in Dorothy K. Clark, 'Edward Backwell as royal agent', *Economic History Review*, 9 (1928-9), pp.45-55; Clyde L. Grose, 'The Dunkirk money, 1662', *Journal of Modern History*, 5 (1922), pp.1-18; Anon, 'The Dunkirke affaire', *Three Banks Review*, 30 (1956), pp.40-50; Frederick G. Hilton Price, 'Some account of the business of Alderman Edward Backwell, goldsmith and banker in the 17th century', *Transactions of the London & Middlesex Archaeological Society*, 6 (1890), pp.191-230; R. D. Richards, 'A pre-Bank of England English banker - Edward Backwell', *Economic History: Supplement to the Economic Journal*, 1, (1928), pp.335-355; Dorothy K. Clark, 'A Restoration goldsmith-banking House: the Vine on Lombard Street' in *Essays in Modern English History in Honor of Wilbur Cortez Abbott* (Cambridge MA, 1941), pp.3-47.

[22] Edgar R. Samuel, 'Sir Francis Child's jewellery business', *Three Banks Review*, 113 (1977), pp.43-55.

It is also worth noting that these developments in London were not mirrored in the rest of Europe. The growth of private banking in the late seventeenth century and beyond was unique to Britain, and particularly London. Whereas on the continent banking was an offshoot of mercantile activity, in Britain banks were 'designed to serve significant swathes of society'.[23] The following section demonstrates the composition of the banks' clienteles, whose demand for banking services was in large part a product of the growth of the consumer society noted in Chapter 1.

2.2.2 Banking clients in the 1670s and 1680s

The shock inflicted on the leading goldsmith-bankers in 1672 is recorded in the surviving bank and state records.[24] The richness of records at this pivotal point is unmatched in subsequent years and even decades.[25] The thesis therefore provides a snapshot of the experience of clients of this particular form of banking prior to its collapse, and a comparison with that of customers of other forms of banking provision. In one sense, this snapshot shows what might have been had the model of royal lending proved a sustainable one for goldsmith-bankers. Its immediate aftermath also provides a benchmark against which to compare banking as it developed during the eighteenth century, as the West End and City banks followed different paths.

This analysis of banking clients in the 1670s in part complements the work of Henry Roseveare, Bruce Carruthers and Ling-Fan Li in relation to the clientele of those goldsmith-bankers affected by the Stop of the Exchequer in 1672. The current research also compares the status of the clients of one such banker, Edward Backwell, with that of customers of two

[23] This is made very clear in Cassis and Cottrell, *Private Banking in Europe,* where the growth of private banking in Britain is contrasted with developments in other European countries. The very different financial system in France during the eighteenth century and beyond is explored in Philip T. Hoffman, Gilles Postel-Vinay and Jean-Laurent Rosenthal, *Dark Matter Credit: The Development of Peer-to-Peer Lending and Banking in France* (Princeton NJ, 2019).
[24] See, for example use of such records in Henry G. Roseveare, 'The Advancement of the King's Credit, 1660-1672' (unpublished PhD thesis, University of Cambridge, 1962); Bruce G. Carruthers, *City of Capital: Politics and Markets in the English Financial Revolution* (Princeton NJ, 1999); Henry Roseveare, *The Financial Revolution, 1660-1760* (Harlow, 1991); Ling-Fan Li, 'The Stop of the Exchequer and the secondary market for English sovereign debt, 1677-1705', *Journal of Economic History*, 79 (2019), pp.176-200.
[25] The requirement to record the assignments of the debts owed to bankers following the Stop provides a unique record of the banks' creditors.

West End goldsmith-bankers, Robert Blanchard and Richard Hoare,[26] the scriveners and bankers Clayton & Morris, and the merchants and bankers Thompson & Co. These comparisons considerably expand on earlier consideration of those banks' clients. Whilst histories of those banks have established the identity of many of the more notable clients, or those with particularly active banking business, the current analysis provides a broader overview of client identity.[27]

Most bank clients were individuals, though there were also some institutions such as chartered trading companies and charitable bodies.[28] The following analysis relates to personal clients of banks in the years around 1672. The banks' client lists each relate to different time spans, and not all are comprehensive. The lists of clients have been analysed in differing ways and, as a result, are compared in varying combinations in the results which follow.

For clients of Edward Backwell and Robert Blanchard, whose banking activity is considered in detail in subsequent chapters, the analysis of clients is restricted to overlapping twelve-month periods which, for simplicity, are referred to hereafter as 1672.[29] The list of clients for Edward Backwell is complete for the sample period, but that for Robert Blanchard is incomplete as not all of his ledgers covering 1672 have survived. Clients of the scriveners and bankers Clayton & Morris and the Fleet Street banker Richard Hoare, whose banking activity is not analysed in later chapters, span a wider period. For Clayton & Morris, the

[26] Although Richard Hoare was based at this date in Cheapside, his business moved in 1690 to Fleet Street, where the bank remained thereafter.
[27] For example Frederick G. Hilton Price, *Temple Bar, or some account of 'ye Marygold', No. 1 Fleet Street* (London, 1875); Frederick G. Hilton Price, *The Marygold by Temple Bar: Being a History of the Site Now Occupied by No.1 Fleet Street, the Banking House of Messrs. Child & Co* (London, 1902); Henry P. R. Hoare, *Hoare's Bank: A Record, 1673-1932* (London, 1932); Victoria Hutchings, *Messrs Hoare Bankers: A History of the Hoare Banking Dynasty* (London, 2005); Melton, *Sir Robert Clayton*.
[28] A few of these non-personal accounts were very active, in particular that of the East India Company.
[29] Blanchard may have been trading in partnership with Francis Child by 1672, and they were certainly working together by this date but, for simplicity, references here to the business in 1672 are given in his name only. The analysis of Blanchard and Backwell's clienteles is based on the last surviving ledger of Edward Backwell (NatWest Group Archives (NWGA) EB/1/9, hereafter referred to as EB/1/9) covering the year 25 March 1671 - 25 March 1672, and those five of the surviving ledgers of Robert Blanchard which include transactions in the year 1 January - 31 December 1672 (NWGA CH/194/1-4, 6). Clients for Blanchard were initially identified by date from NatWest Group Archives' electronic index to those ledgers covering 1672 (CH/194/1-4, 6), and further refined by checking their accounts in the ledgers. It is possible that some clients in the ledgers, whose dates might be incorrect in the index, will have been missed, but it would be too onerous to check the dates of all the accounts contained in each ledger and the number of any such accounts is likely to be small.

clients are all those whose accounts appear in the firm's banking ledger covering 36 months to September 1672.[30] For Richard Hoare the clients are all those who appear in the contemporary indexes to the two earliest known ledgers, the dates of which overlap and together cover the period 1673-1685.[31] The list of clients of Thompson & Co is not complete, and comprises known creditors of the firm in 1679 following its bankruptcy, as listed by Mabel Winter.[32]

The comparisons which follow must therefore be treated with some caution, and not least because, as noted above, banking was at the time in a state of flux and development. Although beyond the scope of this thesis, and onerous to undertake, further analysis of these banks' clienteles over a range of common years could help identify the nature and speed of that change. It might also show whether there was a shift of groups of clients, particularly those of higher status, to the West End banks after the Stop of the Exchequer in 1672. However, despite the above provisos, the analysis below still provides some useful indications of the composition of the clienteles of these banks.

Number of clients

Chart 2.2 shows the total numbers of known clients of the five banks in the years around 1670. The number of clients for Clayton & Morris relates to a span of three years, and so the number in a twelve-month period would have been somewhat lower, though probably not significantly so. The number of clients shown for Hoare's relates to a much longer date range (1673-1685), and the number would have been much lower over a twelve-month period in the mid 1670s. The number of creditors of Thompson & Co in 1679 was undoubtedly smaller than the number of its clients in the mid 1670s.

[30] London Metropolitan Archives (LMA) CLC/B/050/A/001/MS06428/001.
[31] Hoare's Bank Archive (HBA) Customer ledger A (1673-1683) and Customer ledger 1 (1677-1685). The latter is a twentieth century transcript (for further information on this source, see Chapter 3, section 3.6 and Appendix 4). Some clients may appear in both ledgers, and so the number will be an over-estimate.
[32] Winter, pp.241-256 (Appendix).

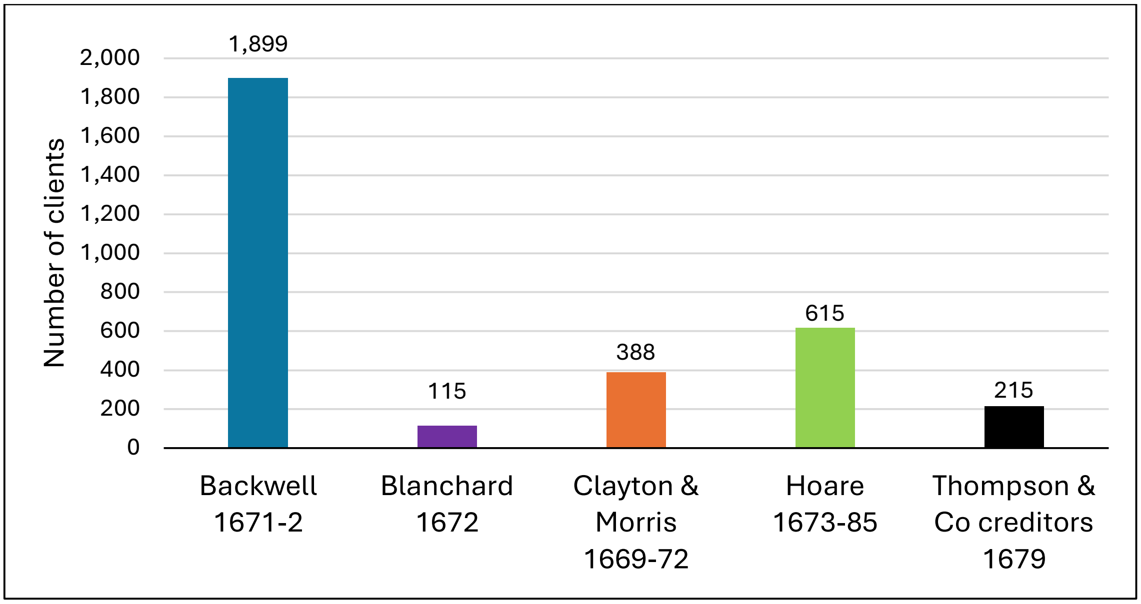


Chart 2.2: Number of clients at selected banks, 1669-1685

Even so, one thing that is immediately apparent from the current analysis is that, in 1671-2, Backwell's business was of an entirely different order of magnitude to that of the other banks. Backwell was just one of a number of City banks with similarly extensive business prior to the Stop, though the ledgers of those other goldsmith-bankers do not survive.[33] The evidence from Blanchard and Backwell's records (including the internal referencing of both banks' ledger series) suggests that they began their banking businesses around the same time, in the mid 1650s, so that contrast between those two banks is of particular note. Clayton & Morris had been established by Robert Abbott in 1636, but its business and clientele only grew significantly from 1660 under the ownership of Clayton & Morris, following Abbott's death two years earlier.[34] By contrast Richard Hoare did not set up in business independently until 1672.

[33] The details contained in the Goldsmiths Assignment Books of creditors of banks affected by the Stop of the Exchequer provides some indication of their relative size: 487 creditors were those of Backwell, 908 were those of Sir Robert Vyner, 434 related to Gilbert Whitehall, 231 to John Portman and 156 were those of John Lindsay. The remaining bankers had much lower numbers of creditors but, between them, the ten banks involved had 2,349 creditors. Although it is unlikely that for all these bankers the ratio of clients to creditors was identical to that for Backwell (3.9:1), using that ratio gives a total clientele for those bankers alone of 9,161. Li, p.182 (Table 1).

[34] Melton, *Sir Robert Clayton*, pp.228-232 (Appendices 1 and 2).

In the years after 1672, most of the largest banks in the City, those which had lent to the Crown, such as Backwell, ceased trading and some of their owners were declared bankrupt. An equivalent comparison to that shown in Chart 1 for a later date, say 1690, would therefore look quite different, with a range of businesses of a moderate size, and a growing distinction between the clienteles and services provided by the City and West End banks.

Gender

Despite the differences of scale, the gender balance of clients of Backwell, Blanchard and Hoare was very similar. Female clients accounted for between 9.9% and 11.1% of clients at these banks. Carruthers found that women accounted for 14.6% of those accepting assignments of goldsmith-bankers' debts between 1677 and 1683, that is clients (or their successors) of bankers such as Backwell who were affected by the Stop. This higher figure possibly reflects a slightly greater preference for assignments among women, a number of women who were widows of former bank clients, and the greater proportion of women among those bankers' clients who had money on deposit.[35] At Thompson & Co, women formed a significantly higher proportion of creditors, at 18.4%. There were many widows among them, possibly those of former clients, and probably women were less likely to have settled debts owed to them by the firm in other ways.[36] Conversely women accounted for a lower proportion (6.7%) of clients with Clayton & Morris, possibly because their mortgage brokerage activity was more likely to involve male clients.

---

[35] Carruthers, p.66.
[36] Winter, pp.69-71.

Status[37]

There were significant differences between the banks in the social status of their clienteles, as shown for male clients in Chart 2.3. The chart indicates that clients of higher social status formed a smaller proportion of Backwell's clients than with Blanchard or Clayton & Morris.

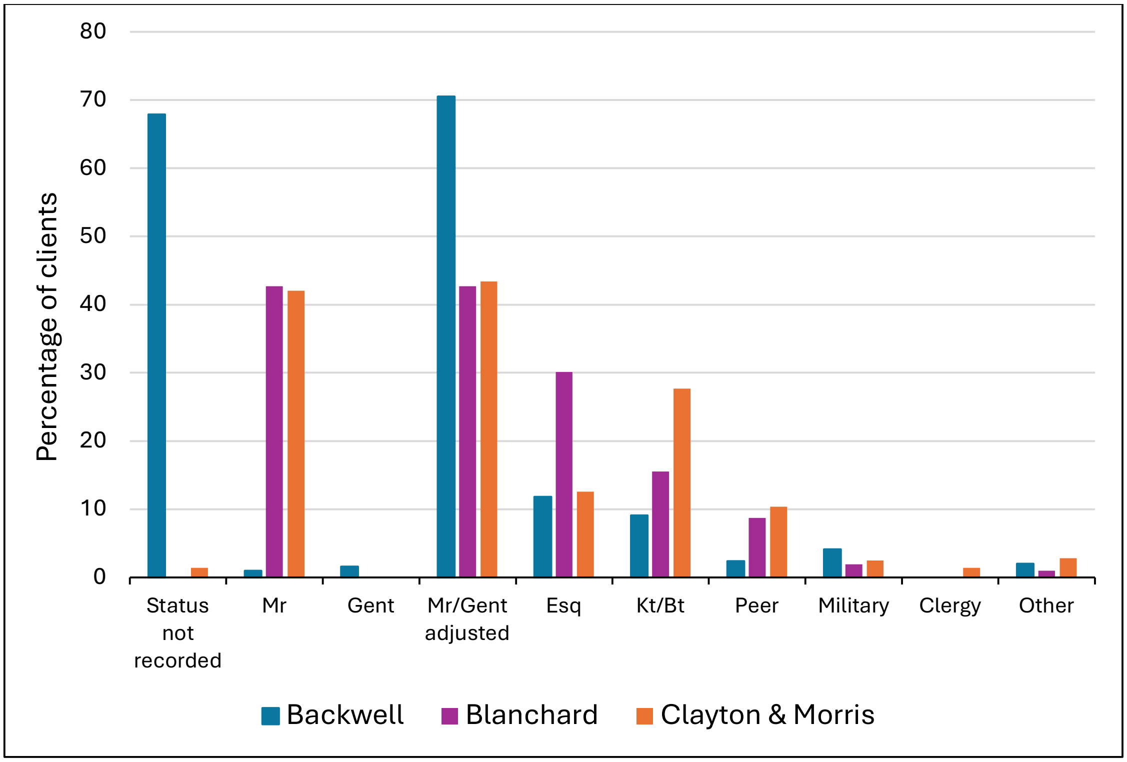


Chart 2.3: Status of male bank clients (%), 1669-1685[38]
(N=1,688 Backwell; 103 Blanchard; 362 Clayton & Morris)

However, the proportions shown here mask the actual numbers, as demonstrated in Chart 2.4. For example, 31 (30.1%) of Blanchard's male clients and 45 (12.6%) of those at Clayton & Morris were described as Esquire (hereafter Esq), but the 200 of Backwell's clients

[37] Information on status is derived from the formal title, epithet or rank recorded with clients' names in the headings of their accounts in the bank ledgers.

[38] Information for Backwell has been compiled from the ledger account headings and the internal contemporary ledger index in EB/1/9, supplemented with information from earlier Backwell ledgers NWGA EB/1/1-8. Information for Blanchard has been compiled from the electronic index to ledgers NWGA CH/194/1-4, 6 and ledger account headings. Information for Clayton & Morris has been derived from ledger LMA CLC/B/050/A/001/MS06428/001**.** Some further identification of clients for all banks derived from biographical sources, primarily *The History of Parliament* and *Oxford Dictionary of National Biography*, and also including the Clergy of the Church of England database. A large proportion (68%) of Backwell's clients have no stated title or epithet in the 1672 ledger. This chart therefore includes for all of the banks an additional column 'Mr/Gent adjusted' which represents those clients described as Mr or Gent and also those for whom no title or epithet is stated. Further explanation of this methodology is provided in Appendix 5.

described as Esq account for only 11.8% of his clients.[39] Backwell had 154 knights or baronets (9.1%) compared with 16 (15.5%) for Blanchard and 99 (27.7%) with Clayton and Morris. 41 (2.4%) of Backwell's clients were peers, whereas Blanchard had 9 peers (8.7%), and Clayton & Morris 37 (10.4%).

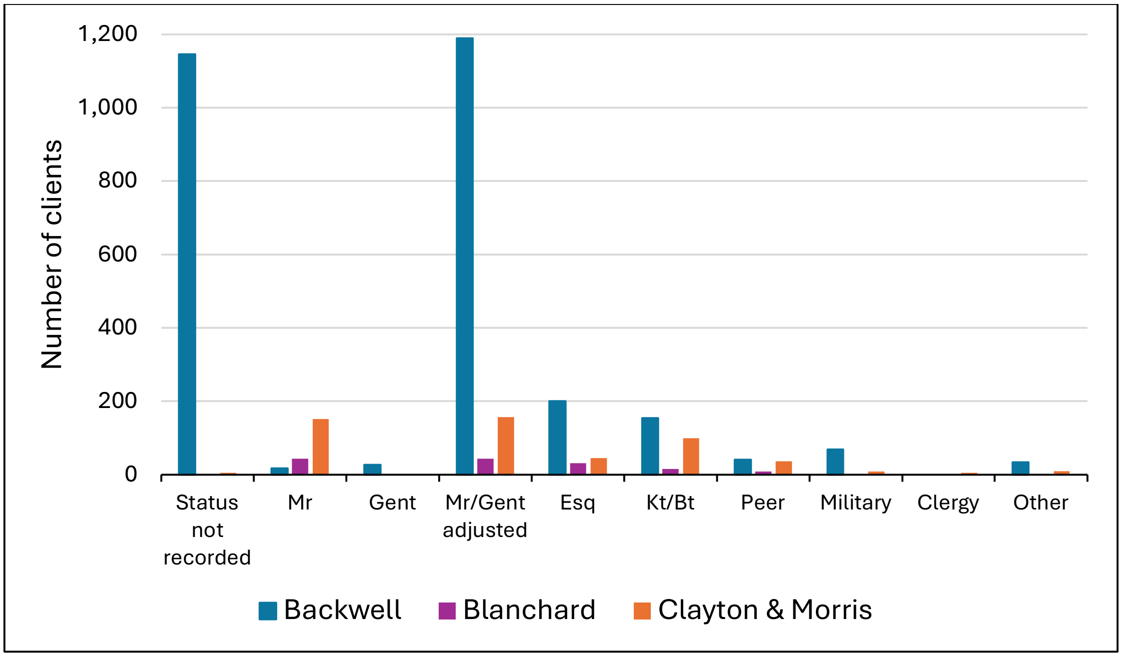


Chart 2.4: Status of male bank clients, 1669-1685[40]
(N=1,688 Backwell; 103 Blanchard; 362 Clayton & Morris)

Comparison of the clienteles of Blanchard and Backwell highlights further differences between the banks. Just over a third (39, or 37.9%) of Blanchard's male clients were elected as Members of Parliament at some point in their lives (of whom 16 were MPs in 1672). Among a sample of Backwell's clients, comprising those 262 clients with surnames A-B, 22 (or 8.4%) were Members of Parliament between 1660 and 1690. Although this was a much lower proportion than among Blanchard's clients, the total number who banked with Backwell might have been around 160 if the sample is representative.

Fifteen (14.6%) of Blanchard's male clients were lawyers based near his Shop just outside the City boundary by Temple Bar, whereas around a third of Backwell's clients were overseas

[39] 'Esquire' was always abbreviated in bank records, usually as 'Esq' and sometimes as 'Esqr'.
[40] See footnote 38 for details of sources and the methodology used to compile this chart.

merchants, based mostly in the City of London but also in a number of European cities.[41] Backwell also had substantial business with Treasury, Exchequer and naval officials, and with court employees such as Lewis (or Louis) Grabu, Master of the King's Music, and John Sayer, chief cook to Charles II. In addition, over 70 accounts (3.9%) were held by men and women who lived on, or in proximity to, his country landholdings, were connected to his cattle fattening business, or had some involvement with his London properties and the rebuilding following the Fire. Many of these client groups had particular financial requirements, and the following chapters will demonstrate the variety and value of services that Backwell provided.

No indication of social status is given for the majority (58.0 %) of Backwell's female clients, though 32.6% were described as Mistress, 7.8% as Dame and just 1.0% as wives of peers.[42] Of the 18.7% of Backwell's female clients for whom marital status is noted, a third were spinsters and two thirds widows, though it is not clear why this is only recorded for such a low proportion of women.

The records of bankers' assignments contain much more detail concerning the banks' creditors.[43] In her analysis of assignments for all banks between 1677 and 1705 Li classifies 42.9% of creditors as 'titled men (including gentlemen and nobility)', and therefore including those described as 'Esquire' or 'Gent'. This figure is considerably higher than the total for all constituent categories given by Carruthers (22.7%), though he does not give a figure for those described as 'Gent'. Given that, compared with creditors of other bankers, relatively few of those with Backwell were granted assignments by 1683, the end date of Carruthers' sample, Li's figure may give a better approximation.[44] 19.0% of LI's assignments were involved in commerce and 5.4% in manufacture, whilst 16.2% were those of 'titled women', though it is not clear who was included in that category. Carruthers' analysis of assignments

---

[41] As identified from Anon, *The Little London Directory of 1677* (London, 1863) and the Merchants Database produced as part of the Centre for Metropolitan History's Merchant Culture 1660-1720 project, a copy of which was kindly supplied by the Institute of Historical Research.
[42] For the use of Mistress to denote social, rather than marital, status see Amy L. Erickson, 'Mistresses and marriage: or, a short history of the Mrs', *History Workshop Journal*, 78 (2014), pp.39-57.
[43] The figures in this paragraph are taken from Li, pp.186-7, and Carruthers, p.66.
[44] Roseveare states that 'barely one hundred' of Backwell's creditors had done so by July 1683 whereas 500 of Vyner's creditors had accepted assignments by November 1680. Roseveare, 'The Advancement of the King's Credit', p.236.

between 1677 and 1683 shows that 0.3% were peers, 3.8% knights, 2.7% baronets, 15.9% Esquire, 1.3% Lady or Dame, and the majority (75.8%) were 'Other Ranks'. These findings suggest that if Backwell's clients shared a similar profile to those of the other banks affected by the Stop, then possibly more of Backwell's clients might have described themselves as Esquire than he noted in his records, or they had begun to describe themselves as Esquire by the time they took assignments. Carruthers found that among assignees of bankers' debts 73.3% of women were widows, 17.8% were spinsters, with 8.9% of 'other women'.

On looking at the indexes to Backwell's nine surviving ledgers, Roseveare considered that, over the nine-year period they covered, everyone who was anyone at some point banked with Backwell.[45] This is probably a slight overstatement in relation to Backwell, though it might have been true of the business of Robert Vyner, who had a larger business as a goldsmith-banker. It is a certainly not a description that could be applied to the clienteles of Blanchard or of Clayton & Morris.

As noted above, the distinction between City and West End banks from the late seventeenth century onwards is usually framed such that the West End banks served the aristocracy and gentry whilst the City banks served merchants and manufacturers. The evidence here confirms that in the years around 1672 this was not yet the case.[46]

Location

Location information is only available for a minority of clients of Backwell (15.5%), but a far larger proportion with Blanchard (79.1%). Those whose location can be determined show a concentration in London and the home counties (65.0% of those with identified locations for Backwell, and 79.1% for Blanchard).[47] However, as Roseveare[48] noted, Backwell, like Vyner,[49]

---

[45] Roseveare, 'The Advancement of the King's Credit', p.245.
[46] This concurs with Roseveare, Ibid., p.243
[47] Locations are rarely given in the banking ledgers. For both banks, some locations have been derived from the *Oxford Dictionary of National Biography* and *The History of Parliament*. For Backwell clients the sources listed in footnote 38 have also been used, and for Blanchard clients the Hearth Tax returns for 1664 and 1666 have been consulted via *British History Online*, https://www.british-history.ac.uk/, accessed between 2 and 14 May 2020. 'Home counties' is defined here as those counties bordering the City of London, Westminster and Middlesex: Berkshire, Buckinghamshire, Essex, Hertfordshire, Kent and Surrey.
[48] Roseveare, *The Financial Revolution*, p.19.
[49] Roseveare, 'The Advancement of the King's Credit', pp.242-3.

also had a considerable number of provincial clients, and the current analysis shows that 30.3% of his 1672 clients with a specified location lived in counties in England and Wales other than the home counties. These patterns very broadly match the findings of Li and Carruthers in relation to assignees.[50] Similarly, two thirds of the creditors of Thompson & Co were London residents.[51] Client locations have not been researched for Clayton & Morris or Hoare's.[52] The location of so many bank clients in and relatively close to London reflects the fact that, as also noted in section 2.3.2 below, there was also a concentration of wealthier people in the capital and its environs.

Client loyalty

It would appear, even from the limited evidence available for this period, that many clients of Backwell and his fellow City bankers used the services of more than one bank. Roseveare found considerable overlap of clients among the City goldsmith-bankers, as demonstrated by the post-Stop assignments. For example, 189 of the Roseveare's sample of 600 of Vyner's assignees also appeared as customers in Backwell's ledgers at some point in the period 1663-1672. 72 of the same sample also appeared within the smaller samples of assignments he analysed for four of the goldsmith-bankers affected by the Stop (Backwell, Lindsay, Whitehall and Portman), and presumably the overlap would have been greater across all of their assignees.[53]

When Mabel Winter compared the names of the 166 identified personal creditors of Thompson & Co with the names of clients in the online index to client names in all nine surviving Backwell ledgers, she found 46 clients with the same name, whereas only 18 creditors' names matched those in Backwell's final ledger analysed here.[54] In other words, the number of matches with Backwell clients across the period 1663-1672 was more than double that for matches against names in the 1672 ledger alone, and the former number

[50] Li found that 54.7% of bank creditors had an address in London or Westminster, with a further 16.0% in Middlesex. Curruthers gave the same figure for 'London' (presumably including Westminster), 17.9% for Middlesex and 80.0% for London and the home counties. Li, pp.186-8; Carruthers*,* p.66.
[51] Information concerning Thompson & Co's creditors is taken from Winter, pp.66 and 241-256 (Appendix).
[52] It would be possible, but onerous, to do the same for Clayton & Morris and Hoare, as their ledgers rarely record account holders' locations.
[53] Roseveare, 'The Advancement of the King's Credit', p.242.
[54] The online index is available in the 'Source overview' pdf accessible via *NatWest Group Heritage Hub* at https://www.natwestgroup.com/heritage/people/edward-backwell.html, accessed 11 April 2024.

may in reality have been higher had all of Backwell's ledgers survived, even within the period 1662-1672 (a period during which two ledgers are missing). Winter also found matches with 7 creditors of Robert Vyner, 4 of whom also matched with names of Backwell clients. Despite the paucity of surviving records, this evidence suggests that among the clients of City bankers, loyalty to a single banker was by no means the norm.

Roseveare and Winter did not consider whether some of the clients of the City banks and Thompson & Co might also have banked with West End goldsmiths or other bankers not affected by the Stop. When a comparison is made between the 3,161 known banking clients of Edward Backwell, the West End banks of Blanchard and Hoare, the scriveners Clayton & Morris and the merchants and bankers Thompson & Co, over 10% were matched with a client of the same name at another bank, and occasionally at two other banks, and 5% were cases where it is certain or highly likely that the clients were the same person.[55] The dates for which client names have been matched are not identical, and the relatively limited date spans may partly hide the fact that some clients might have banked with different banks at different times.[56]

Three clients who utilised the services of more than one type of bank were Thomas Belasyse Viscount (later Earl) Fauconberg, the woollen draper Sir William Turner (who also acted as London agent for Fauconberg), and Samuel Pepys (Table 2.1). Sir William Turner's own account books show that, in addition, both Blanchard and Backwell were among his own clients.[57] The banking activity of Samuel Pepys will be considered in Chapter 3.

The limited number of banks for which records survive makes it impossible to draw any conclusive lessons concerning client loyalty. The low level of overlap between bank clienteles beyond the City banks might simply confirm the extent of client differentiation between distinct types of bank.

[55] Based on the client's epithet, title or distinctive name.
[56] The date ranges for which client names have been compared are included in Chart 2.2 above.
[57] LMA CLC/509/MS5107/1, ff.13, and 128 and 188, respectively.

	Earl Fauconberg	Samuel Pepys	Sir William Turner
Backwell	X	X	X
Clayton & Morris			X
Hoare	X	X	
Thompson & Co	X		X
Vyner	X	X	X

Table 2.1: Clients who used multiple banks, 1660s-1680s[58]

Overall, this analysis has shed some new light on the identity of the clients of a number of banks in Restoration London. Backwell's client base in 1672 was significantly different from that of the other banks studied, and he counted higher numbers of the aristocracy and gentry among his clients than Blanchard or Clayton & Morris. In this period, every bank offered a different range of services, as will be demonstrated in Chapter 3, and in doing so they attracted somewhat different clienteles.

It is not clear to what extent bankers or their clerks and apprentices knew all of their clients, or why they sometimes included additional identifying detail when heading up their accounts in the ledgers. For example, some client names in Backwell's ledgers are supplemented with the client's occupation or their place of residence within or outside London, or both occupation and location. This was the case for around a quarter of the account headings in Backwell's final ledger, but sometimes this could be as general as 'of London, merchant', and such information is not necessarily provided in the ledger in which an account first appears. In a few cases it is obvious that such information is noted to distinguish between clients of the same name, but otherwise it is hard to know whether the inclusion of this additional information is an indication that the clients were not known personally to Backwell or his clerks, or was simply an aide memoire to his clerks, given that there was a total of 1,921 clients in 1672. In contrast Blanchard rarely included such

[58] In addition to the sources listed in footnotes 29-32, this table also uses information in Hoare's customer ledger D ff.366, 379 and 386, and ledger E ff.8, 29, 47, 117, 157 and 200. For reference to Turner and Fauconberg's banking activity with Thompson & Co and more widely, see Winter, pp.76-79, 134-135, 150, 178, 242 and 254. The dates covered by the sources for each bank are included in Chart 2.2 above.

information in his ledgers, no doubt reflecting his familiarity with his much smaller clientele (166 individuals).

These questions also apply to banks and their clients in the eighteenth century, who are the subject of the following section.

2.3 London's banks and their clients in the eighteenth century

This section begins with survey of the development of banking in London during the eighteenth century. An analysis of the clientele of three banks in around 1730 and 1780 illustrates the varied and growing business of banks between these two dates. It is clear that by 1780 banking had become the norm for the elite and the wealthier middling sort.

2.3.1 The banks

In the early eighteenth century, bankers were still experimenting with banking models, and their success or failure was to some extent a matter of trial and error.[59] The volatility in the number of goldsmith-bankers in the early eighteenth century, never mind others who offered one or more banking services, indicates that finding a successful banking *modus operandi* was not straightforward. For most of those banks that traded only for a short period, no records survive to explain why they did not continue. Even where they did not fail, or lacked successors to continue their business, a lack of adequate returns or the perceived high risk of failure possibly led their owners to withdraw from the market. What is perhaps most surprising in this context is that clients and potential clients were prepared, and continued, to trust bankers with their money and utilise their services even when there was plenty of evidence that banking was a precarious business.[60]

Over time the goldsmith-bankers came to predominate in the provision of banking services in London, including the West End, and by the early eighteenth century those goldsmith-banking businesses which had survived since the 1670s were increasingly focused on the provision of banking services. These services mostly comprised accepting deposits,

[59] Temin and Voth, *Prometheus Shackled*, particularly 39-72; and Peter Temin and Hans-Joachim Voth, 'Banking as an emerging technology: Hoare's Bank 1702-1742', *Financial History Review*, 13 (2006), pp.149-178.
[60] Winter, p.81.

administering current accounts, lending money, facilitating investment, and holding items in safe custody. At the same time there were new entrants into the market in the final decades of the seventeenth century and the first decades of the eighteenth. Most of them had still been trained as goldsmiths, or by goldsmith-bankers, and for a time they combined that trade with the provision of banking services. For instance, Andrew Drummond, apprenticed as a goldsmith in Edinburgh in 1705, moved to London at some point between 1712 and 1715, trading initially as a goldsmith. Only in 1717 did he begin to offer banking services beyond lending against plate, including current accounts, loans, and overdrafts. Although his banking activities soon dominated his business, he continued to act as a retail goldsmith into the 1730s.

The first known West End banker to emerge without a connection to the goldsmiths' trade was Robert Gosling, who started out in the book trade before also trading as banker. However, his son and successor, Francis, also purchased, in 1744, part of a goldsmith-banking business.[61] Most West End bankers had ceased operating as goldsmiths by the late 1740s, and many stopped much earlier, and over the course of the century London bankers' connections with the Goldsmiths' Company declined markedly.[62] However, there was no sudden shift in how bankers were addressed. Between the late 1720s and the late 1740s Rev Charles Briscoe, for example, usually addressed his letters to 'Mr Hoare and partner'. He never used the word 'goldsmith', but on occasion he included the word 'Banker'.[63] John Burton, Master of Winton College similarly wrote on 9 May 1732 to 'Mr Hoare, Banker in Fleet Street'.[64] On 16 May 1727 a bill of exchange was 'to be paid at the house of Mr Abraham Fowler, banker', yet on 25 May 1738 a bill was addressed to the Goslings partners Simpson and Ward as 'goldsmiths'.[65] Dickson notes that, in its stock ledgers in 1750 and records of subscribers to Navy and Victualling Bills in 1749, the Bank of England largely described London bankers using that term, though sometimes as 'goldsmith'.[66] Even thirty

[61] Frank T. Melton, 'Robert and Sir Francis Gosling: eighteenth-century bankers and stationers' in Robin Myers and Michael Harris (eds.), *Economics of the British Booktrade 1605-1939* (Cambridge, 1985), pp.60-77.
[62] Perry Gauci, 'The London private banker: status, culture and commerce in eighteenth-century society', *Silver Studies: The Journal of the Silver Society*, 36 (2020), pp.22-30 (p.22); Turner, p.77.
[63] For example, his letters of 23 May 1724, 18 September 1826 and 31 January 1734, HBA HB/8/M/13/15.
[64] HBA HB/8/T/11**.**
[65] Barclays Group Archives (BGA) 1977-003 items 72 and 81.
[66] Dickson, *The Financial Revolution*, pp.329 and 450.

years later bankers were still sometimes thought of as goldsmiths. For example, in the Old South Sea Annuities stock ledger covering the years 1776-1786 the account of Child & Co partner Robert Dent is marked 'GS' (goldsmith), though his fellow partner John Church is described as 'Esq'.[67]

Both the City and West End banks were 'private banks', in that they were owned and managed by a small number of partners, and they were sometimes described as such in eighteenth-century books and pamphlets to distinguish them from proposed or existing public banks, such as the Bank of England.[68] In contemporary directories the City and West End banks were listed together in alphabetical order. In the nineteenth century, they were contrasted with the joint stock banks which emerged once permitted by legislation in 1826. It was in that context that in 1873 Walter Bagehot characterised the business and standing of the private banker: 'a man of known wealth, known integrity, and known ability is largely entrusted with the money of his neighbours. The confidence is strictly personal. His neighbours know him, and trust him because they know him'.[69] That description could just as well have applied to the bankers whose clients have been studied here in the seventeenth and eighteenth centuries. Bankers relied on their good reputation, and ongoing relationships with clients, to engender and build the trust of their clients, and in turn they assessed the standing of potential borrowers. Often that assessment was informed by an existing banking relationship, through which banker and client had become familiar with each other. Today, the term 'private banker' is often used to denote a named banker whose services are provided as part of a fee-based 'private banking' service offered by a bank which most likely is not privately owned. The term now also implies that clients experience a personal or exclusive service.[70]

---

[67] Bank of England Archive (BAE) AC27/6515, pp.471 and 604.

[68] It is also reflected in the historiography, for example in the titles of the articles by Joslin and Black and Gauci: Joslin, 'London private bankers, 1720-1785'; Iain S. Black, 'Private banking in London's West End, 1750-1830', *London Journal*, 28 (2003), pp.29-59; Perry Gauci, 'The London private banker: status, culture and commerce in eighteenth-century society'.

[69] Walter Bagehot, *Lombard Street: A Description of the Money Market* (London, 1873), p.267.

[70] Anne Laurence hints at this for the eighteenth century in the title of her article and she also uses the term in relation to the elite, rather than mercantile, clientele of Hoare's bank: Anne Laurence, 'The emergence of a private clientele for banks in the early eighteenth century: Hoare's Bank and some women customers', *Economic History Review*, 61 (2008), pp.565-586.

It is argued in this thesis that many of the dealings between bankers and their clients in the late seventeenth and eighteenth centuries were similarly ‘personal’. The private banking businesses studied in this thesis were each staffed by a small number of partners and clerks to whom most clients would have been known, or at least recognised. Banking firms were limited by law to six partners, though it was relatively rare, even in the late eighteenth century, for them to reach that maximum. The extent to which their development and services were constrained by the limit on partnership size will be considered in later chapters. The partners also employed clerks, though mostly only in small numbers. In the early 1730s, for example, Drummonds was operated by its founder Andrew Drummond who was possibly assisted by just a single clerk, Goslings was run by three partners with one clerk, and Hoare’s, with a much a larger business, had three partners and four clerks. By 1780 the numbers had risen in line with their expanding operations.[71] Child & Co by then had five partners and seven clerks, Goslings two partners and around eight clerks, Hoare’s four partners and around seven clerks, and Drummonds three partners and possibly as many as seventeen clerks.[72]

Unlike some other lenders, bankers did not advertise in the press or attract business through intermediaries.[73] And unlike shopkeepers and other service providers there is no evidence that they issued trade cards. However, they were happy for their names to appear in notices issued by other organisations for whom they accepted payment, such as charitable bodies, in which they were increasingly referred to as bankers. They were also listed together as a group in contemporary directories. In certain ways they were similar to members of the professions, such as lawyers or surgeons. As noted in the Introduction, clients had similar ideas of what to expect when engaging with the professions and with their bankers. The sharing of intimate and confidential personal information was common to their engagement, and possibly some clients at times turned to them as confidantes.[74] Just as the professions

---

[71] The banks’ increased business is described in section 2.3.2 below and Chapter 4, section 4.2.
[72] It is not always possible in the accounts to distinguish clerks from other employees, such as domestic servants. NWGA CH/203/3 ff.45-48, DR427/11 ff.28-29, DR/427/91 ff.1629-31, 2044 and 2054; BGA 0130-663 ff.47-61 and 0130-667, ff.60-86; HBA HB/5/A/4 ff.91-94 and HB/5/A/4 ff.66-67.
[73] For the use of advertising and intermediation in the annuity loan market, for example, see Diane Clements ‘The ‘consequence of an advertisement’: intermediation in the eighteenth-century credit market’, *Historical Research* (2024), online advance article, accessed 23 March 2024: https://doi.org/10.1093/hisres/htae004.
[74] For example, in the correspondence of Rev Charles Briscoe, discussed in relation to investment in Chapter 6.

often served people of higher social rank, so too did the bankers, aware of the need, as Bagehot put it, to ensure that they were of ‘known wealth, known integrity, and known ability’. Bankers would also have been familiar to clients through social connections and through their involvement with other institutions, such as charitable bodies, with which their clients were associated.[75]

Joslin noted that at Hoare’s during the early eighteenth century there was a ‘a fairly steady movement away from the mixture of goldsmithery, pawnbroking, dealing in diamonds [and] speculation in ships … in the first decade of the century’ and that the ‘bank was becoming increasingly a bank for the aristocracy and gentry’.[76] However, although it is true that the business activity of goldsmith-bankers such as Richard Hoare became somewhat less diverse over time, as for instance they ceased to act as goldsmiths, it was rare, and possibly impossible, for bankers not to invest in other potential sources of income. Many bankers were still adapting their business models, and many looked to balance risks by diversifying. As will be shown in later chapters, they continued into the late eighteenth century to invest in securities on their own account whilst at the same time providing a variety of services to a growing number of clients. The use to which bankers put client deposits will be discussed in more detail in Chapter 5, but rarely did bankers limit their income stream to loan interest, discounting fees or commission. Sometimes it was in bankers’ interests to lend to the state rather than to clients.

It is often difficult to identify where partners’ personal business interests were separate from those of their banking partnerships. Even so, the fact that bankers invested in other revenue sources indicates that they needed to look beyond pure banking to make a good profit. Francis Child the younger (c.1684-1740), for instance, derived a substantial proportion of his own income from his investment in property and significant investments in the East India and South Sea Companies.[77] His contemporary, Henry Hoare (1677–1725), invested heavily

---

[75] No evidence of the specific reason behind the choice of bank has been found for any bank client. The concentration of distinct groups of clients at particular banks is considered in section 2.3.2 below, and their banking activity is considered in the following chapters.
[76] Joslin, ‘London private bankers’, p.171.
[77] Philip Winterbottom, ‘Child, Sir Francis, the younger (c. 1684–1740), banker’, *Oxford Dictionary of National Biography*, 23 September 2004, https://doi.org/10.1093/ref:odnb/5287 (accessed 9 May 2024).

in the South Sea Company.[78] Some bank partners, particularly though not exclusively in the City banks, invested directly in ships or trading voyages.[79]

Yet even in the early eighteenth century, many banks were not long-term concerns. As Joslin notes, and as shown in Chart 2.1,[80] by 1720 there were around 25 banks in London, far lower than the 39 listed by Melton in 1700. While, according to Joslin's figures, some new banks were formed in the quarter century after 1724, around a third failed over that period, with bankruptcies concentrated in a handful of years.

According to the directory listings published by Hilton Price, the number of West End banks had fallen to six in 1738. However, it is clear that the 1738 directory quoted by Hilton Price was nowhere near comprehensive in its coverage, and indeed many of the sources on which the chronological lists were based were incomplete. Turner used the gazetteer of individual banks which comprised the first part of Hilton Price's *Handbook* to track individual firms over time and create revised series for City and West End banks though, as Turner notes, even the gazetteer information is not entirely reliable or complete.

The revised totals, shown in Chart 2.1, give consistently higher numbers of both categories of banks than can be derived from Hilton Price's chronological lists, also producing a larger total number of banks in London than counted by Joslin and Melton. In Turner's analysis, the number of West End banks held relatively steady, mostly at around 13 or 14, between 1728 and 1768.[81] Of those banks which were in business at mid-century, five were to continue in existence as independent firms until at least the early 20th century before being acquired mostly by far larger joint stock banks whose directors saw them as attractive additions to their banking enterprises.[82] These particular banks developed business models which both satisfied their clients and enabled them to withstand the pressures which forced others out

[78] Victoria Hutchings, 'Hoare, Henry (1677–1725), banker and philanthropist', *Oxford Dictionary of National Biography,* 8 September 2022, https://doi.org/10.1093/ref:odnb/47085 (*a*ccessed 9 May 2024).
[79] Anon, 'Ships and Ships' Husbands', *Three Banks Review*, 28 (1955), pp.38-48; Georgina Green, *Sir Charles Raymond of Valentines and the East India Company* (Hainault, 2015); David Souden, *The Bank and the Sea: The Royal Bank of Scotland Group and the Finance of Shipping since 1753*, revised edition (Edinburgh, 2006), particularly pp.36-49.
[80] On page 60.
[81] Turner, pp.67-70, summarised in his Figure 3 (on which Chart 2.2 is based).
[82] Hoare's bank was an exception, remaining in family ownership to this day.

of business. As will be demonstrated in later chapters, the forms that these models took varied slightly by bank.

The number of banks, particularly City firms, rose significantly from the middle of the century. By 1780 it had reached a total of 57, including 18 West End businesses.[83] Yet not all of these banks were enduring enterprises. The majority weathered the financial storms induced by the 1745 Jacobite rising, the 1763 banking crisis, the failure of Ayr Bank in 1772 or the effects of war in America, but others did not.[84] Some of the banks continued to serve distinctive clienteles, or developed links with new client groups, such those connected with the arts at Drummonds, as described by Joslin and Melton.[85] The banks often responded to economic conditions in similar ways, for example rationing credit in and after 1772.[86] Although it was mostly City banks which acted as agents for provincial or Scottish banks, Goslings, for example, had two country banks on its books by 1780, and Coutts acted as a London agent for Bank of Scotland. As will be demonstrated in detail in later chapters, most West End banks expanded their balance sheets and loan books over time,[87] and took on more customers. Some of them continued to operate as family firms, their partners drawn from successive generations.

The overall expansion in the number of banks from the late seventeenth century onwards was a response to a significant rise in the demand for banking services. The establishment of the 'Season', regular Parliaments and the growth and concentration of the professions, civil servants and military personnel in London all brought more middling and elite families to live in the capital, whether for part or all of the year.[88] In the 1670s, it was primarily the

---

[83] See footnote 81.
[84] Turner's chart of the percentage of all London banking firms (City and West End) which entered or exited each of Hilton price's lists of banks shows that whereas entries and exits were almost evenly balanced between 1701 and 1738, thereafter entries predominate: Turner, p.71 (figure 4).
[85] Joslin, 'London private bankers'; David M. Joslin, 'London bankers in wartime, 1739-1784' in Leslie S. Pressnell (ed.), *Studies in the Industrial Revolution Presented to T. S. Ashton* (London, 1960), pp.156-177; and Frank T. Melton, 'Deposit banking in London, 1700-1790', *Business History*, 28 (1986), pp.40-50.
[86] Paul Kosmetatos, *The 1772-73 British Credit Crisis* (Cham, Switzerland, 2018); Tyler B. Goodspeed, *Legislating Instability: Adam Smith, Free Banking, and the Financial Crisis of 1772* (Cambridge MA, 2016).
[87] As also noted by Turner, pp.143-169, and Gent, pp.119-149.
[88] As noted, for example, in Leonard Schwarz, *London in the Age of Industrialisation: Entrepreneurs, Labour Force and Living Conditions, 1700-1850* (Cambridge, 1992), particularly pp.103-107; Ian Warren, 'The English landed elite and the social environment of London c.1580-1700: the cradle of an aristocratic culture?', *English Historical Review*, 126 (2011), pp.44-74; E. Anthony Wrigley, 'A simple model of London's importance in

demand of mercantile clients which the banks sought to meet. From the late seventeenth century onwards the West End banks, and the services they offered, had to develop to meet the needs of these increasingly new, non-mercantile, London residents.[89] This increased demand was not only supplied by a steadily rising number of banking firms. It also contributed to the growing stability of the banks as they developed relationships with, and benefitted from the increasing deposits of, those clients.

The locations of the banks also reflected the changing social topography of London. Whilst, during the later decades of the seventeenth century, the West End banks had mostly been located in Fleet Street, in 1692 John Campbell started up in business from premises at the west end of the Strand, and in the 1710s Andrew Drummond began trading nearby, just off Charing Cross, near its junction with Whitehall. So began a westward expansion of West End banking.[90] Although a few of the new West End banks were located in Fleet Street, most opted instead for locations further to the west, in well-established or new fashionable areas such as Covent Garden, St James's or New Bond Street, as shown in Figure 1.[91] Many banks were located close to where clients and potential clients lived, worked or shopped.[92]

changing English society and economy 1650- 1750', *Past & Present*, 37 (1967), pp.44-70; and Susan E. Whyman, *Sociability and Power in Late-Stuart England: The Cultural Worlds of the Verneys, 1660-1720* (Oxford, 1999).

[89] Schwarz estimated that at the end of the eighteenth century there were around 4,000-5,500 families living in London for at least part of the year who belonged to an 'upper-income sector', being a mix of aristocratic and gentry families (3,000-4,500) and those involved in substantial mercantile or financial activity. They comprised around two to three per cent of the capital's population, and with the 'middling classes' they made up together around a quarter of London's population. Schwarz, pp.51-54.

[90] Black, 'Private banking in London's West End'.

[91] They include for example Anthony Wright of Henrietta Street, Covent Garden; Robert Herries & Co of St James' Street; and Chambers & Co of New Bond Street.

[92] Client locations are considered in the section 2.3.2 below. For the development of shops and shopping, including in London, see for example, Claire Walsh, 'Shop design and the display of goods in eighteenth-century London', *Journal of Design History*, 8 (1995), pp.157-176; Claire Walsh, 'Shops, shopping, and the art of decision making in eighteenth-century England' in John Styles and Amanda Vickery (eds.), *Gender, Taste, and Material Culture in Britain and North America 1700-1830* (New Haven CT, 2006), pp.151-178; Helen Berry, 'Polite consumption: shopping in eighteenth-century England', *Transactions of the Royal Historical Society*, 12 (2002), pp.375-394; Patrick Wallis, 'Consumption, retailing, and medicine in early-modern London', *Economic History Review*, 61 (2008), pp.26-53; and Alun Withey, 'Enabling politeness: perfumers and male self-fashioning in Britain, *c*.1750–1800', *Journal for Eighteenth-Century Studies*, 46 (2023), pp.259-278.

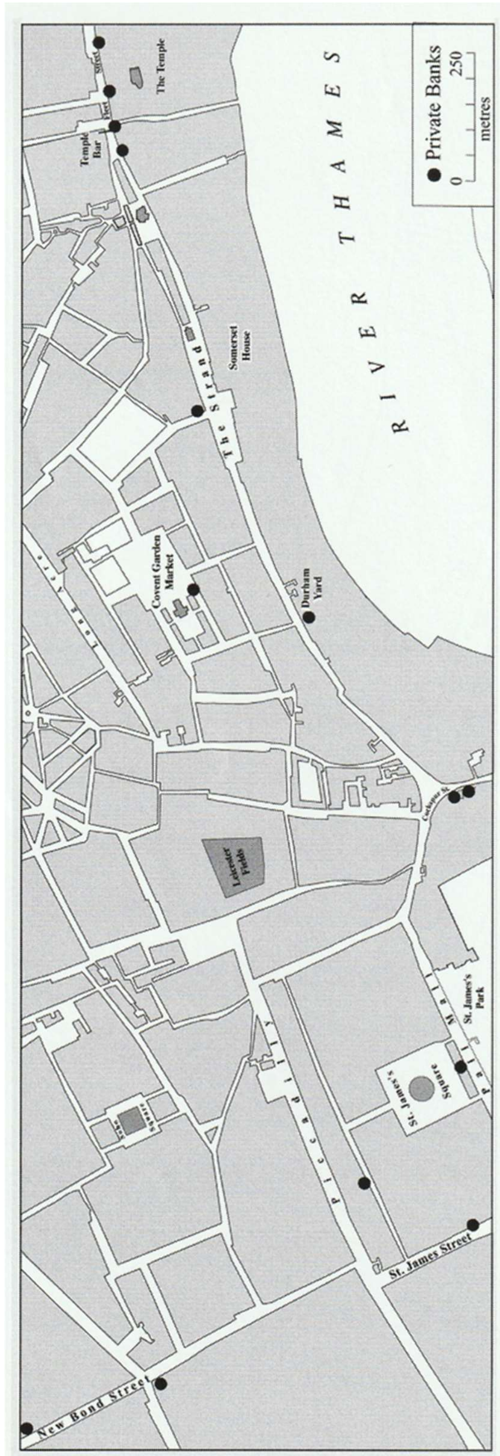


Figure 2.1: The distribution of 'West End' private banks in London, 1781[93]

© *The London Journal* Trust

[93] This map is reproduced from Iain S. Black, 'Private banking in London's West End, 1750-1830', *London Journal*, 28 (2003), pp.29-59 (Figure 2 on p.34), with kind permission of Iain Black and the Trustees of *The London Journal* Trust.

Some of the banks started out in newly built properties, or during the eighteenth century rebuilt their existing premises, commonly adopting a restrained architectural style designed to convey messages of stability, probity and trustworthiness.[94] In the seventeenth century, many of the goldsmith-bankers had also operated as retail goldsmiths from their 'shops'. Winter notes that in common with other bankers, the merchants Thompson & Co referred to their premises as their 'shop'.[95] The early goldsmith-bankers would have displayed items of plate or jewellery in windows facing the street in the same way that other retailers, and later jewellers, did.[96] As the goldsmith-bankers' retailing activities declined the ways in which they used, and configured, their buildings changed. Whilst they continued to refer to their premises, or sometimes just the 'public' areas, as 'shops', they also required more private rooms for consulting with clients, maintaining their records (often in a 'counting house') and storing coin, banknotes and clients' valuables.[97] In 1780 Drummonds, for instance, had rooms described as the 'front shop' and 'back shop'.[98] Their buildings usually included domestic accommodation on the upper floors.

Whilst bank buildings, and their locations, were important, the West End banks also attracted substantial business from those who lived and worked outside the capital, and sometimes abroad. As will be explored in the following chapter, many of these clients, and also indeed some in London, conducted much if not all of their banking business by post.

The focus of this thesis is on clients of the West End banks, but during the eighteenth century, members of the middling sort also banked with their City counterparts. At the same time, those in business did not only bank in the City: many of the providers of goods and

---

[94] Gauci, 'The London private banker'; Black, 'Private banking in London's West End'; John Booker, *Temples of Mammon: The Architecture of Banking* (Edinburgh, 1990).
[95] Winter, pp.38-43.
[96] Walsh, 'Shop design and the display of goods', pp.160-163 and Claire Walsh, 'The design of London goldsmiths' shops in the early eighteenth century' in David M. Mitchell (ed.), *Goldsmiths, Silversmiths and Bankers: Innovation and the Transfer of Skill, 1550-1750* (Stroud, 1995). Helen Clifford, *Silver in London: The Parker and Wakelin Partnership 1760-1776* (New Haven CT, 2004), pp.44-49, notes the expansion of shopping and the development of the West End in relation to the goldsmiths Parker & Wakelin.
[97] The use of the term 'shop' continued at some private banks and their successors into the twentieth century, even after private banks and their premises had been absorbed by larger joint stock concerns. In the late 1870s the room in the Child & Co premises containing the bank's ledgers was referred to as the 'counting house': Hilton Price, *The Marygold by Temple Bar*, Plate 5, facing p.32.
[98] NWGA DR/427/91, f.1629. Walsh notes that in 1746 the premises of the goldsmith Martha Braithwaite similarly had a 'fore shop' and a 'back shop': Walsh, 'Shop design and the display of goods', pp.160-161.

services to elite and upper middling families banked, and often lived and worked, in the West End. As will be explored in the next section of this chapter, whilst many of the City banks served those with trading or business interests in the City, they also reached beyond that community, though rarely counted peers among their clients.

For most of the period studied the Bank of England was the only public or corporate bank in London. The Bank of England provided drawing (or current) accounts for a wide range of clients, again with a City bias. However, in its management of public investment in the national debt it transacted with a far wider group, which by 1780 spanned a relatively wide propertied social spectrum, some of whom were themselves clients of the West End banks.[99]

Both the West End and City banks offered a range of common services, including accepting deposits, administering current accounts, providing means of payment and money transfer, offering loans, investing in government and other securities, facilitating foreign payments, and providing safe custody for valuables including deeds and stock certificates. Many banks also acted as trustees and executors, and some acted under power of attorney to receive salaries or pensions and pay taxes. The principal difference between the two groups of banks was that the City banks came to specialise in discounting bills of exchange to a far greater extent than most of their West End counterparts.

Throughout their existence, many London banks served clients in the capital and also beyond, throughout England, and in Wales, Scotland and Ireland. While in Scotland and Ireland alternative forms of banking developed, from the middle of the eighteenth century the most notable banking development in England and Wales was the rapid rise of provincial, or 'country', banks, which supplemented existing informal networks of credit and payment.[100] Like their London counterparts, these banking firms were legally confined to

[99] Anne L. Murphy, *Virtuous Bankers: A Day in the Life of the Eighteenth-Century Bank of England* (Princeton NJ, 2023), particularly pp.80-114.
[100] For country banks, see Leslie S. Pressnell, *Country Banking in the Industrial Revolution* (Oxford, 1956); and Huw V. Bowen and Philip L. Cottrell, 'Banking and the evolution of the British economy, 1694-1878', in Alice Teichova, Ginette K.-V. Hentenryk and Dieter Ziegler (eds.), *Banking, Trade and Industry: Europe, America and Asia from the Thirteenth to the Twentieth Century* (Cambridge, 1997), pp.89-112. For informal networks, see Craig Muldrew, *The Economy of Obligation: The Culture of Credit and Social Relations in Early Modern England*

partnerships of no more than six partners, but were otherwise unregulated. They too were prone to the effects of economic crises, eventually prompting a change in legislation, in 1826, to permit the formation of joint stock banks, in the expectation that such companies, backed potentially by greater capital, might prove more resilient. Although outside the scope of this thesis, in the years around 1800 a new group of merchant banks started trading in England, mostly founded by European merchants who chose for commercial reasons, or were forced, to relocate their trading businesses to Britain during the French revolutionary and Napoleonic wars.[101] They quickly expanded their mercantile operations into the provision of financial services, including the supply of credit to merchants through the acceptance of bills of exchange, and contracting for long-term loans to, and making remittances for, the British government and its wartime allies.

2.3.2 Clients of London banks in the 1730s and 1780s

This section will focus on the identity of clients of banks in the 1730s and 1780s. Whilst the precise periods covered for each bank vary, for convenience the date spans will be referred to hereafter as 1730 and 1780.[102] A comparison will be made over time for clients of three banks: Goslings and Hoare's of Fleet Street and Drummonds of Charing Cross. For the most part the evidence presented here relates to holders of bank accounts, as opposed to borrowers, and for Hoare's in 1730, and all banks in 1780, this is a sample comprising those clients with surnames A-C.

As noted above, the existing literature on eighteenth-century private banking, and West End banks in particular, has described how the clienteles of the latter banks were distinct from those of the City banks. At the same time, it has been shown that individual banks each attracted a slightly different mix of clients.[103] The findings presented in this chapter confirm and expand upon those general summaries and illustrate similarities among, and differences between, individual West End banks. By focusing on two specific sample periods in the

(Basingstoke, 1998); Bruce L. Anderson, 'The attorney and the early capital market in Lancashire' in John R. Harris (ed.), *Liverpool and Merseyside: Essays in the Economic and Social History of the Port and its Hinterland* (London, 1969), pp.50-77.

[101] Cassis and Cottrell, Chapter 3, and particularly pp.84-98; Orbell and Turton, pp.7-9.

[102] For details of the date spans see Introduction, Table 1.2.

[103] Joslin, 'London private bankers' and 'London banks in wartime'; Melton 'Deposit banking in London'; Black, 'Private banking in London's West End'; Turner, 'English Banking'.

century, the 1730s and the 1780s, it is possible to chart the shifting, primarily converging, balance in the composition of those clienteles.

Number of clients

Chart 2.5 illustrates the growth in the clienteles of the three banks. The increase in client numbers was greatest proportionally and in actual terms at Drummonds, and least at Hoare's. Both Goslings and Drummonds were relatively new businesses in 1730, whereas Hoare's had been trading for over half a century. The reasons for such differences, and their impact on each bank's business and income, will be considered further in later chapters.

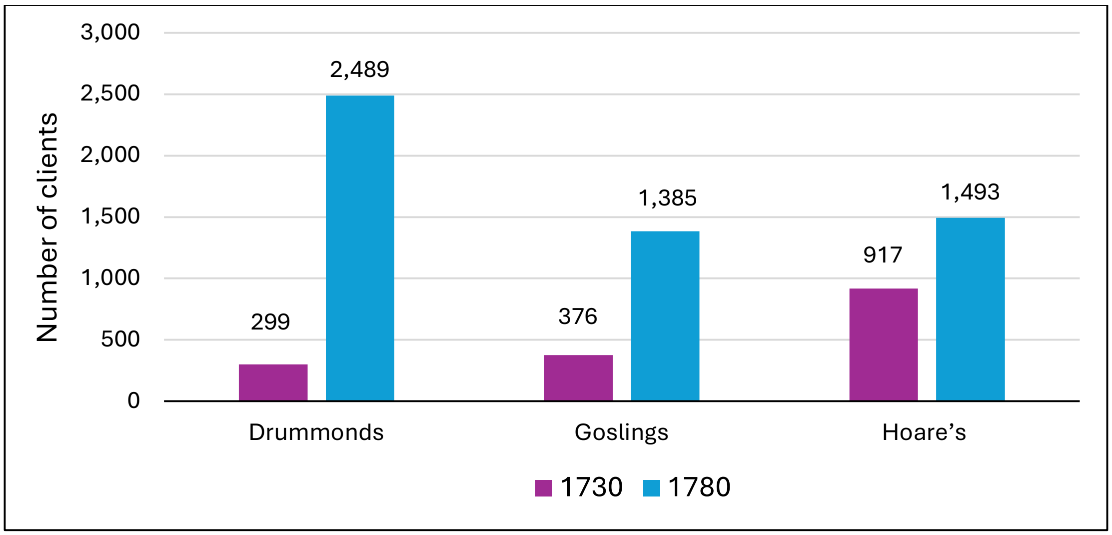


Chart 2.5: Numbers of bank clients in 1730 and 1780[104]

Although there are relatively few surviving records for the 1730s beyond those of these three banks, all of the available banking sources are used here to estimate the total number of bank clients at that time. The only basis on which comparable figures can be compiled is the number of bank accounts rather than the number of clients.[105] From the evidence of the

---

[104] These figures are for the total number of clients at each bank, not just those in the dataset samples. The figures for Hoare's are for the number of accounts with a credit or debit balance carried forward at the beginning of each sample period. The number of clients has not been calculated, but would be very similar.

[105] The numbers used to calculate the figures in this paragraph are: Child & Co 237, George Middleton 166 (figure kindly supplied by Tracey Earl, archivist, Coutts & Co), Drummonds 305, Goslings 336, Hoare's 917. The Bank of England had 1,585 accounts. Sources: for Drummonds, Hoare's and Goslings see Chapter 1, section 1.4.1, Table 1.1; BEA Drawing account ledger indexes 1730-1732, C98/64-66; Child & Co figure derived from an electronic index to the surviving customer account ledgers in CH/194/, supplied by NatWest Group Archives.

West End banks studied here, the numbers of clients and accounts at a particular bank are likely to be relatively similar, though on balance there were probably more clients than account holders due to the number of accounts held jointly by multiple clients, which was only partially offset by cases where individual clients held multiple accounts. The extant records give a mean number of 392 accounts per bank, excluding the Bank of England which is treated separately due to its unique position and corporate status. Multiplying this figure by the number of banks in 1730 given by Joslin (27) or Turner (37), and adding to it the number of accounts at the Bank of England, suggests a total number of accounts in London of between 10,600 and 14,500. These figures obviously need to be treated with considerable caution given the paucity of source data, but they at least give a tentative indication that a substantial number of individuals were using bank services in London by that time.

There is only marginally more source material, in addition to that from the banks in the datasets, from which to compile comparable estimates for 1780.[106] By that date, the average number of accounts per bank, excluding the Bank of England, had risen to 928, and multiplying that by the number of banks given by Joslin (51) or Turner (57) and adding to the totals the number of clients at the Bank of England, suggests a total number of accounts between 49,300 and 54,800. Despite the limitations of the underlying data, it is clear that there had been a considerable increase in the size of each bank's clientele which, when combined with a rise in the number of banks, produced around a four-fold increase in the London banks' combined clientele.

This rate of increase was far in excess of that of the growth of the population of London or of England as a whole. Wrigley estimated that the population of England increased from just over 5.2 million in 1700, to a little over 5.9 million in 1750 and to 7.2 million in 1781, and that the equivalent figures for the county of Middlesex, including all of London, were around 520,000, 585,000 and 672,000.[107] In other words, the population of England increased by

[106] The numbers used to calculate the figures in this paragraph are: Biddulph & Cocks 433, Coutts 536 (figure kindly supplied by Tracey Earl, archivist, Coutts & Co), Lefevre, Curries, James and Yallowley 310, Cornewall, Staples and Watts 347, Drummonds 2,268, Goslings 1,109, Hoare's 1,493. The Bank of England had 1,951 accounts. Sources for Drummonds, Hoare's and Goslings are listed in Chapter 1, section 1.4.1, Table 1.1. See footnotes 113-115 for sources for Bank of England; Biddulph & Cocks; Lefevre, Curries, James and Yallowley; and Cornewall, Staples and Watts.

[107] E. Anthony Wrigley, *The Early English Censuses* (Oxford, 2011), Appendix 4, Table A2.6, pp.224-5.

around 39% between 1700 and 1781, and the population of London by 29%. Despite the tentative nature of the estimates of the banks' clientele it is still clear that the growth in the number of bank clients was driven by more than an expanding population. As noted above, there was an increasing number of elite and wealthier middling residents in the capital, and they generated a growing demand for a range of banking services. The later chapters in this thesis will explore why by 1780 so many people chose to use banks, and how by that time there had developed a culture of banking.

It has sometimes been suggested or assumed that the West End banks were small-scale, niche, businesses. It will be demonstrated below that the West End banks certainly had a distinct clientele, and later chapters will show how the banks' businesses accommodated their particular client bases. Whilst there is relatively little source material from which to compare the relative scale of West End and City banks, the data used here suggests that in terms of client numbers the West End banks were of at least a similar scale to their City counterparts, and indeed two banks, Hoare's and Drummonds had exceptionally large clienteles, the latter exceeding in size that of the Bank of England. Nevertheless, most of the banks grew their businesses steadily, and the fact that each bank, including the new banks that were founded in the middle and later years of the century, was able to find room in the market suggests that banks were cautious in their approach to expansion. This caution, and the segmentation of the market, might well also have contributed to the stability in the banking system which emerged in the years leading up to 1780.

In later chapters the financial metrics of the West End banks will be examined to supplement the picture presented here by client numbers, to help understand the ways in which the banking activity of their clients contributed to their income and profitability. It will also be established whether growth in client numbers was key to increased bank profitability, or if other factors were at play.

Gender[108]

In the 1730s the gender balance of the clienteles of Goslings and Hoare's was very similar, with female clients comprising around 13%, a proportion close to that of bank clients in the 1670s.[109] At Drummonds the figure was much lower, 6%, possibly reflecting in part the higher proportion of military clients there. The equivalent figure for the account holders of George Middleton, in the Strand, was 9.6%.[110]

By 1780 women accounted for a larger share of clients at all of these banks. Thomas Coutts & Co (successors to George Middleton) had the lowest proportion (11.6% of account holders)[111], and at Drummonds the figure was similar (12.5%), whilst the share at Goslings had risen to 17.3%. However, at Hoare's female customers by then represented over a quarter of all those who banked there. Temin and Voth suggest that Hoare's adopted a particularly cautious strategy during the middle and later years of the century, and these figures would appear to bear this out.[112] As will be indicated in later chapters, for the most part the banking business of female clients, particularly their borrowing and investing, was of moderate scale and relatively stable. An analysis of indexes to the slightly earlier (1772-5) ledgers of another West End bank, Biddulph and Cocks of Charing Cross shows that a similar gender balance to that at Goslings and Hoare's.[113] 15% of accounts there were those of female clients.

---

[108] The figures for Drummonds, Goslings and Hoare's are based on the datasets for 1730 and 1780, including samples for clients with surnames A-C for Hoare's in 1730 and all three banks in 1780.

[109] Laurence notes that in the period 1714-1729 the proportion of female clients at Hoare's fluctuated between 10 and 12 per cent: Laurence, 'The emergence of a private clientele', pp.567-8.

[110] Information kindly supplied by Tracey Earl, archivist, Coutts & Co.

[111] Information kindly supplied by Tracey Earl, archivist, Coutts & Co.

[112] Temin and Voth, *Prometheus Shackled*, pp.142-3, and 'Hoare's Bank in the eighteenth century'.

[113] Information derived from the internal indexes in the customer account ledger 1772-3 and petty accounts ledger 1772-5, relating to 433 accounts. BGA 0230—044 and 0230-053. There is no comparable information for 1730.

A comparison of the gender of clients at the three banks studied here in 1780 with that of customers of selected City banks[114] and the Bank of England[115] around the same time in part confirms the distinction drawn between the two groups of banks in the existing literature. At Lefevre, Curries, James and Yallowley only 2.9 per cent of bank accounts were those of female clients and at Cornewall, Staples and Watts in 1774 women were holders of only 1% of accounts. At the Bank of England 56 accounts (1.9% of the total) were held by female clients, though some male clients held more than one account and so proportion of female clients might have been marginally higher than 2%.

It is clear from these figures that the West End banks served a far higher proportion of female clients than their City counterparts or the Bank of England, where mercantile clients were far more prominent. The comparison suggests that, at least in respect of gender, West End banks had a different business model to that of the banks further east. As will be shown in later chapters, the business of female clients of West End banks was for the most part far smaller than that of their male counterparts, which these particular banks were happy to accommodate.

Status and location[116]

Between 1730 and 1780 there were also changes in the social mix of account holders, but this varied considerably by bank (Charts 2.6 and 2.7).[117] At Drummonds, for instance, 10.3%

---

[114] There are very few surviving eighteenth-century records for City banks which contain client or account details. The records used here are those of two banks which traded from Cornill: Lefevre, Curries, James and Yallowley (Abstract Book, NWGA CU/104, 24 December 1786, containing 310 accounts), and Cornewall, Staples and Watts (names taken from a transcript of account names in customer account ledger L-Z, NWGA DIM/110, October 1774-September 1775, containing 161 accounts).

[115] Holders of drawing accounts, identified from the indexes to the ledgers covering February 1780 – June 1782 (BEA C98/149-151, containing entries relating to 1,951 accounts held by 3,015 clients). No attempt has been made to remove duplication of client names where a single client held multiple accounts, so the actual number of clients will be somewhat less than 3,015.

[116] Information on status is derived from the formal title, epithet or rank recorded with clients' names in the headings of their accounts in the bank ledgers. As noted in Chapter 4, section 4.6, in the eighteenth century it was common for clients to inspect their accounts in bank ledgers, and therefore the attribution of title and epithets was most likely to accord with their own usage and preference. For further discussion of status, see Penelope J. Corfield, 'Class by name and number in eighteenth-century Britain', *History*, 72 (1987), pp.38-61.

[117] The focus here is on the social status of male clients, as far less information is recorded in the bank records to indicate the status of female clients. See Chapter 6, Tables 6.3 and 6.4 for further information on client status in 1730 and 1780. The marital status of male clients is not recorded, and there is limited information for female clients.

of accounts of male clients in 1730 were those of peers, whereas at Goslings and Hoare's the equivalent proportions were 2.7% and 5.7%.

By 1780, the proportion of peers had fallen at all three banks, to 7.1% at Drummonds, 1.5% at Goslings and 4.2% at Hoare's. The joint share of knights and baronets reduced slightly at all three banks. These trends mostly reflect the overall rise in the proportion of those of lower social status. As will be demonstrated in Chapter 5, peers were often among the largest borrowers, usually on lengthy mortgages.[118]

In 1730, and as discussed further below and in the following chapters, Drummonds had an unusually large proportion of military clients, most notably including army agents with active accounts. This group accounted for 16.7% of Andrew Drummond's clients in 1730. Fifty years later, the proportion of military clients had fallen considerably at Drummonds (to 8.0%), though it had risen slightly at Goslings and Hoare's. As will be seen in the following chapters, military clients' bank account turnover at Drummonds was often of a far higher value than the average among all clients, and the volume of their business would have demanded considerable staff resource.

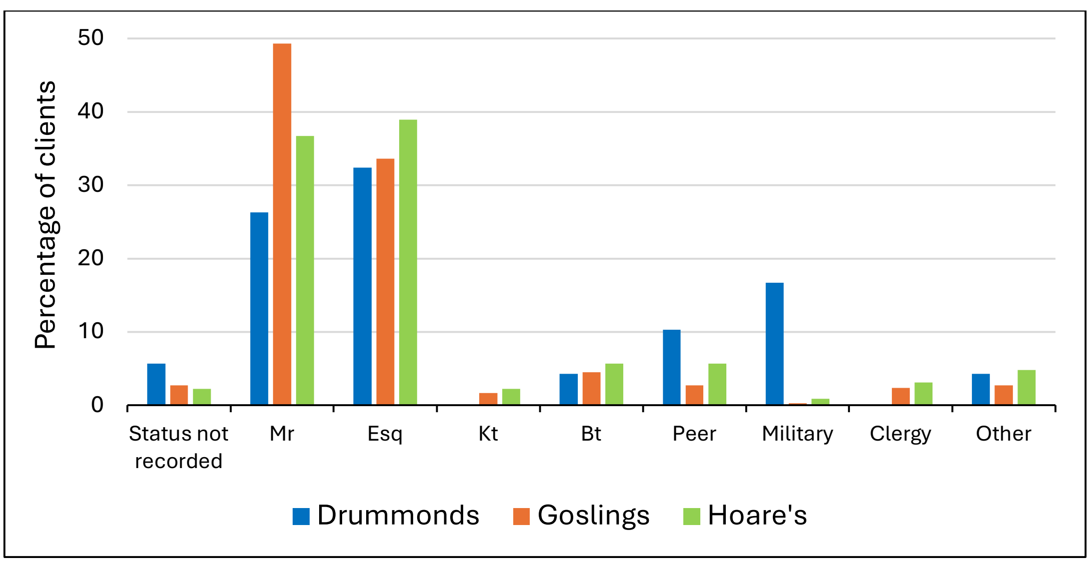


Chart 2.6: Status of male bank clients, 1730
(N=299 Drummonds; 376 Goslings; 917 Hoare's)

[118] See section 5.3.3.

In all of these groups there was considerable convergence over the half century to 1780, so that their relative importance was very similar across the three banks. In contrast, although clergy increased in importance at all banks, this was particularly marked at Hoare's where in 1780 they comprised 14.9% of the clientele. This may reflect the bank's wish to attract clients with relatively stable business. As will be shown in Chapters 5 and 6, most clergy clients rarely borrowed money from their bankers but they often invested in securities. There was a less consistent pattern for those described as 'Mr' or 'Esq'. Whereas in 1730 men described as 'Mr' represented the lowest proportion of clients at Drummonds (26.3%), by 1780 Drummonds had the highest proportion (40.6%). At Goslings and Hoare's the shares of the clienteles represented by 'Mr' fell between 1730 (49.3% and 36.7% respectively) and 1780 (29.1% and 21.7%). On the other hand, at Drummonds the proportion designated 'Esq' fell (from 32.4% to 26.7%) whereas as Goslings and Hoare's it rose (from 33.6% and 38.9% to 46.6% and 42.0% respectively). It is clear that in both 1730 and 1780 each bank was attracting a slightly different mix of clients, though there was considerable convergence between the clienteles of Goslings and Hoare's.

Among the other banks for which client information is available, peers who held accounts with George Middleton represented a far larger share of both male (17.3%) and female (37.5%) account holders in 1730 than at Drummonds, Goslings or Hoare's, though the proportions had had fallen considerably by 1780 (to 7.0% and 24.2% respectively). Whereas the proportion of knights and baronets fell slightly over the period at the other three banks, at Coutts it rose slightly, from 4.7% to 5.9%.[119] The profile of the clientele of Charing Cross firm Biddulph and Cocks in 1772-5 is reasonably similar to that of Drummonds, Goslings and Hoare's, though with a slightly lower proportion of titled account holders.[120] Peers accounted for only 2.5% of the bank's 433 accounts, knights or baronets 2.1%, clergy 9.7% and those with military titles 1.1%.

[119] Information on status of account holders of George Middleton and his successors Thomas Coutts & Co kindly supplied by Tracey Earl, archivist, Coutts & Co. Information only relates to peers, knight and baronets, and therefore this bank has not been included in the charts. Joslin, 'London private bankers', p.179, notes that 'Thomas Coutts constantly sought aristocratic customers'.
[120] See footnote 113. There is no comparable information for 1730.

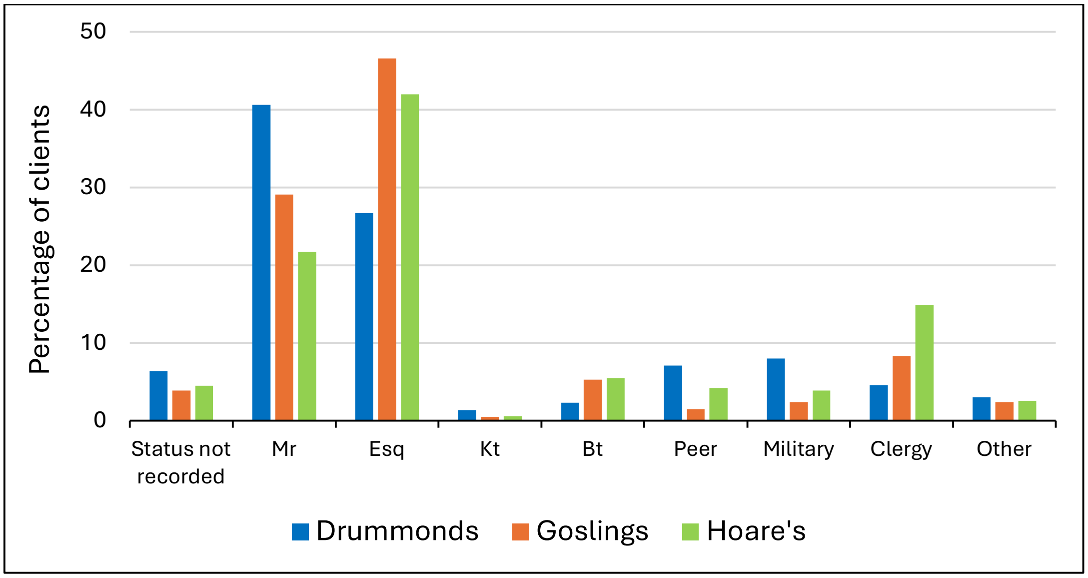


Chart 2.7: Status of male bank clients, 1780[121]
(N=2,489 Drummonds; 1,385 Goslings; 1,493 Hoare's)

It is worth noting that, whilst the proportions of clients in each group varied by bank, at the three banks studied in detail here - Drummonds, Goslings and Hoare's - actual numbers in almost all status categories rose over the half century. As total numbers of clients increased it was inevitable that the proportion of peers, in particular, would decrease, and that there would be an expansion down the social hierarchy. There were simply not enough new or existing peers, baronets and knights to match the growth rate in the banks' clienteles.

For example, the total number of peers in the country remained stable or only slightly increased between 1730, when there were 398 peers, and 1780 when there were between 398 and 418 peers according to different sources. The number of baronetcies declined from 735 (or 836) to 635 (or 725), whilst the number of knighthoods (bachelor) increased from 274 to 808.[122]

[121] See Chart 2.5 for client numbers.
[122] John V. Beckett, *The Aristocracy in England 1660-1914* (Oxford, 1986), Appendix, Tables A1, A2, A5 and A7, pp.482-495. The figures for peers are those for English, Scottish and Irish titles combined: in 1730 these comprised 189 English, 106 Scottish and 103 Irish peers; in 1780 the equivalent numbers, excluding those Scottish and Irish peers who also held English titles, were English between 180 and 189, Scottish between 78 and 84 and Irish between 140 and 145.

The nature of the records means that it is either not feasible or possible to make a complete comparison of the status of clients in around 1780 at the three banks studied here with that of customers of selected City banks and the Bank of England.[123] However, it is still clear that the West End banks served a distinctive clientele. At Lefevre, Curries, James and Yallowley, for example, no peers, knights or baronets held accounts in 1786, whereas at Cornewall, Staples and Watts in 1774-5 among the 161 holders of accounts with surnames L-Z there were no knights or baronets, and a single peer. The Cornewall, Staples and Watts record contains only a single member of the clergy and a single client with a military title, whilst at Lefevre, Curries, James and Yallowley only one clergy client and two with military titles appear among the bank's 310 account holders. At the Bank of England, knights and baronets comprised 0.8% of its 3,015 account holders, some of whom were City merchants or financiers, whilst the figures for peers were 0.3%, and those for clergy and military clients represented 0.4% each.

These findings, like those relating to gender, confirm that the West End banks served a somewhat different clientele to that of the City banks and the Bank of England. Whilst the Bank of England was more akin to the City banks in terms of holders of its bank accounts, the profile of investors who transacted business in stocks and annuities there was quite different, as will be discussed in Chapter 6.[124]

The clienteles of the West End banks were also characterised by similar proportions of Members of Parliament: among clients with surnames A-B, members in 1780 accounted for 8.4% at Hoare's, 9.4% at Goslings and 10.4% at Drummonds, and those who were Members of Parliament at some point between 1754 and 1790 comprised 18.8% of clients at Goslings, 18.9% at Drummonds and 19.6% at Hoare's.[125]

---

[123] See footnotes 113-115. The records used do not include client epithets or titles except in the case of peers, knights or baronets (usually simply referred to as 'Sir'), clergy ('Rev') or those with military titles. 'Mr', 'Esq' or 'Gent' are generally not recorded in these records, and whilst some clients (4%) in the Bank of England indexes are referred to as 'Esq', it is not clear how consistently this was recorded.

[124] The distinction between these elements of the Bank's business in the 1780s is explored further in Murphy, *Virtuous Bankers*.

[125] Clients who were Members of Parliament during this period were identified via www.historyofparliamentonline.org/research/members/members-1754-1790, accessed September 2023. Laurence notes that at Hoare's in the period 1714-1729 'a very high proportion of customers were MPs, especially Tory MPs and minor office-holders, with a few occupants of great offices of state': Laurence, 'The emergence of a private clientele', p.568.

It is argued in this thesis that by 1780 the use of banks by members of elite and wealthier middling families had become commonplace. This can be tested by comparing the numbers of such bank clients identified here with estimates for the comparable groups within the population of England and Wales as a whole, as provided by Malachy Postlethwayt and Patrick Colquhoun.[126] There are 20-year gaps between the bank sample dates (1730 and 1780) and Postlethwayt's and Colquhoun's estimates (1750 and 1803). The latter figures might be expected to be somewhat higher than they would have been on the bank sample dates, but it is possible to make reasonable and meaningful comparisons between the combined numbers of peers, baronets, knights and esquires.[127]

Postlethwayt gave a figure of 4,475 for the number of families in these groups in 1750, and it is estimated that at the three West End banks studied in this thesis there were 763 male clients in those social groups in 1730. Colquhoun suggested there were 7,177 such families in 1803, and it is estimated that at the three West End banks there were 1,886 male clients of equivalent status in 1780. Whilst the bank totals will include a few clients who belonged to a single family, the number of male clients at the three banks in 1730 is equivalent to just over a sixth of Postlethwayt's estimate in 1750, and in 1780 the number bank clients equates to a quarter of Colquhoun's estimate for 1803.

There is no evidence to indicate the social status of clients at most of the other banks in existence in 1730 or 1780, and even if few of the City banks would have had large numbers of clients in these categories, it is likely that members of these groups comprised a fair

[126] Malachy Postlethwayt, *Universal Dictionary of Trade and Commerce* (London, 1755), vol.2, p.438; Patrick Colquhoun, *A Treatise on Indigence* (London, 1806), pp.22-24. For consideration of the accuracy of the contemporary estimates of social structure, see Penelope J. Corfield, *Power and the Professions in Britain 1700-1850* (London, 1995), pp.28-30, and Peter Mathias, 'The social structure in the eighteenth century: A calculation by Joseph Massie', *Economic History Review*, 10 (1957), pp.30-45. Massie's figures (for 1760) have not been used as his categorisation is not directly comparable with that recorded in bank ledgers. A general difficulty with the bank figures is that, as noted above, epithets (particularly 'Esq') as recorded in bank ledgers may be based on self-description by clients, and indeed for some individuals they may have changed over the course of their lifetimes or have differed according to context in which they were used. Where required the numbers of bank clients have been estimated by multiplying up from the A-C client samples.

[127] The ways in which Postlethwayt and Colquhoun categorised the social structure of England and Wales, and the information available on the status of occupation of bank clients makes it impossible to make a full comparison across all social groupings. It is also not feasible to compare Postlethwayt's (13,073) or Colquhoun's (20,000) estimates for the number families of Gentlemen and ladies living on incomes with numbers of bank clients, primarily because the banks did not use the epithet 'Gent' in client account titles. Nevertheless, it is likely that a considerable number of clients would have fallen into this category.

proportion of the clients of the other West End banks in existence at both dates (ten further West End banks in 1730, and fifteen in 1780). Whilst for 1730 the figures suggest that it is unlikely that the majority of family heads in these categories had a London bank account, by 1780 it is probable that a substantial proportion, and very likely a majority, had London accounts. Although it has not been possible to compare numbers for members of the professions, or military officers, where the banks would have served lower proportions, the figures above support the contention in this thesis that by 1780 use of London banks had become commonplace, even if not universal, among male members of elite and wealthier middling society.

Among the West End banks there were also differences in the banks' clientele which are not revealed by classifying clients by status. By 1780 Goslings, for example, had attracted a significant number of booksellers and publishers, along with a number of men involved in East India Company business.[128] At Drummonds architects, artists, musicians and craftsmen had become a notable component of its cientele.[129] Many, though not all, of these clients used their bank accounts to handle their business finances, and as will be shown later in the thesis, as a result their accounts were often busy ones with relatively high turnover. They also feature among the larger borrowers, as they required loans or overdrafts to support their operations.

Some of these differences in clientele reflected the bank partners' own business interests, for instance as army agents in the case of Drummonds, as a publisher in the case of Francis Gosling, and through East India Company connections in the case of George Clive, partner in Goslings. Nor was the acquisition of a distinct clientele unique to these three banks. The Covent Garden bank Anthony Wright & Son, for instance, specialised in serving Catholic clients.[130]

---

[128] Joslin, 'London private bankers', pp.177-8; and Melton, 'Robert and Sir Francis Gosling'.

[129] Hector Bolitho and Derek Peel, *The Drummonds of Charing Cross* (London, 1967), pp.70-73; The Royal Bank of Scotland, *Drummonds: A History* (Edinburgh, 2002), pp.5, 8.

[130] This was noted by Joslin, 'London private bankers', p.179. The history of this bank is briefly described in Olive R. M. Barnes, 'The Catholic Church in England: The Politics of Allegiance and Identity 1791-1908', (unpublished PhD thesis, Oxford Brookes University, 2011), pp.69-73; and Peter L. Cottrell, *The Ionian Bank: An Imperial Institution, 1839-64* (Athens, Greece, 2007), pp.90-100.

Banks' clientele profiles also appear to have been influenced by location. London at this time was made up of a patchwork of relatively compact and distinct districts, each home to a particular category of residents, or to certain trades or professions, and it would appear that these differences are mirrored in the banks' clientele.[131] The addresses of a relatively small sample of clients of all three banks in 1780 clearly indicate some of these differences between the banks.[132] All of the Fleet Street banks are known to have had connections with the legal profession.[133] At Goslings and Hoare's, 14% and 8% respectively of clients had addresses with a legal connection, primarily the Inns of Court, whereas only 4% of Drummonds clients did so. At all three banks the majority of clients had an address in the City of London (mostly in Fleet Street or near St Paul's), Westminster or Middlesex (mostly within the built-up area of London), but this was particularly pronounced at Drummonds, where such addresses accounted for 85% of clients, compared with 54% at Goslings and 58% at Hoare's. The high proportion at Drummonds, in Charing Cross, reflects its proximity to military and government offices where some of its clients were based and also the fact that its location was convenient for its many clients with studios, shops, showrooms or performance venues in and around St Martin's Lane, Pall Mall and Covent Garden.[134] However, at all three banks there were numerous clients who were residents of the newly built fashionable squares and streets of the West End, bounded very roughly by Pall Mall to the south, New Road (Marylebone Road) to the north, Regent Street and Portland Place to the East and Park Lane to the west, and also of Bloomsbury to the East and Chelsea to the west.[135]

---

[131] As described, for example, in the case of the book trade, in James Raven, *Bookscape: Geographies of Printing and Publishing in London before 1800* (London, 2014). For the social topography of London at the end of the seventeenth century, see Craig Spence, *London in the 1690s: A Social Atlas* (London, 2000).

[132] Client addresses are rarely recorded in the surviving bank records of this period, and generally only where it was necessary to distinguish between two or more clients sharing the same name. Clients of all three banks with surnames A-B have been checked against a selection of contemporary sources. The number and extent of these sources is the reason why the sample is limited to surnames A-B. See Appendix 6 for a full list of the sources consulted.

[133] For example, Joslin, 'London private bankers', p.176.

[134] As discussed for example in Rosie Dias, '"A world of pictures"; Pall Mall and the topography of display, 1780-99' in Miles Ogborn and Charles W. J. Withers, *Georgian Geographies: Essays on Space, Place and Landscape in the Eighteenth Century* (Manchester, 2004), pp.92-113.

[135] The development of the West End, and the architecture, owners and occupiers of some of its residential buildings, are described in the relevant volumes of *The Survey of London*; John Summerson, *Georgian London*, revised edition (London, 1988); Roy Porter*, London: A Social History* (London, 1996), chapter 5, pp.93-130; Michael H. Port, 'West End palaces: The aristocratic town house in London, 1730-1830'*, London Journal,* 20 (1995), pp.17-46; *Christopher S. Sykes, Private Palaces: Life in the Great London Houses* (London: Chatto & Windus, 1985); Juliet Learmouth, 'Elite Women and the West End Town House: Creating, Maintaining and

The proportion of clients with addresses outside London also varied considerably. Whilst just 4% of Drummonds' clients had addresses in the home counties (outside the City, Westminster and Middlesex), the proportion at Hoare's was 15%, and the shares of clients with an address in other English counties were 10% and 25% respectively. At Hoare's clergy account for a significant number of the addresses outside London – 16% of the sample were clergy, most of whom resided beyond the capital, whereas the proportion at Drummonds was much lower (7%). At Goslings, 34% of clients had addresses in other English counties, though this is not accounted for by the proportion of clergy (9%). Location was therefore most likely a factor in the choice of bank for a proportion of bank clients in London, whereas client locations beyond London also in part, at least, reflect the differing composition of the banks' clienteles.

In summary, it is evident that by 1780 the mix of clients at all three banks was relatively similar in terms of social status, but that individually each bank appealed to a slightly different segment of society. The analysis in the following chapters of client banking activity will shed more light on the impact on the banks of different clienteles, and how far the differences might have been driven by clients or bankers.[136] It will also be shown how different groups of clients had particular banking requirements, and how the banks responded to this. It will be argued that not all of the services that banks provided to clients generated a direct income, but that they were useful to banks in other ways, for example in bolstering client loyalty and maintaining deposits.

Client loyalty

A comparison of client names for holders of bank accounts in 1730 at Drummonds, Hoare's and Goslings, and of borrowers at the same banks and at Child & Co, reveals that among the combined 1,292 clients only 5% of client names were matched with a client of the same

Inhabiting a Residence in London, c.1710-c.1750' (unpublished PhD thesis, Birkbeck College, University of London, 2021). A micro-level study of residents of one of the most fashionable squares is provided by Julie Schlarman, 'The social geography of Grosvenor Square: mapping gender and politics, 1720-1760', *London Journal*, 28 (2003), pp.8-28.

[136] Temin and Voth, for example, suggest that in relation to the lending at Hoare's in the period 1692-1724, 'the bank's strategy of selecting high-net-worth customers of impeccable social standing … apparently made good business sense': Temin and Voth, 'Banking as an emerging technology', p.172.

name at another bank.[137] Only 2% of names are ones where it is definite or very likely that they relate to the same person.[138] Sometimes the same person held accounts with more than one bank, and in other cases they held an account with one bank and borrowed from another. Some individuals were clients or borrowers from two banks in Fleet Street, banks whose premises were very close to each other. Comparing the 792 account holders or borrowers with surnames A-K at the three banks in 1730 with drawing account holders at the Bank of England shows only 25 name matches (3.2%), of which only 16 (2%) are definite or likely matches.[139]

A comparison of client names in 1780, for a total of 1,268 clients with surnames A-C at the same banks, shows a similar pattern to that found for 1730. Only 4.4% of client names were matched with a client of the same name at another bank (occasionally at two other banks) and only 3.1% were ones with a certain or highly likely match. Comparing the same account holders or borrowers in 1780 with drawing account holders at the Bank of England shows only 42 name matches (3%), of which 31 (2.4%) are definite or likely matches.[140]

The proportion of clients who banked with multiple banks in 1730 and 1780 was a little lower than in 1672, but as in the earlier period the small sample of banks for which records survive makes it impossible to draw firm conclusions from the findings. It is not clear whether the slight change in the use of multiple banks compared to 1672 is significant. All that can be said with any certainty is that some clients had multiple banking relationships at particular points in time, and that there were also others who banked with multiple banks at different times. For example, as Richard Terry discovered, Alexander Pope appears to have used the services of at least 5 banks over his lifetime, including Child & Co, Drummonds, Goslings, Hoare's and Mead & Co, though at times on a very limited basis.[141] Later in the

[137] For Hoare's only clients with surnames A-C only have been matched.
[138] Based on the evidence of the client's epithet, title or distinctive name.
[139] Holders of drawing accounts with surnames A-K, identified from the relevant indexes to the ledgers covering February 1730 – June 1732 (BEA C98/64-65). Joint accounts are listed in the indexes under one name only, although the other account holders' names are noted alongside the indexed name. To make the matching process manageable only the indexed name has been used for matching, so the number of matches identified might be a slight underestimate.
[140] Holders of drawing accounts with surnames A-C, identified from the relevant index to the ledger covering October 1780 – October 1782 (BEA C98/149). See footnote 139 concerning joint accounts.
[141] Richard Terry, 'The banking habits of eighteenth-century authors: Pope and others', *Review of English Studies*, 69 (2018), pp.488-509.

century, the Duke of Bridgewater borrowed from, and banked with, Child & Co and Drummonds[142], and the Duchess of Kingston used the services of at least four London banks.[143]

As will be shown in Chapter 4, a significant proportion of clients held their accounts with a particular bank for multiple decades, and often until their death, and such evidence suggests loyalty to a particular bank (or banks) over the course of their life. Such loyalty sometimes stretched over generations or across families: many clients chose a bank at which another member of their family, or a friend, was a client. Mary Delany, for example, whose banking activity is discussed in Chapter 4, probably opened at account with Goslings in 1747 because her brother Bernard Granville already banked there. It is possible that in turn her banking connection with Goslings prompted her close friend Anne Donnellan (c.1700-1762) to open an account there in 1754, which she used for the remainder of her life, as did her nephew and executor Court Dewes (1742-1793), whose account ran from 1770 until his death. However, her husband Patrick Delany did not have an account with the bank. When Martha Clayton opened her account with Drummonds in 1768 she joined her father Sir Kenrick Clayton, mother Henrietta, brother Robert and uncle William, who were already clients. Lancelot Brown junior similarly followed his father Lancelot 'Capability' Brown, who since 1753 had conducted most of his banking at Drummonds,[144] opening his own account there in 1772. He also opened an account in 1776 with Goslings where Henry Holland senior, the father of Lancelot Brown senior's business partner, Henry Holland junior, had banked since 1749.

Others chose not to follow their friends or family. As noted above, some clients selected a bank near their place of residence or work or chose a firm where others in the same occupation banked, such as lawyers who banked with Child & Co or Hoare's in Fleet Street, or those in the book trade who chose Goslings. Exactly how clients made such choices, and whether they were deliberate or casual, is hard to determine. The extent to which clients'

[142] Discussed further in Chapter 5.
[143] Bank of England, Child & Co, Drummonds and Hoare's.
[144] Lancelot Brown senior had himself banked with Hoare's for just over 6 months, 1752-3, before settling on Drummonds, where he continued to bank until his death in 1783.

relationships with bankers were important to them varied according to their banking needs and activity, which will be considered in the following chapters.

2.4 Conclusion

This chapter has demonstrated changes in the mix of banks and the composition of bank clienteles over time. In the early 1670s there were a range of different banking models from which clients could choose, but over the following decades the goldsmith-bankers came to dominate the banking market. As the City and West End banks developed somewhat different business strategies and services, it would increasingly have been clear to potential clients where they should look for banking services relevant to their needs. Yet, as noted in Chapter 1, banks were not the only providers or mediators of financial services, and many individuals, including bank clients, utilised their services alongside, or instead of, those offered by the banks.[145]

By 1780, London's West End banks themselves were not only very alike but, as will be demonstrated in the following chapters, they also mostly provided a similar range of services to their clients. Over the period 1730-1780 there was also a convergence in the social mix of clients served by different banks. As their clienteles increased in size, the proportion of middling sort among them also grew significantly. Yet at the same time each bank attracted one or more distinct type of client. By 1780 the number of bank clients indicates that banking had become commonplace among elite and wealthier middling society.

As the eighteenth century progressed, there were also an increasing number of family connections with individual banks, as sons, daughters, brothers and sisters all chose to use the same bank. Although hard to quantify, given the paucity of surviving records, it is clear that some clients had accounts with multiple banks, sometimes in sequence and sometimes simultaneously. The longevity of many banking relationships suggests that such clients were sufficiently satisfied with the services they received that they chose to stay with the same banking firm. When banks failed, clients were forced to look elsewhere, and sometimes a temporary bank stoppage could cause a flight by clients, as at Drummonds in the aftermath

[145] Chapter 1, section 1.2

of the 1745 Jacobite rising. However, it appears that clients mostly remained loyal, continuing with the same firm as bank partners came and went, and in spite of a succession of economic and even banking crises.

Having outlined the development of banking and the changing nature of the banks' clienteles over the period of this study, the following chapters consider the ways in which those clients engaged with their banks, and how the forms of that engagement changed over time. It will be demonstrated that by 1780 there had developed a culture of banking. This culture was dependent upon personal relationships between clients and bankers and enabled clients to choose from a suite of banking services to meet their needs.

Chapter 3 - Client banking in the 1670s

3.1 Introduction

This chapter looks at client banking behaviour in the 1670s. Whilst some aspects of client banking activity in the Restoration period have attracted scholars' attention, the focus has often been on the providers, rather than consumers, of services.[1] No attempts have been made to date to assess the full range and extent of clients' banking engagement. This chapter seeks to take that wide view, whilst later chapters focus in greater detail on borrowing (Chapter 5) and saving (Chapter 6). This chapter reveals the banking activity undertaken by clients of two goldsmith-banking businesses for which comparable records survive, those of Edward Backwell and of Robert Blanchard.[2]

The chapter begins by exploring the scale of clients' banking activity (3.2), drawing on datasets covering different, but overlapping 12-month periods, but which for simplicity are referred to hereafter as 1672.[3] This reveals the significant differences between the businesses of Robert Blanchard and Edward Backwell. The chapter continues (3.3) with an analysis of the types of banking activity undertaken by clients. As noted in Chapter 2, there was no single common banking model at this time, nor a long tradition of banking by clients, and it was very much a period of experimentation for both bankers and their clients. It was also more generally a period of considerable financial innovation, for instance with regard to government revenue generation and collection.

---

[1] For example Frederick G. Hilton Price, 'Some account of the business of Alderman Edward Backwell, goldsmith and banker in the 17th century', *Transactions of the London & Middlesex Archaeological Society*, p.6 (1890), pp.191-230; Richard D. Richards, 'A pre-Bank of England English banker - Edward Backwell', *Economic History: Supplement to the Economic Journal*, 1, (1928), pp.335-355; Henry G. Roseveare, 'The Advancement of the King's Credit, 1660-1672' (unpublished PhD thesis, University of Cambridge, 1962); Stephen F. Quinn, 'Banking before the Bank: London's Unregulated Goldsmith-Bankers, 1660-1694' (unpublished PhD thesis, University of Illinois, 1994); and Peter Temin and Hans-Joachim Voth, *Prometheus Shackled: Goldsmith Banks and England's Financial Revolution after 1700* (Oxford, 2013).

[2] The latter business will be referred to below as that of Robert Blanchard, though during the 1670s he was assisted by Francis Child, who had become his partner by 1677 and continued the business in his own name after Blanchard's death in 1681. The bank later became known as Child & Co.

[3] The analysis is based on accounts in the final ledger of Edward Backwell, 25 March 1671 – 25 March 1672 (NatWest Group Archives (NWGA) EB/1/9) and banks accounts (excluding loans) during the calendar year 1672 which appear in the surviving ledgers of Robert Blanchard (NWGA CH/194/1-4, 6). These sources are not referenced further below except when referring to specific accounts.

Bankers certainly did not have a monopoly in the financial realm, and some groups of clients, particularly merchants, traded and interacted with each other independently as well as through bankers. The overview of client banking activity in this chapter demonstrates that, around the time of the Stop of the Exchequer in 1672, there was a clear dichotomy between the services offered by City goldsmith-bankers running large-scale businesses, such as Edward Backwell, and smaller-scale West End goldsmith-bankers such as Robert Blanchard.[4] Some of the services banks provided, such as interest on deposits, were clearly driven by client demand. Others, like client borrowing, met the differing needs of clients and bankers. The analysis of client balances with Backwell (3.4) further demonstrates the different ways in which distinct groups of clients undertook their banking activity. A consideration of client account longevity follows (3.5), which demonstrates that clients held bank accounts for a range of time spans, but that many engaged with a single bank over a number of years, and in a few cases over multiple decades.

The chapter then provides a case study (3.6) which illustrates and expands upon the statistical findings. It considers the banking experience of the naval administrator and diarist Samuel Pepys (1633-1703), drawing on evidence from his diary and surviving banking records to illustrate how a single client might avail themselves of a range of services from different providers. Pepys' banking activity is analysed over two periods, before and after the Stop of the Exchequer. He used banks in relation both to his personal finances and in exercising his duties on behalf of the Crown. Pepys' experience also indicates that use of banks at this time of political and economic turbulence was fraught with difficulties, that bankers faced challenges in gaining the confidence or loyalty of their clients, and that clients' banking business was often sporadic and therefore, from the goldsmith-bankers' point of view, unpredictable.

The concluding section of this chapter (3.7) emphasises the fluidity of banking in the period. For clients it was a time of uncertainty. Both clients and those who offered them banking services were learning what to expect of each other.

---

[4] For further information on the Stop of the Exchequer and its significance, see Chapter 1, section 1.2 and Chapter 2, section 2.2.1.

3.2 Client banking activity levels

This section provides a survey of the volume of business undertaken by clients of Edward Backwell and Robert Blanchard. The analysis in this and the following sections is based on evidence comprising 22,643 transactions recorded in the accounts of clients of the former, and 2,073 transactions in those of the latter. The scale of client activity is measured by number of transactions and value of turnover.[5] The analysis below demonstrates that there was considerable variation in the extent to which clients engaged with banks, both within and between the clienteles of the two banks. Yet at the same time there were some common characteristics, including a very skewed distribution of activity between different sets of clients: the majority, who conducted relatively moderate business; and the few, who had exceptionally busy accounts.

Activity levels of Backwell's clients

Charts 3.1 and 3.2 show that the interaction between Backwell and most of his clients was characterised by a small number of transactions. Whilst on average Backwell's client accounts contained 12.4 transactions over the course of 12 months, 60% of his client accounts had no more than five transactions and 79% contained no more than ten. Similarly, although the average client account turnover was £2,606, a considerable proportion of client accounts contained business of relatively low to moderate value (25% of accounts had turnover between £1 and £100, and 36% up to £500). These levels of activity were often not low or moderate in absolute terms, but they were when set in the context of Backwell's business as a whole.

In contrast, a very small number of clients had exceptionally active accounts: 2% of accounts account for 43% of all transactions. The volume of business in the busiest accounts eclipsed that of the rest of his clientele and, for example, 73% of total client turnover was contained in just 4% of accounts.

[5] Account turnover is calculated as the higher of the total value of credit or debit transactions.

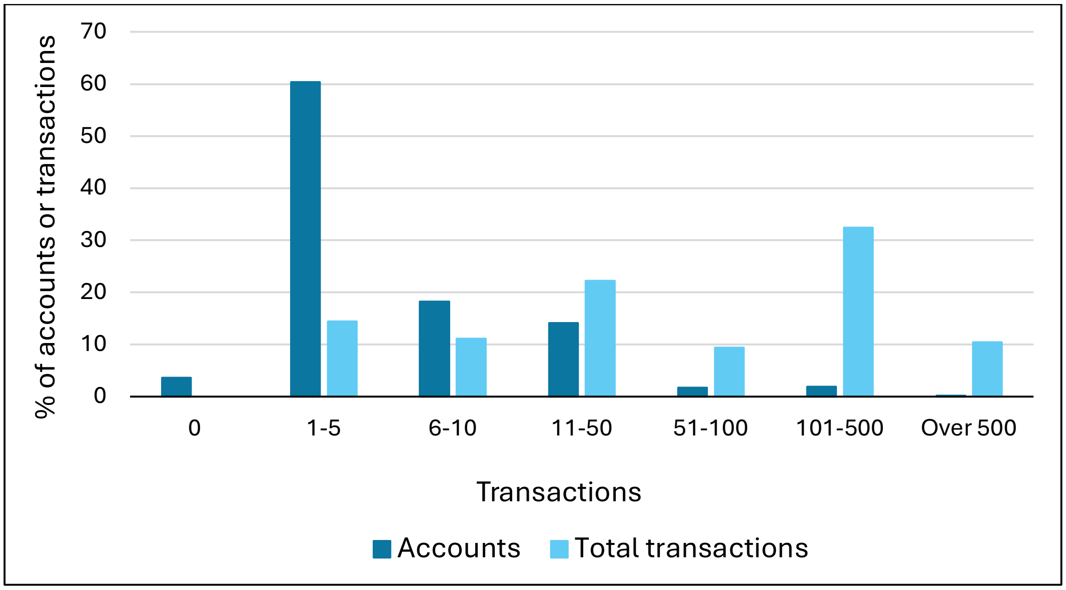


Chart 3.1: Number of transactions per client account with Backwell, 1672[6]
(N=1,828 accounts; 22,643 transactions)

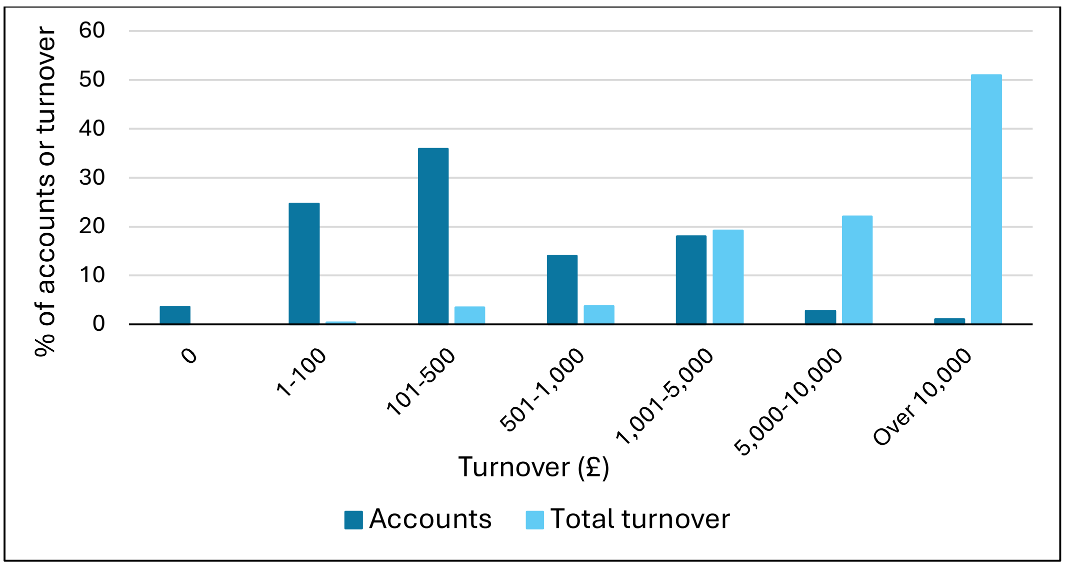


Chart 3.2: Turnover per client account with Backwell, 1672[7]
(N=1,828 accounts; £4.77m total turnover)

In 63 accounts (3.5% of all accounts) there were no transactions at all, but this does not necessarily imply that all of these accounts were dormant. The combined net balance of these inactive accounts was relatively small (£2,332), comprised of total credit balances of £7,303 less total debit balances of £4,971, but there was considerable variation in the

[6] Based on 1,828 accounts containing 22,643 transactions. Maximum 610 transactions per account.
[7] Based on 1,828 accounts containing turnover of £4,764,021. Maximum £58,442 per account.

individual balances. In over half (37) of these accounts the credit or debit balance did not exceed £100, and only three accounts had balances over £500 (one debit and two credit balances). It is possible that at least some of the balances on these accounts were simply deposits which were continuing to earn interest, but where this was not noted during the 12 months, or loans on which no interest was paid during the year covered by the ledger.

As will be discussed in section 3.3 below (and shown in Table 3.1 and Charts 3.5-3.7), Backwell's clientele was made up of distinct groupings of clients. Within each group, clients mostly undertook transactions of a similar type. A feature of some of these sets of clients, for example those involved in currency exchange, is that those within the group mostly used their accounts with Backwell to transact with other members of the same group. Backwell provided such clients with the means to make payments, often of high value, within their particular client clusters. No doubt the members of some of those groups also conducted business with each other independently of Backwell, and indeed some of them might also have provided banking services to each other and to their own clients. The ways in which these distinct groups used Backwell might suggest that among them there were developing, or had developed, different banking habits.

These distinctions between client types account for the very skewed activity patterns. Those clients with the most active accounts included other City goldsmith-bankers, whose activity is referred to below, English and foreign merchants, Treasury and Exchequer officials, tax and customs farmers and cashiers, navy cashiers and victuallers, and shipbuilders, most of whom used their accounts with Backwell for their own business activities whilst others did so on behalf of the institutions for which they worked. It might be expected that these active clients would be the ones that Backwell valued the most and who might have been invited into his back parlour, whilst the bulk of his clients were confined to doing business with his clerks or apprentices in the 'shop'.[8]

[8] See Chapter 2, sections 2.2.1 and 2.3.1 for the use of the term 'shop'.

Activity levels of Blanchard's clients

The pattern of activity of clients of Robert Blanchard shown in Charts 3.3 and 3.4 is less skewed than for clients of Backwell. This is particularly notable given that the number of Blanchard's accounts (115) was far smaller than that for Backwell (1,828), and might therefore be more likely to be skewed by one or two exceptionally active or inactive accounts. It is clear that a greater proportion of Blanchard's clients had moderately active accounts. Not only is the average number of account transactions (18.0) higher than among accounts with Backwell (12.4), but 42.3% of accounts contain between 6 and 50 transactions compared with 32.3% of those with Backwell. However, the pattern of the distribution of Blanchard's total client turnover by transaction level is similar to that for Backwell. Accounts containing 1-5 transactions represent 11.8% of the total client turnover of Blanchard and 9.2% of that of Edward Backwell. Accounts with 6-10 transactions contain 34.0% and 8.3% of turnover respectively, those with 11-50 make up 12.8% and 15.6%, and those accounts with over 50 transactions 36.3% and 66.8%. More of Blanchard's accounts (5.1% compared with 3.5% of Backwell's) were inactive during sample period, most likely because more accounts with Blanchard were used on an infrequent or occasional basis for goldsmithing transactions, as will be shown below.

When accounts are classified by turnover level, the findings are similar to those outlined above based on numbers of transactions. Again, the pattern of distribution of numbers of accounts by activity level is similar for both Blanchard and Backwell. Whilst the average turnover of accounts with Blanchard (£719) was much lower than for Backwell's accounts (£2,606), accounts containing turnover between £1 and £100 comprise 29.6% of all accounts with Blanchard, and 24.7% of those with Backwell. Accounts with turnover between £101 and £500 make up 27.8% and 35.9%, those with turnover between £501 and £1,000 13.9% and 14.0%, and those with turnover over £1,000 16.5% and 21.9%. However, the proportions of total turnover represented by each band show a little more variation between the two clienteles than was apparent from the analysis by transaction level. Accounts with Blanchard which had turnover up to £1,000 represent 24.6% of his total client turnover, but the equivalent proportion for Backwell's clientele was just 7.6%. In contrast, accounts with turnover between £1,001 and £5,000 account for 41.9% and 19.2%, and those over £5,000 for 33.5% and 73.1%.

The accounts of three of Blanchard's clients had over 100 transactions: Christopher Cratford's account contained 399 entries, that of Henry Somerset 3rd Marquess of Worcester 212, and the account of Roger Jenyns Esq 195. Cratford and Worcester also had exceptionally high account turnover compared to other clients of Blanchard (£14,852 and £12,869 respectively); the account with the next largest turnover was Lord St John with £4,567.[9] These accounts explain the high proportion of total transactions and turnover represented on the extreme right of charts 3.3 and 3.4. Apart from those three accounts, Blanchard's clients had between them a more even range of activity than those of Backwell.

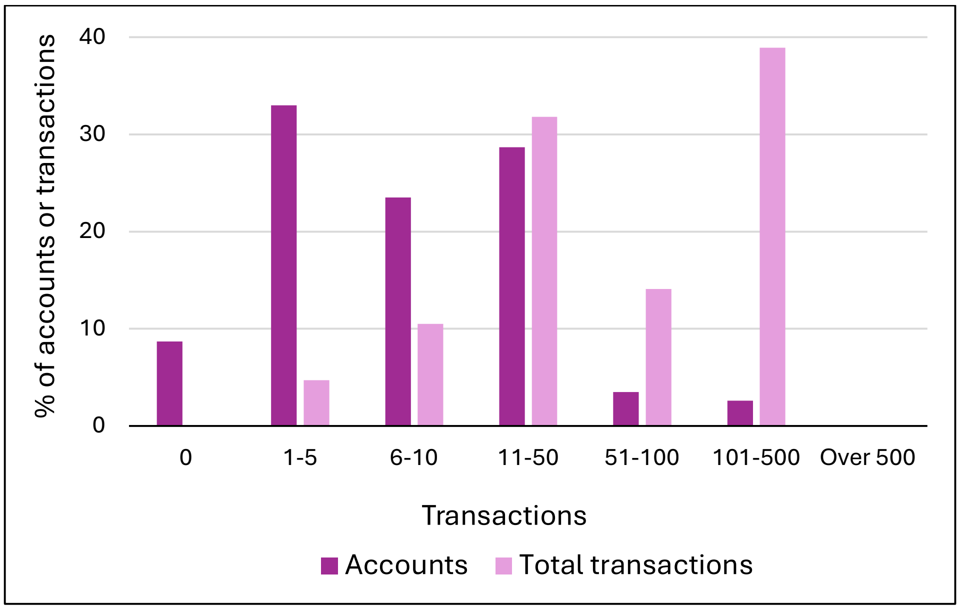


Chart 3.3: Number of transactions per client account with Blanchard, 1672[10]
(N=115 accounts; 2,073 transactions)

It is clear, particularly from the analysis of their transaction levels, that most clients of Backwell and Blanchard were not using their accounts to manage regular day to day personal expenditure. However, one notable exception to this was the 3rd Marquess of Worcester, who made frequent payments from his account to procure a variety of services. Fairly typical of his account activity were payments on 23 December 1672 to a Mr Rose,

[9] Further information on Cratford appears below (3.5). Roger Jenyns (1636-93) was an original member of the corporation set up by Act of Parliament in 1663 to drain the Fens, serving successively as conservator, bailiff, and surveyor general of fens until his death in 1693: Romney R. Sedgwick, 'JENYNS, John (1659-1717), of Hayes, Mdx., *History of Parliament*, https://www.historyofparliamentonline.org/volume/1715-1754/member/jenyns-john-1659-1717, accessed 20 January 2024.
[10] Based on 115 accounts containing 2,073 transactions. Maximum 399 transactions per account.

'Harnismaker' (£40) and Mr Morgan, coachmaker (£60), followed by payments on 29 December to a Mr Bagnall (£9 9s), Mr Ellis, coachman (£7 5s) and a Mr Price (£8).[11]

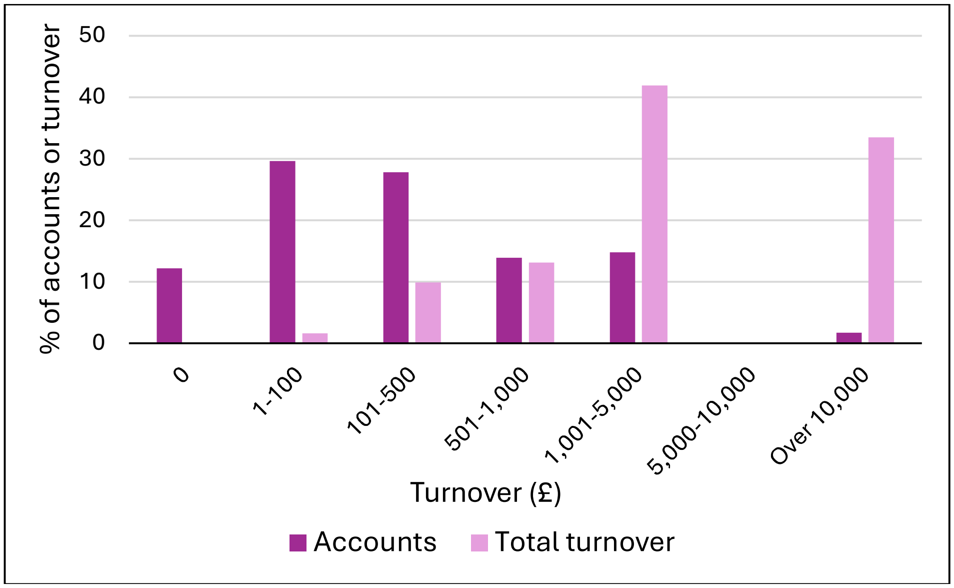


Chart 3.4: Turnover per client account with Blanchard, 1672[12]
(N=115 accounts; £82,729 total turnover)

Activity levels by gender[13]

The differences between the accounts of male and female clients are striking.[14] Accounts of female clients of Blanchard together contained a total of 75 transactions and those with Backwell 934 transactions, whereas male accounts had equivalent totals of 1,998 and 21,009. The average number of transactions per account are far lower for women (6.3 and 4.3 respectively) than for accounts of male clients (19.4 and 13.1). The contrast is even more stark when comparing turnover levels. The total turnover within female clients' accounts (£3,396 and £130,096) was far lower than for male clients (£79,333 and £4,022,179). The average turnover for female clients' accounts with Blanchard was £148 and the equivalent

[11] NWGA CH/194/2, p.454.
[12] Based on 115 accounts containing turnover of £82,729. Maximum £14,582 per account.
[13] No attempt has been made in this or subsequent chapters to establish the marital status of female clients, the impact such status might have had on their banking activity, or the extent to which their banking activity conformed with the law of coverture. On the law of coverture and women's financial activity see, for example, Amy L. Erickson, *Women and Property in Early Modern England* (London, 1993) and Alexandra Shepard, *Accounting for Oneself: Worth, Status, and the Social Order in Early Modern England* (Oxford, 2015), pp.223-229 and 306-307.
[14] The figures in this section are based on accounts held by male (1,608) or female (193) clients, and do not include accounts held jointly by male and female clients (6) or by institutions.

figure for Backwell accounts was £674, whereas the averages for male clients' accounts were £770 and £2,501. Most (87%) of the women who banked with Backwell did so to deposit money for the purpose of earning interest (Table 3.1), which partly explains the higher turnover figure for female accounts with Backwell compared to those with Blanchard.

3.3 Client banking activity types

Activity types of Backwell's clients

In this section the different services offered by Backwell are compared, by both the number of clients served and the volume of business transacted. As noted above, among Backwell's clientele there were distinct groups of clients, identifiable by the types of transaction they undertook. Whilst the range of Backwell's services and of his clients' activity is reflected in the work of Frederick Hilton Price, Richard Richards, Henry Roseveare and Stephen Quinn, the analysis below presents for the first time a clear indication as to the relative importance of each of those services and activities.[15] Table 3.1 and Charts 3.5-3.7 indicate that in 1672 just over half (51.1%) of his client accounts were used to deposit money to receive interest, and a quarter (24.6%) operated akin to a modern current account. The remainder, in much smaller numbers, were used for other services, such as borrowing (6.0%), processing foreign bills of exchange (5.3%), land and property (3.9%), lending against tax revenues (2.5%), currency exchange (2.2%), and clearing of notes (0.7%).[16] As noted above, 3.5% of accounts had no transactions during the 12 months covered in this analysis, and these are discussed below.

It is of note that Backwell often grouped together on the same ledger page (and sometimes on consecutive pages) the accounts of clients who were similar, for instance tenants on his rural estates and others involved in the livestock trade, or whose business relationship with Backwell was of the same type, for example depositors or borrowers. These groupings appear to be intentional, rather than a by-product of contemporaneous activity. This suggests that he might have viewed categories of clients and the services he offered them as

---

[15] See footnote 1.

[16] Backwell's provision of services in relation to foreign exchange and arbitrage, foreign bills and bullion is analysed in Stephen Quinn 'Gold, silver, and the Glorious Revolution: arbitrage between bills of exchange and bullion', *Economic History Review*, 49 (1996), pp.473-490.

distinct elements of his business.[17] Indeed, he may well have envisaged the structure of his business and clientele as categorised in Table 3.1 and Charts 3.5-3.7.

It is also notable that, excluding loans to the Crown (which comprised the bulk of Backwell's lending, and which are not considered in this thesis), only 6.0% of the accounts were primarily used by clients for the purpose of borrowing, compared to the 51.1% of accounts in which money was placed on deposit to earn interest, which equates to a ratio of depositors to borrowers of 8.5:1. This accords with the findings of Stephen Quinn, who notes that Backwell borrowed from many more people than he lent to, and that the ratio of depositors who were paid interest to borrowers rose from almost 2 to 1 in 1663 to over 12 to 1 in 1669, falling to around 8 to 1 in 1670 and 1671.[18] Backwell sought deposits to fund his own lending to the Crown. Although initially many individuals had invested in the Treasury Orders introduced by George Downing to widen participation in Crown debt, they had mostly sold them to goldsmith-bankers such as Backwell and Robert Vyner by the time of the Stop of the Exchequer, and instead had placed their money with the goldsmiths.[19] Given that Backwell could earn much more on lending to the Crown than he could by lending to individuals, it is not particularly surprising that he lent to so few borrowers. Indeed, many potential borrowers may have been able to borrow more advantageously directly from other individuals, including through the brokerage of money scriveners such as Clayton & Morris.[20]

Comparing the number of accounts in each category outlined above demonstrates the composition of Backwell's clientele (Chart 3.5). When quantified by proportion of transactions and turnover the relative scale of their activity with Backwell is revealed. Looking first at each account category's share of Backwell's total client transactions (Chart 3.6), current accounts (30.0%) and deposit accounts (25.0%) account for the largest proportions, followed by note clearing accounts (18.3%), then those dealing with currency

---

[17] For example, all of the 16 accounts on ff.579-580 are for tenants on Backwell's property in Buckworth (Cambridgeshire, formerly Huntingdonshire), all of the 3 accounts on f.426 are all for overseas merchants whose transactions included foreign bills of exchange, and all of the 4 accounts on f.393 and 6 accounts on f.582 relate to individuals who received rent from Backwell for properties in the City of London.
[18] Personal correspondence, for which I am grateful to Stephen Quinn.
[19] See Roseveare, 'The Advancement of the King's Credit'.
[20] Frank T. Melton, *Sir Robert Clayton and the Origins of English Deposit Banking* (Cambridge, 1986*).*

Activity type	Number of accounts					Trans-action s	Brought forward (£)	Carried forward (£)	Turnover (£)
	Male	Female	Jt	Instit-ution	Total				
						Total	Total	Total	Total
Note clearing (bankers)	13	0	0	0	13	4,148	-162	4561	973,800
Deposits at interest	760	168	6	1	935	5,652	263,065	277,414	658,901
Borrowing	105	1	0	4	110	803	-54,775	-30,888	354,733
Currency	35	2	0	3	40	1,844	1,046,040	1,001,656	583,055
Foreign bills of exchange	96	0	0	1	97	1,654	883	3,848	175,195
Country rental/ farming	57	3	0	1	61	757	-668	-2,718	27,549
London rental/ premises	11	0	0	0	11	21	-9,130	-8,862	907
Orders on the customs etc	41	3	0	2	46	469	-20,794	-39,322	184,546
Customers receiver and farmers	2	0	0	0	2	501	-88,932	-5,317	805,751
'Current accounts'	431	12	0	7	450	6,794	58,584	-33,497	999,584
Inactive	57	4	0	2	63	0	2,332	2,332	0
Total	**1608**	**193**	**6**	**21**	**1,828**	**22,643**	**1,196,443**	**1,169,207**	**4,764,021**

Table 3.1: Classification of account activity with Backwell, 1672[21]

[21] Accounts have been classified into types based on the nature of their transactions, but there are some accounts which include multiple elements, where it has been necessary to use a degree of judgement. For example, in most cases accounts with one or more deposits at interest have been classified as such, but where a very active account containing a single deposit at interest was dominated by foreign exchange transactions it

exchange (8.1%) and foreign bills of exchange (7.3%). These figures give a rough idea of how much time was required to manage each group of accounts, as most transactions involved processing some form of paper instrument as well as recording the payment or credit in the bank's books.

Activity Type	Transactions average	Turnover average (£)
Note clearing (bankers)	319.1	74,908
Deposits at interest	6.0	705
Borrowing	7.3	3,225
Currency	46.1	14,577
Foreign bills of exchange	17.1	1,807
Land and property	12.4	395
Orders on the customs etc	10.2	4,012
Customers receiver and farmers	250.5	402,876
'Current accounts'	15.1	2,221
Inactive	0	0
All accounts	**12.4**	**2,606**

Table 3.2: Average transactions and turnover per client account with Backwell, by account activity, 1672[22]

However, the proportion of client turnover in each category (Chart 3.7) shows a different pattern. Current accounts still dominate (21.0%), but now deposit accounts are less significant (13.8%) whilst note clearing accounts (20.4%), currency accounts (12.2%) and those used for borrowing (7.4%) contain a larger share of all turnover than of all transactions. Just two accounts, representing only 2.2% of transactions, contain 16.9% of

would have been classified under the latter heading. This means that the figures calculated for number of transactions, turnover and balances cannot be entirely objective. Among the accounts categorised as borrowing are those which simply contain payments to Backwell for interest, some of which may relate to overdrafts rather than pre-arranged loans. The totals are also often significantly skewed by a tiny number of very active and/or high-value accounts. Accounts which do not fit into any other category have been classified as 'current accounts', and often these accounts contained a range of different types of transaction.

[22] See footnote 21 concerning the classification of accounts. In this table land and property transactions in London and the country have been combined.

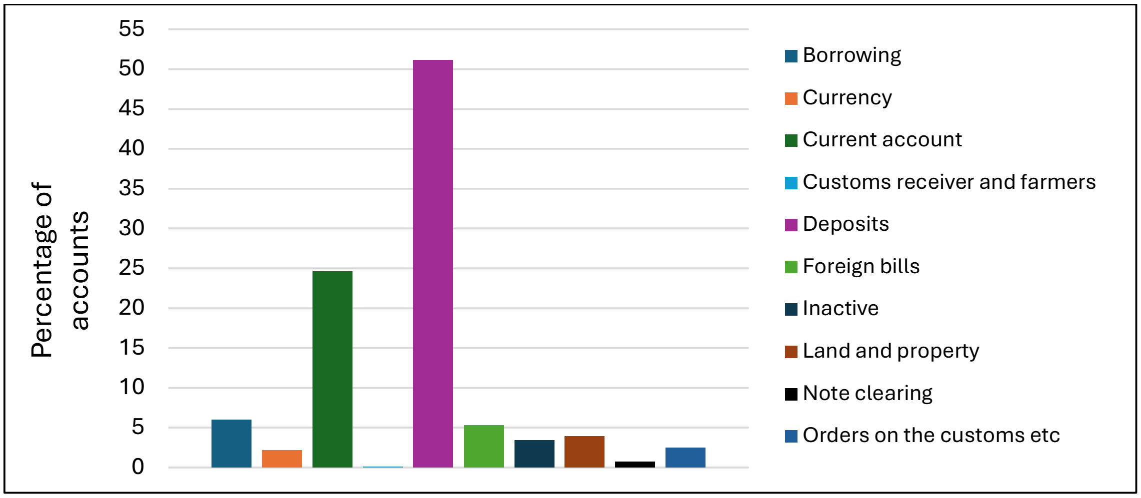


Chart 3.5: Activity of Backwell's clients by number of accounts, 1672 (N=1,828 accounts)

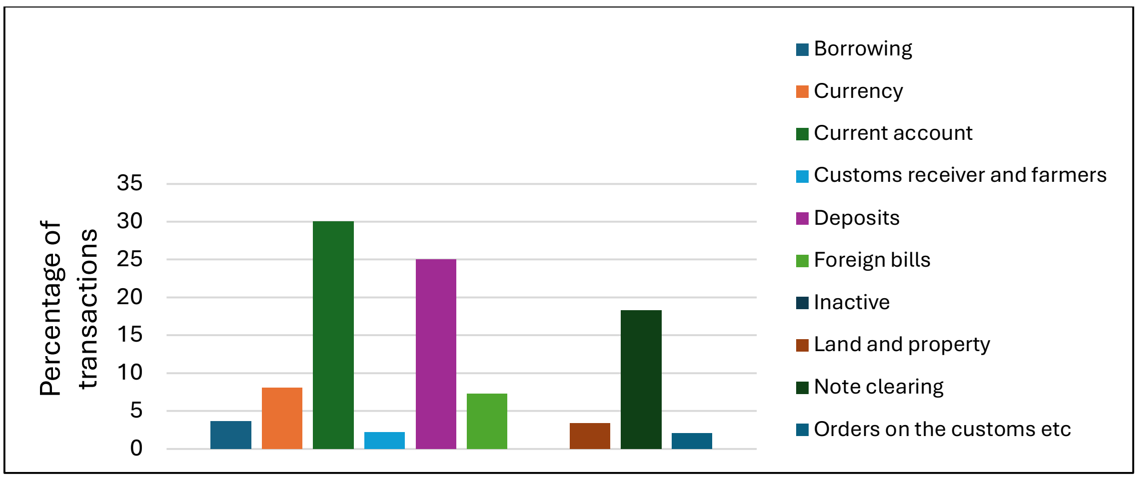


Chart 3.6: Activity of Backwell's clients by number of transactions, 1672
(N=1,828 accounts; 22,643 transactions)

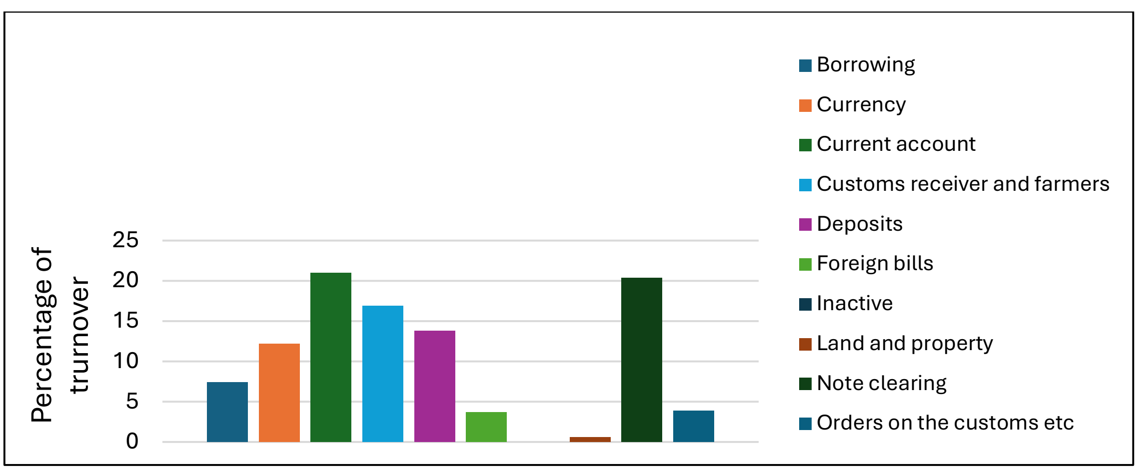


Chart 3.7: Activity of Backwell's clients by turnover, 1672
(N=1,828 accounts; £4.77m total turnover)

Backwell's total client account turnover: the account of the customs farmers and one of the three accounts of Richard Mountenay, receiver general, or cashier, of the customs.[23] The turnover figures in particular reveal the relative importance to Backwell of each account category. Each group's turnover would also have had implications for Backwell's liquidity and balance sheet.[24]

Analysing account activity averages helps further to illuminate the above findings whilst at the same time indicating how active clients were within each group (Table 3.2). As noted above, on average accounts with Backwell contained 12.4 transactions, yet Backwell's 935 deposit accounts, which comprised over half of all his accounts and together contained a quarter of all transactions, contained on average only 6 transactions per account. In other words, these accounts contained infrequent deposits and withdrawals. The average turnover on these accounts was only £705, compared to the average for all of Backwell's accounts of £2,606. The amount of money moving in and out of these accounts on an annual basis was relatively low.

On the other hand, the 450 current accounts, which made up a quarter of all accounts and a fifth of all transactions, were much more active, containing on average 15.1 transactions and turnover of £2,221. By far the most active accounts were those of the farmers of the customs and Richard Mountenay. These two accounts contained 76 and 425 transactions respectively, and turnover of £215,803 and £589,948. The accounts of 13 goldsmith-bankers, who cleared notes between them, had an average of 319.1 transactions and turnover of £74,908, and those 40 clients who dealt in foreign currency (comprising 2.2% of accounts), had an average of 46.1 transactions and £14,577 turnover. In contrast, Backwell's 110 loan accounts were moderately active, with an average of 7.3 transactions and £3,225 turnover. These figures show that each client group's banking activity was distinctive, all making particular demands on Backwell's resources. Subsequent chapters will illustrate this through more detailed analysis of the characteristics of deposit and loan accounts. In addition to

[23] At this time the collection of the customs was contracted out ('farmed') to a syndicate of individuals who, for an annual rent, had the right to benefit from the customs revenue.
[24] No balance sheets or journals survive for Backwell, and it is unclear how he managed his cash flow and resources on a day-to-day basis.

activity levels, account balances were also important to Backwell and his clients, and these are discussed later in this chapter.

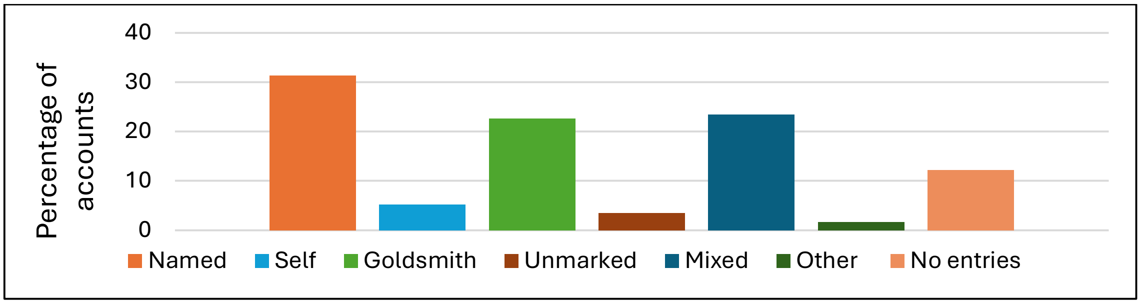


Chart 3.8: Activity of Blanchard's clients by number of clients, 1672 (N=115 accounts)

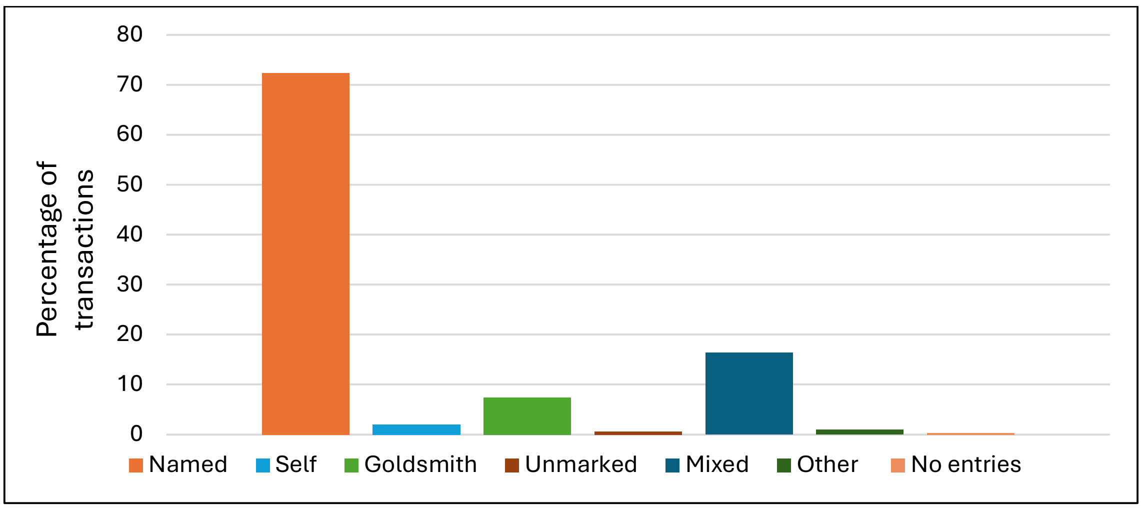


Chart 3.9: Activity of Blanchard's clients by number of transactions, 1672
(N=115 accounts; 2,073 transactions)

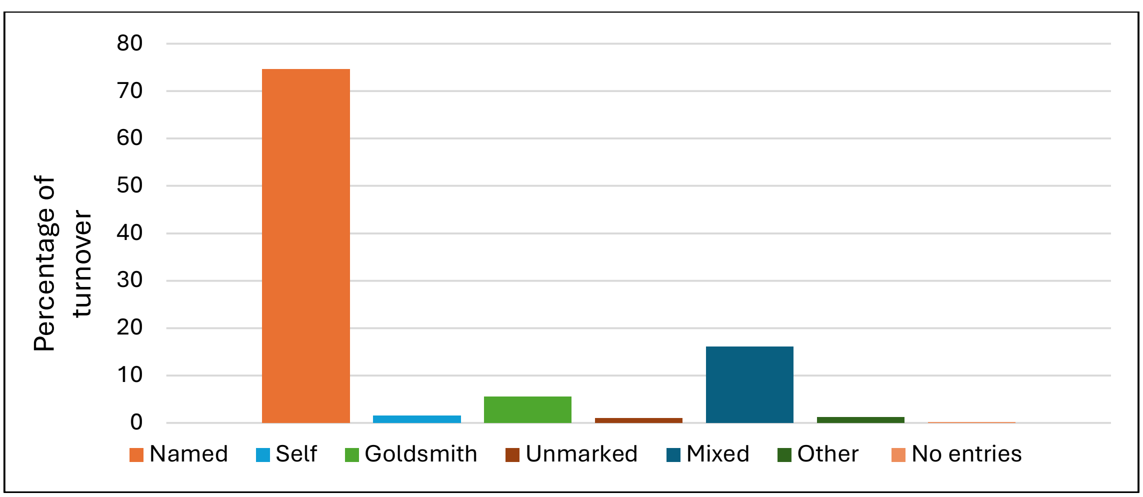


Chart 3.10: Activity of Blanchard's clients by turnover, 1672
(N=115 accounts; £82,729 total turnover)

Activity types of Blanchard's clients

Blanchard did not have an income stream from lending to the Crown. Therefore, in contrast to Backwell, he does not appear to have offered, or been able to offer, deposit accounts bearing interest. The mix of client services he provided is quite different to that of Backwell. Analysis of client transactions does not reveal the same distinction between different client groups that is evident among Backwell's clientele. The nature of the records also means that it is much harder to classify account activity. Overall, Blanchard offered a far narrower range of services than Backwell. In part this reflected his client base – he had far fewer merchants or individuals involved in state or international finance among his clients.

To categorise Blanchard's accounts in a way suggested by the accounts themselves, transactions in Charts 3.8-3.10 have been classified in four ways. First, where a client used their account to pay third parties directly (shown as 'named' payments), mostly by means of cheques (then known as a 'drawn notes') which were drawn on the funds in their account with Blanchard. These 'named' payments formed the majority of transactions (72.4%) and value (74.6%). Second, to pay themselves out of their account balance (2.0% and 1.5%). Third, to pay Blanchard for goldsmithing services (7.4% and 5.6%). Finally, a mix of one or more of these types of activity (16.4% and 1.2%). Those who mostly or solely paid named payees represent 40.0% of Blanchard's clients, whereas those who mostly paid themselves comprise 5.2%. A smaller percentage, 22.6% is made up by those who mostly paid Blanchard for his services as a goldsmith, and 16.4% those whose account activity was made up of range of services. Several accounts have been characterised as unmarked, and these mostly or solely contain transactions labelled simply as bills or notes.[25] These account for 18.3% of accounts, 0.6% of transactions and 17.1% of turnover.

Both Backwell and Blanchard had traded in part as retail goldsmiths, but whereas Backwell significantly withdrew from such activity after 1665, the balance of Blanchard's business,

---

[25] Terms such as 'bill' or 'note' were often used interchangeably at this time, and such imprecision of terminology continued into the eighteenth century. 'Note', for example, was regularly used to describe any of a cheque (known at this time as a 'drawn note'), a bank note (banker's promissory note) or a promissory note written by someone other than a banker. Other aspects of the fluidity and ambiguity of the language employed in accounting and finance is discussed by Mabel Winter, *Banking, Projecting and Politicking in Early Modern England: The Rise and Fall of Thompson and Company, 1671-1678* (Cham, Switzerland, 2022), pp.135-137.

was only gradually shifting towards banking.[26] For that reason, 51 (or 44%) of Blanchard's clients used the bank at some point in 1672 to buy or sell plate or jewellery, of whom 6 had no other dealings with him.

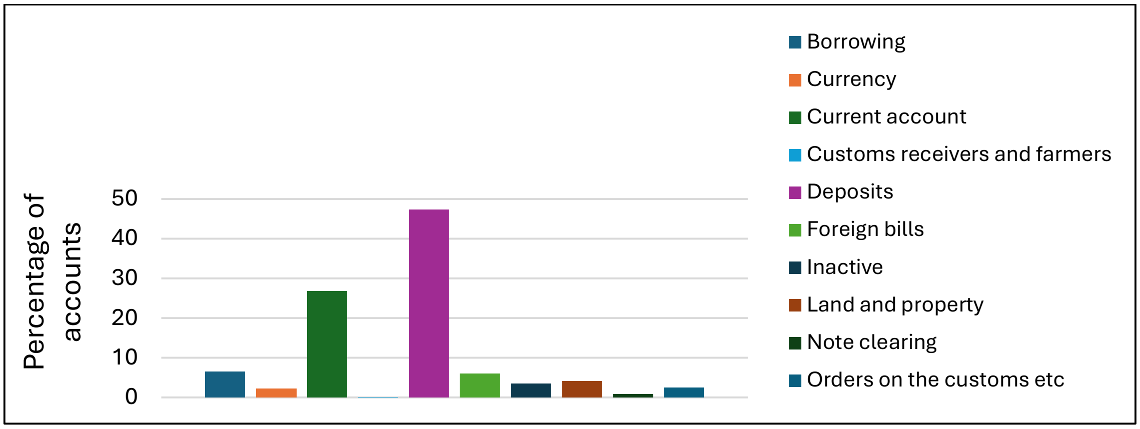


Chart 3.11: Activity of Backwell's male clients by number of accounts, 1672 (N=1,608 accounts)

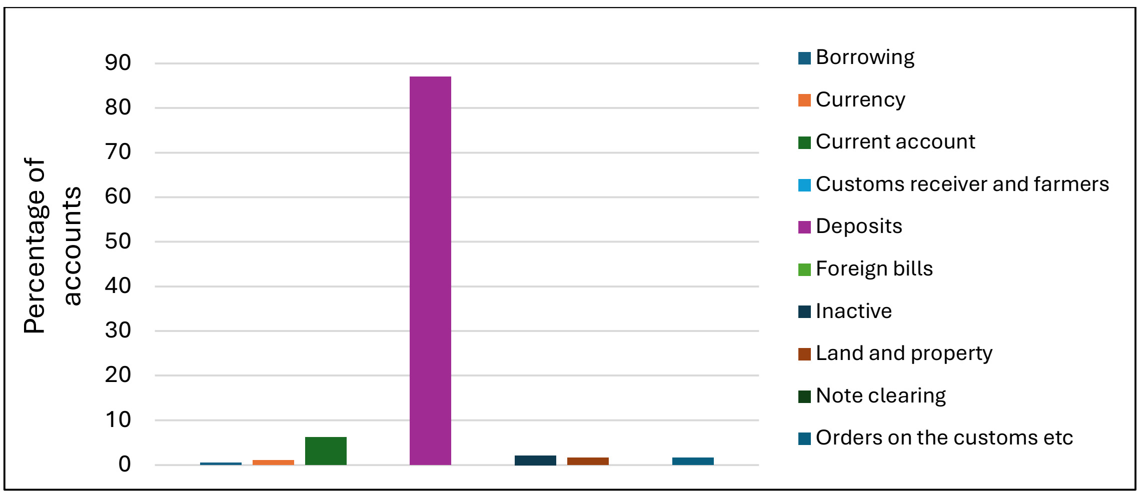


Chart 3.12: Activity of Backwell's female clients by number of accounts, 1672 (N=193 accounts)

Activity types by gender

There were some striking differences in types of banking activity between men and women (Charts 3.11 and 3.12). In 1672 most transactions (75.6%) in women's accounts with Edward Backwell were contained in accounts used to deposit money in order to earn interest. The equivalent proportion for male clients was 23.4%. Male clients made more use of a wider

[26] See below, section 3.5, for Backwell's withdrawal from business as a retail goldsmith.

variety of services than their female counterparts. They were also more likely to operate a current account than women: transactions in current accounts made up 32.2% of male transactions, compared with 3.9% among female clients.

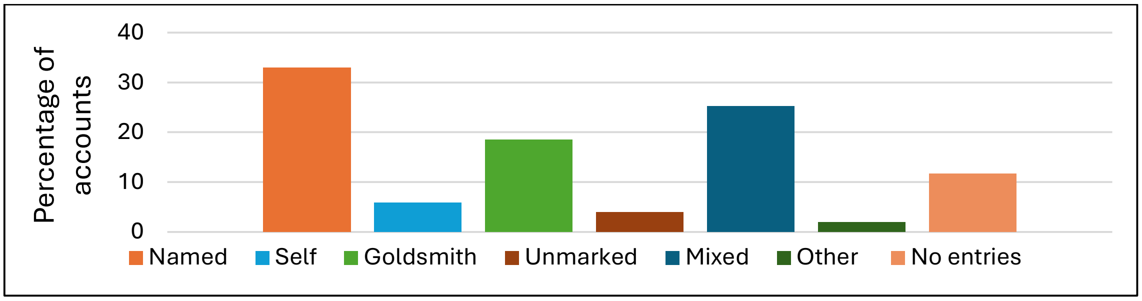


Chart 3.13: Activity of Blanchard's male clients by number of accounts, 1672
(N=103 accounts)

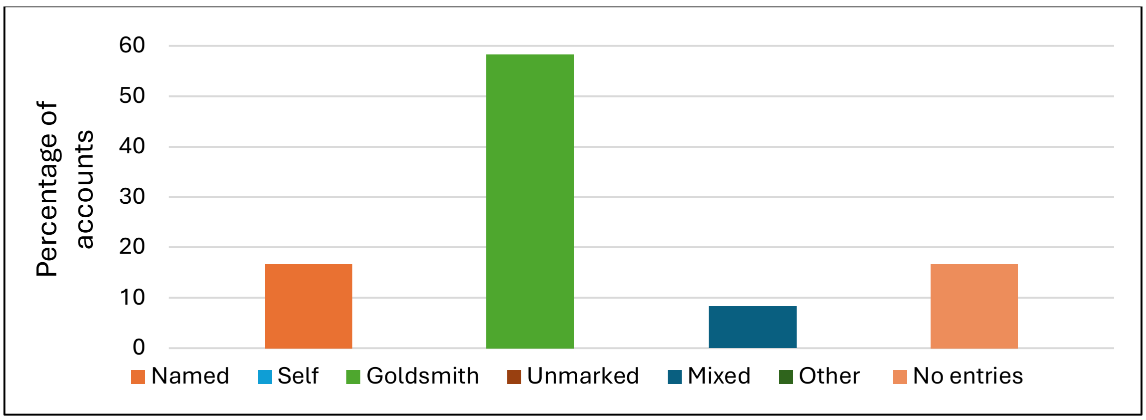


Chart 3.14: Activity of Blanchard's female clients by number of accounts, 1672
(N=12 accounts)

The most striking feature of the activity of Blanchard's female clients (Chart 3.14) is that a higher proportion (58.4%) of their accounts (compared with 18.4% for men, Chart 3.13) were related to the commissioning, buying, selling or altering of jewellery or plate. These transactions comprised 42.8% of the turnover of female accounts, compared with just 3.9% of the turnover of male accounts. A far higher proportion of the total turnover of male accounts (76.0%) related to named payments than for women (40.8%). A significant proportion of Blanchard's clients, both male and female (11.7% and 16.7%), made no payments during 1672, though many received credits to their accounts, suggesting that at least some clients' use of their bank accounts was sporadic and infrequent.

3.4 Account balances

Another way to illustrate the sporadic and irregular interaction between bankers and clients is to look at balances brought and carried forward into client accounts. In this section the focus is on accounts with balances brought forward to Backwell's 1672 ledger in March 1671 and balances carried forward from it in March 1672 (Table 3.4).[27] Account balances often fluctuated significantly over the course of the 12 months covered by Backwell's final ledger, but the balances at the start and end of the period are still useful indicators of how much money was held in each type of account (Table 3.1).

Among the 1,497 accounts which have been categorised under loans, deposits at interest and current accounts, and which contained at least one transaction during the 12-month period of the ledger, 816 accounts (55%) did not inherit a balance brought forward from a previous ledger. 674 accounts (45%) did not carry a balance forward to a later ledger.[28]

The amounts brought and carried forward varied by type of account. Of the 934 accounts used to deposit at interest and which contained at least one transaction, 419 (44.9%) had no balance brought forward and 279 (29.9%) had no balance carried forward. Among the 110 loans accounts, 53 accounts (48.1%) inherited no balance from a previous ledger, and a similar proportion (51 accounts, 46.3%) had no outstanding balance when the ledger closed. Of 450 current accounts, 343 accounts (75.9%) had no balance brought forward and exactly the same number (though not identical accounts) had no balance carried forward.

A fair proportion of those accounts would have been accounts which were first opened during the period covered by the 1672 ledger (hence there was no balance to bring forward) or ones which ceased operating during the same period (hence no balance to carry forward), or ones which were in both of those categories, but this is certainly not true of all of these accounts.

[27] For simplicity the ledger is referred to here and below as the '1672' ledger, though it covers the 12 months 25 March 1671 – 25 March 1672.

[28] All the Backwell accounts referred to in this section contained at last one account transaction during the 12 months covered by the 1672 ledger. These 1,497 accounts comprised 82% of all Backwell's accounts and exclude inactive accounts and those used for more specialist services, such as foreign exchange.

It is not possible to know exactly how many accounts continued beyond the 1672 ledger, and how many did not, as some accounts might have continued without a balance being carried forward. However, looking backwards from the 1672 ledger it is clear that the ledger contains 536 accounts that were entirely new (in other words, they do not appear in earlier ledgers), whereas 816 accounts in just the three account categories considered above had no balance brought forward.[29] This means that across all types of account there must have been at least 280 existing accounts (or 15.3% of all accounts) where no balance was brought forward into the 1672 ledger. In other words, on 25 March 1671 (and it is assumed also for a varying number of days, weeks or months before and after this date) the balance on these accounts was zero. This is a striking illustration of the fact that account activity could wax and wane, at times to the extent that there were periods when, temporarily, clients were not using their accounts at all, or alternatively were managing their accounts very closely to ensure they kept their account balances close to zero.

One category of clients who generally kept their account balances at or near to zero were the 13 goldsmith-bankers, each of whom used their accounts with Backwell primarily for clearing, or offsetting, their own and Backwell's notes. Despite a shared turnover of £973,800, these 13 men managed their transactions with precision in order to keep their account balances to a minimum, and as a group they brought forward a net combined balance (credit balances less debit balances) of just £-162 on 25 March 1671, and carried forward a combined net credit balance of £4,561 a year later.[30] Both of these figures were very low compared to their account turnover. The 97 accounts containing foreign bills of exchange had similarly low net combined balances at the start (£883) and end (£3,848) of the period, equating to average account balances of just £9 and £40, despite annual combined turnover of £175,195.

On the other hand, those 40 accounts which were used for currency exchange had exceptionally large balances, with net combined sums of over £1 million brought and carried

[29] The accounts do not appear in the indexes to the earlier ledgers in the series, NWGA EB/1/1-8. The number of new accounts demonstrates the very volatile variations in Backwell's clientele.
[30] The operation of these accounts in discussed in Stephen Quinn, 'Goldsmith-banking: mutual acceptance and inter-banker clearing in Restoration London', *Explorations in Economic History,* 34 (1997), pp.411–432.

forward (averaging £26,151 and £25,041 per account respectively). Backwell's 935 deposit accounts had the next highest net combined balance figures, with a total of £263,065 brought forward and £277,414 carried forward (with account averages of £281 and £297). The single account of the customs farmers had a very large debit balance brought forward (£-103,377) but, relatively, a very small credit balance carried forward (£2,657).

The 110 accounts used for borrowing had substantial net combined debit balances of £-54,775 brought forward and £-30,888 carried forward, with account averages of £-498 and £-281, as did those 46 accounts including orders on the customs and other government debt (£-20,794 and £-39,322, with averages of £-452 and £-855). The 450 current accounts also had substantial net combined balances: a credit balance of £58,584 brought forward and a debit balance of £-33,497 carried forward (with respective account averages of £130 and £-74). However, the amount carried forward in current accounts is heavily skewed by four accounts which had debit or credit balances carried forward of above £10,000, and if these are removed the net total amount carried forward becomes a credit balance of £13,375 (average £30).[31] Overall it is clear that there was considerable variation over time in the balances of individual accounts.

These figures demonstrate once again how distinctly each type of account was used, and how they contributed in different ways to Backwell's balance sheet. It is clear that Backwell had a complex and multi-faceted business, appealing to a range of client types, each of which had particular requirements.

The current analysis of accounts covering a single year has not tracked longer term changes in the nature of specific banker-client relationships. It is not known, for example, whether borrowers in 1672 might in earlier years have been depositors, or vice versa, as their personal circumstances and financial requirements changed.

[31] These are two accounts of Richard Mountenay (balances carried forward £14,000 and £-24,291), and those of John Backwell, son of Edward Backwell (£-18,914) and Samuel Pepys as Treasurer of Tangier (£-17,667).

3.5 Client account longevity and consistency

Analysis of the indexes to Backwell's nine surviving ledgers shows that the composition of his clientele was very fluid. Chart 3.15 indicates the variations in the longevity of accounts in the surviving ledgers spanning March 1663 to March 1672. A third of the accounts in the final ledger (March 1671 – March 1672) had been opened in either 1671 or the first three months of 1672, and yet around a sixth (16%) could be traced back to the earliest surviving ledger in 1663. 6% of accounts in the final ledger appear in all nine surviving ledgers, suggesting that the activity in those accounts was continuous across the period, and 9.2% appear in six of the nine ledgers, though not necessarily in a continuous sequence.[32]

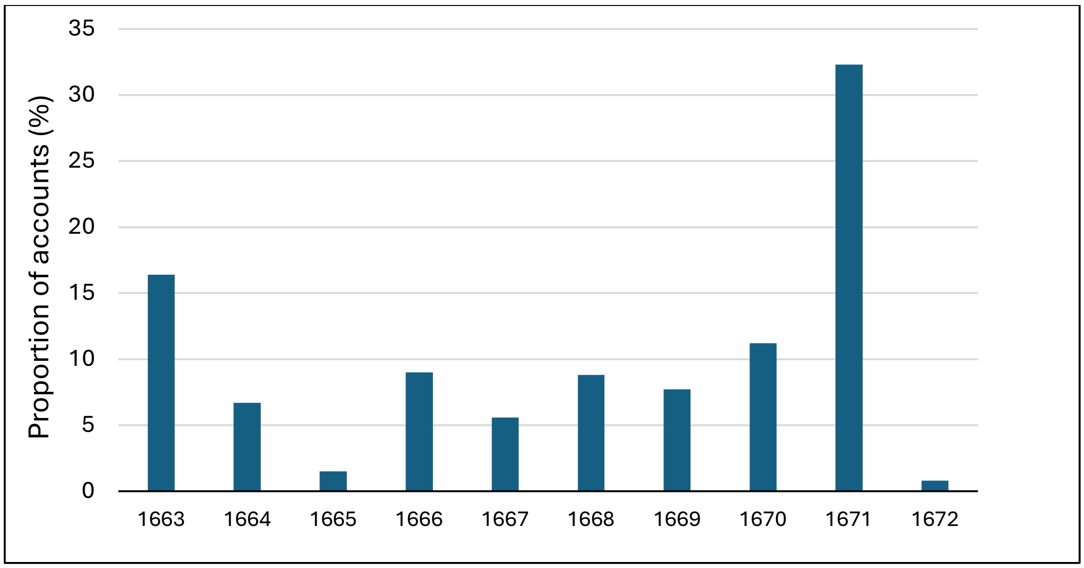


Chart 3.15: Earliest years in which Backwell's 1672 accounts appear (N=1,828 accounts)[33]

[32] Derived from NWGA EB/1/9 and electronic indexes to the 9 surviving ledgers EB/1/1-9, 1663-1672, checked against the ledgers where required. The accounts do not necessarily appear in consecutive ledgers, and there is no information for two ledgers which do not survive within this series. In tracking accounts back through the electronic indexes to all nine surviving ledgers, it is very often not clear whether an account in an earlier ledger is the same as that in the final ledger, particularly where there are gaps between the occurrences and there is no balance carried/brought forward (or this is not specified in the index). Factors such as rarity of a name or conjunction of similar names in a joint account have been brought to bear on classification. Further detailed examination of the accounts in the ledgers could be undertaken to improve precision, but it is unlikely that this would significantly alter the results shown in Chart 3.13. The same caveats also apply to the data shown in Chart 3.14.

[33] Sources as in footnote 32. The chart shows the earliest appearance in the surviving ledgers 1663-1672. The accounts were not necessarily continuous from the earliest date, so there may be no activity in some intervening years, and two ledgers do not survive (which would have covered January – March 1664 and April - December 1665). The low figure for 1665 reflects the missing ledger covering most of that year.

Although the number of Blanchard's clients is far smaller than that for Backwell, and the surviving fifteen of Blanchard and Child's ledgers are an even less complete series than those of Backwell, the ledgers cover a much longer period,[34] and represent a continuing banking business, unlike that of Backwell which eventually collapsed following the Stop.

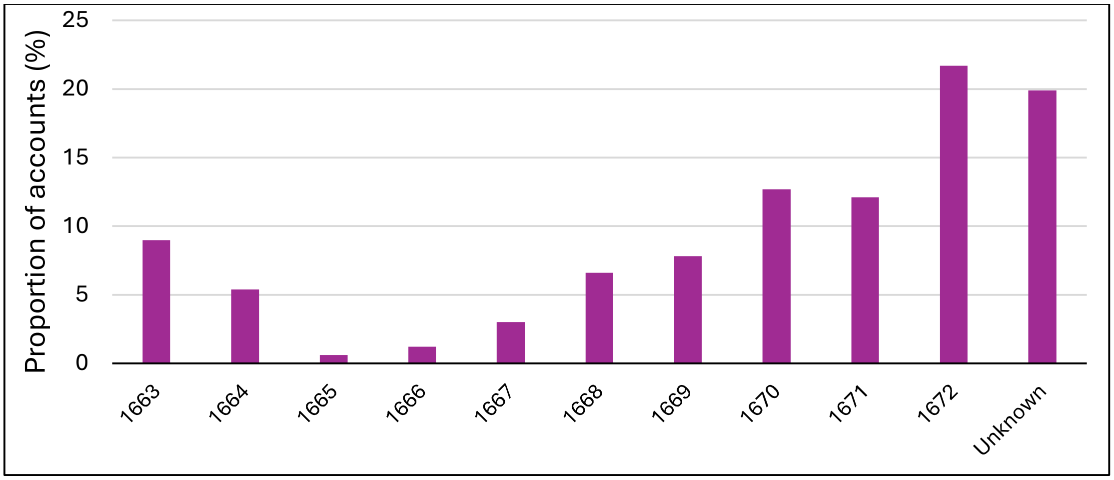


Chart 3.16: Earliest years in which Blanchard's 1672 accounts appear (N=115 accounts)[35]

When the analysis of Blanchard's accounts (Chart 3.16) is compared with the similar analysis of Backwell's accounts (Chart 3.15), it is apparent that there was a broadly similar pattern in relation to when accounts were first opened. However, 28% of the accounts held with Blanchard in 1672 were in operation for a period of over 10 years, and 5% over 30 years, with one account spanning 43 years.[36] It is clear that some clients were developing lasting relationships with Blanchard, and later Francis Child. For some of these clients using their bank was becoming a regular activity, which might therefore be characterised as a banking habit.

[34] The run of surviving ledgers (NWGA CH/194/1-15), which span the period 1663-1733, are of overlapping dates and it is clear from internal cross-references that some of the ledgers within this period have not survived.
[35] Derived from electronic indexes to the surviving ledgers of Blanchard and Child, 1663-1733, NWGA CH/194/1-15.
[36] Sources as in footnote 35. The three longest running accounts recorded in the surviving Blanchard (and later Child) ledgers were those of Christopher Cratford, whose account ran from 1663 until his death in 1702, John Proby, whose account ran from 1669 until his death in 1710, and Thomas Osborne, 1st Duke of Leeds, whose account ran from 1669 until his death in 1712.

These figures prompt questions as to why clients first walked through a banker's door, and whether some clients were actively courted for their own business or for their connections and potential leads to other clients, or for both. There are certainly a few accounts where a new client is described as someone's friend.[37] This might simply be a means of identifying them, or might signify that they had been introduced by the named individual. It is also worth considering whether bankers like Backwell and Blanchard actively wanted the business of particular client groups, and whether they managed or planned this, and why they offered particular services or a particular range of services.

Stephen Quinn suggests that at certain times Backwell needed to increase deposits to support additional highly lucrative lending to the Crown, and that he achieved this primarily by taking on more depositors rather than increasing the deposits of existing clients.[38] This suggests that there was a pool of potential depositors to be tapped, though how they were courted is unclear. It is possible that Christopher Cratford, who had the most active account with Blanchard, and later Francis Child, might have acted as an introducer for the goldsmith-bankers given that, as Frank Melton states, Cratford was involved in the collection of rents from landed estates, partly on behalf of goldsmith-bankers.[39]

Despite the fluidity of the banks' clienteles, there is no record of the formal 'opening' or 'closure' of an account, though there are a few cases where transactions suddenly cease in formerly active accounts, which might reflect a common practice that clients used banks as and when they needed them.[40] It is certainly true that accounts which appear in multiple ledgers do not always appear in consecutive ledgers, and it is not uncommon, even when an account does appear in consecutive ledgers, for there to be no balance to transfer from one

[37] For example, Lord George Berkeley who when his account began in 1666 was referred to as 'Mr Dunkin's friend' (NWGA EB/1/6, f.586), and Edward Kent who on his first appearance in Backwell's ledgers in 1665 (NWGA EB/1/3, f.334) was referred to as 'Maryes friend', Mary probably being Backwell's second wife.
[38] Personal correspondence.
[39] Melton, *Sir Robert Clayton*, pp.114-5, 218-222, 226-7. Cratford also held an account with the Cheapside goldsmith-banker Richard Hoare, though not with Backwell.
[40] It would appear that a deposit of money was all that was involved in 'opening' an account. There does not seem to have been any other formal process or paperwork involved. An example of a 'closure' is the account of Dr Theodore Diodati, who 'agreed this account the 16th February 1671 [1672] and received the balance', signing the ledger accordingly (NWGA EB/1/9, f.22). Diodati's account was active until December 1671, after which the number of transactions dropped sharply, possibly in reaction to the Stop.

ledger to the next, indicating that clients' banking activity was often not continuous or that some clients preferred to keep their account balances at or close to zero. The fact that, as mentioned above, around a sixth of Backwell's 1672 client accounts had been in operation since 1663, yet only 6% of his accounts appear in all 9 surviving ledgers covering the period 1663-72 is also evidence of the sporadic or discontinuous use of accounts by clients. However, both the plague and the Fire of London hit the capital during this period, temporarily reducing demand for the services of goldsmith-bankers such as Blanchard and Backwell.

It is likely that clients would also have reacted to changes in service provision, and David Mitchell suggests that the death of Backwell's cashier Robert Shaw was probably the catalyst for Backwell's move away from supplying plate and jewellery, referred to above, that Backwell was already thinking about. The profits from that business were very small in comparison with those from lending, and his involvement dropped away sharply after 1665.[41] By 1672 Backwell supplied plate and jewellery to only a handful of clients, whereas Blanchard's transition from goldsmith to banker was slower. It is highly likely (though not investigated in this analysis) that some at least of these clients moved their business elsewhere once Backwell stopped selling plate and jewellery.

There were also more general reasons why use of banks was sporadic. Some clients had qualms about handing their money to the relatively new group of goldsmith-bankers, as will be noted in the case study below, preferring to store their wealth in gold or silver.[42] At times there were runs on the bankers and more general financial panics which also made clients and potential clients wary. On 13 June 1667, for instance, when it seemed the Dutch fleet might reach London, there was a scramble to withdraw deposits from the goldsmith-bankers. Whilst on this occasion some were successful, such as Pepys' clerk William Hewer,

[41] David M. Mitchell, '"To Alderman Backwells for the candlesticks for Mr Coventry": the manufacture and sale of plate and jewellery at the Unicorn, Lombard Street, 1663-72', *Silver Society Journal*, 12 (2000), pp.111-124 (p.113).

[42] Henry Roseveare, 'Finances', in Robert Latham and William Matthews, *The Diary of Samuel Pepys* (London, 2000), vol X (Companion, compiled and edited by Robert Latham), pp.131-137 (p.136). Quotations and references to the diary entries are taken from Robert Latham and William Matthews, *The Diary of Samuel Pepys*, 9 vols (London: G Bell & Sons, 1970-6), and are referenced below as *Diary* with the date of the diary entry.

who managed to extract £500 from his own account with Backwell on that day, others were thwarted. Pepys described how on this occasion, and presumably others too, the bankers tried to see off a potential run. Although Pepys was critical of their methods, their actions not only saved their own businesses but also prevented more serious crises developing. On 13 June 1667 he noted that 'they [the bankers] are so called upon that they will be all broke, hundreds coming to them for money - and their answer is, "It is payable at twenty days; when the days are out, we will pay you;" and those that are not so, they make tell over [count out] their money, and make their bags false on purpose to give cause to retell it and so spend time'.[43]

In this case it is clear that those seeking their money attended Backwell's 'shop' in Lombard Street. However, in general, who literally walked through a goldsmith-banker's door is not specifically recorded, though can be implied from some of the account entries. In the 1672 ledger there is a single account entry which directly refers to a verbal instruction, and other entries suggest that a client may have been physically present at Backwell's premises, including a few cases where it was noted that there was 'no note'.[44] Many transactions involved some form of paper instrument, and for instance those 89 of Backwell's clients who are known to have lived outside the home counties may well have sent most of their instructions or drawn notes (the forerunners of cheques) by post.[45] Among the surviving 17th century cheques of Blanchard and Child there are many which were written outside London and sent to the goldsmith-bankers in London. Very few clients signed their account in Backwell's ledgers as an agreed record or to acknowledge receipt of money from Backwell,[46]

---

[43] *Diary*, 13 June 1667.

[44] The following references are all to NWGA EB/1/9. On 9 February 1672 £50 was debited from the account of Mistress Mary Leigh 'To Cre[di]t [of the account] of Thomas Archer Esq by Mris Mary Leigh her own verball order', and in Archer's account on the same ledger folio this is noted as a credit 'by Debt of Mris Mary Leigh p[er] her own order' (f.162). On 24 July 1671 Captain Philip Howard was lent £20 'p[er] E[dward] B[ackwell] at Winsor, paid Mr De Chair here [presumably at Backwell's premises in London] in money' (f.388). In the account of Robert Utber of Lowestoft an entry for a deposit of £300 on 18 December 1671 is annotated 'By that hee will draw on mee, no note given', which may imply that Utber was physically present (f.406). Similarly on 31 August 1671 Colonel Henry Lillingston's account records a debit of £1 'To himself, no note', though the debit of an identical amount on 27 September 1671 is just marked 'To himself' (f.430).

[45] These clients are among the minority (16%) for whom an address has been established. See Chapter 2, section 2.2.2 for further information on locations.

[46] For example, James Littleton Esq who wrote within his account in the ledger 'This Accompt was adjusted and agreed the 22th [sic] of June 1671 and I received the Balance thereof', and signed the ledger accordingly (NWGA EB/1/9, f.313). Similarly on 15 June 1671 Frederick Blancart signed below his account to acknowledge

whereas this was more common in the Blanchard ledgers, perhaps suggesting that more of Blanchard's clients made a habit of visiting his 'shop', or alternatively were more concerned to regularly verify the accuracy of their account.

The way in which Backwell managed and recorded his client accounts is also revealing. In the 1672 ledger the most active accounts were placed towards the front of the volume, with less active business further into the book, followed by inactive accounts at the end. This might simply reflect the order in which business took place, but may also indicate that Backwell categorised his clientele by the frequency of his interactions with them. However, unlike some 18th century bankers, it does not appear that Backwell pre-assigned the same folio number (or group of folio numbers) to individual clients in successive ledgers, perhaps reflecting the fluidity of his clientele. He often added one or more additional accounts to a ledger folio, presumably for accounts which he did not expect to be particularly active, and to fill blank folio space. In some cases such accounts ended up split over a number pages, when they turned out to be more active than Backwell had originally anticipated.

These practical actions are suggestive of how Backwell viewed some of his clients. Analysis of the more concrete evidence contained within the accounts themselves has demonstrated that clients came to the goldsmith-bankers Edward Backwell and Robert Blanchard for a number of reasons, with a range of requirements, and with varying degrees of regularity. Some clients developed banking relationships stretching over many decades, but others, the majority, had more sporadic or fleeting interactions with the providers of banking services.

that he had received £46 'in full of the note here above mentioned and of all Accompt. Witnes [sic] my hand' (NWGA EB/1/9, f.341).

3.6 Case study

In this section some of the common and particular features of client account activity are demonstrated by means of an extended case study

Samuel Pepys, naval official and diarist (1633-1703)

Pepys' engagement with a number of goldsmiths and goldsmith-bankers can be traced in part through his own diary entries,[47] and also in the surviving ledgers of two goldsmith-banking businesses, those of Edward Backwell and of Richard and Henry Hoare.[48] His own account of his daily life between 1660 and 1669 helps compensate for the paucity of surviving banking records for this period. The main features of Pepys' banking activity, particularly prior to 1672, were summarised by R. D. Richards in 1933, and are briefly described below.[49] This case study also includes some evidence of which Richards does not appear to have been aware.

Pepys' experience is of particular value as he was a banking client both before and after the Stop of the Exchequer, and of both City and West End bankers, and his fortunes were directly affected by the turbulent political events of his time.

Pepys' banking activity before the Stop of the Exchequer

Following his appointment as clerk of the acts of the Navy Board in 1660, Pepys enjoyed a substantial net annual salary of £350.[50] It was the additional opportunities afforded by this office, including gratuities, which were to enrich Pepys. His post also enabled him to develop skills in 'bookkeeping and accountancy in which he delighted' and he obtained tuition in arithmetic to help him grasp naval supply finance.[51] In his diary Pepys regularly balanced his personal accounts and reflected on his financial health, noting that by September 1661 he had £600 in cash. By July 1664, the figure had risen to £1,000. In 1665 Pepys took over the office of Treasurer to the Committee on Tangier, a lucrative post such that, according to his

[47] 1 January 1660-31 May 1669.
[48] Henry Hoare joined his father Richard as a partner in 1698.
[49] Richard D. Richards, 'Mr Pepys and the goldsmith bankers', *Economic History*, 2 (1933), pp.500-520.
[50] The post came with accommodation in Seething Lane. Until 1665 Pepys had to pay £100 per annum to a prior claimant to the post. This paragraph draws on Henry Roseveare, 'Finances'.
[51] Charles S. Knighton. 'Pepys, Samuel (1633–1703), naval official and diarist' in *Oxford Dictionary of National Biography*, 12 September 2004, https://doi.org/10.1093/ref:odnb/21906, accessed 19 January 2024.

own reckoning, his worth reached £4,400 in August of that year and £6,200 by the end of the following year. Pepys ceased such accounting after May 1667, and so it is less easy to assess his wealth thereafter, but by April 1669 he considered that 'my condition is such that I can retire and be able to live with comfort, though not with abundance'.[52] Roseveare estimates that it is possible that he was worth around £10,000 when he ceased writing his diary the following month.

The first recorded interaction with Edward Backwell that Pepys recorded in his diary took place on 26 June 1660.[53] On that day, he went 'to Backewell the goldsmith's' where he chose £100 worth of plate 'for my Lord', Edward Montague, newly created the Earl of Sandwich, to give to Secretary of State Sir Edward Nicholas as a customary gift on receipt of a title. The following year he notes that on 15 April he had 'at home laid up 200*l*, which I had brought this morning home from Alderman Backwells' and in June, Backwell's chief clerk, Robin Shaw, 'offers me £300*l*, if my Lord pleases' to buy on Sandwich's behalf cloth to 'give in Barbary as presents among the Turkes'.[54]

The principal evidence of Pepys' banking activity prior to the Stop is contained in six of the nine surviving ledgers of Edward Backwell, where his accounts span the years 1664-1672. The first account to appear in Pepys' name, covering the period October 1664 – January 1665, contains just three entries and had a turnover of £41 14s 6d.[55]

Another brief account appears in the next surviving ledger (ledger O).[56] This account was continued from an intervening ledger which is no longer extant (ledger N).[57] A balance of just under £43 19s 5d was brought forward on 1 January 1666 from the missing ledger, from which two payments were made 'in further part of £698', which must have been a sum credited to the account in ledger N. A credit on 1 February 1666 of £6 11s 8d 'in money in

[52] *Diary*, 20 April 1669.
[53] It is quite possible that he had come across Backwell before he started writing his diary at the start of that year. Pepys made over 50 references in his diary to both Edward Backwell and Robert Vyner.
[54] *Diary*, 15 April 1661 and 13 June 1661.
[55] NWGA EB/1/3, f.413. This, ledger M, is the third in the sequence of surviving ledgers.
[56] NWGA EB/1/4, f.155.
[57] Ledger N would have covered the period 24 March 1665-31 December 1666.

full' balanced the account.[58] It is unclear whether these two accounts related in part or in full to Pepys' personal finances, though the latter account was more likely related to naval business given that the two payments to were to the merchant Sir John Banks. Richards considered that Pepys operated both of the accounts on behalf of the Earl of Sandwich, both for official navy business and Sandwich's private affairs.[59]

Pepys' other account in the surviving ledgers is quite different. It is initially headed 'Samuell Pepys Esqr Trea[sure]r to Tangier', and although it later appears under his name alone, it is solely concerned with his performance of that office. The money in the account was not Pepys' personal property. The account begins in ledger Q on 3 July 1668 and continues in the remaining surviving ledgers (ledgers R, S and T), from the last of which a balance was carried forward on 25 March 1672 into ledger V, which no longer survives.[60] Over the course of the 3 years and 9 months recorded in the ledgers, the account contained 118 transactions and a total turnover of £106,182 8s 9d, with a final debit balance carried forward, that is owing to Backwell, of £17,666 13s 4d. Most of the credits into the account were by orders on the customs or on the excise, mostly for sums over £1,000, with many over £4,000. The payments out of the account were mostly to named individuals, including some very large sums (some over £10,000) paid to Sir John Banks, Lord Middleton (governor of Tangier), Sir Hugh Cholmeley (surveyor-general of Tangier) and Thomas St John (of the Tangier garrison) and for bills of exchange for merchants such as Rowland Dee. There were also a number of payments to the naval clerk, and Pepys' close friend, William Hewer.

Although Pepys knew Backwell, and operated a number of accounts with him, he was cautious in placing his own money. In 1664 he considered investing in land,[61] and in September that year John Creed, secretary of the Tangier Committee, offered 'me, upon my request, to put out some money for me into Backwells hand at 6 per cent interest … which I will consider of, being doubtful of trusting any of these great dealers because of their

[58] Pepys referred in his diary to visiting Backwell on that day [1 February 1666] 'to set all my reckonings straight there, which I did, and took up all my notes'.
[59] Richards, 'Mr Pepys', p.503.
[60] The account appears in NWGA EB/1/6-9, ff.312, 86 and 453, 117, and 159 respectively. Part of the account in NWGA EB/1/7 (ledger R), on f.86, is reproduced in Richards, 'Mr Pepys', pp.503-4.
[61] Roseveare, 'Finances', p.132. Apart from inheriting a small estate in Huntingdonshire, Pepys never invested in or owned any land or property.

mortality; but then the convenience of having one's money at an hour's call is very great'.[62] Roseveare notes that his caution might in hindsight be considered justified by the run on Backwell's business in 1665 and the wider panic affecting the bankers in 1667 referred to earlier in this chapter.

Pepys' diary indicates that he briefly also held an account with Sir Robert Vyner, whom he visited to check his account on 1 February 1666, the same day that he had cleared his account with Backwell, 'leaving clear in his [Vyner's] hands just 2,000*l* of my own money, to be called for when I pleased'.[63] On 30 March Pepys went 'to Lumbard-street and there received [from Robert Vyner] 2,200*l* and brought it home; and contrary to expectation, received 35*l* for the use of 2000*l* of it [for] a quarter of a year, where it hath produced me this profit … and demandable to two days' warning, as this hath been'.[64]

There is no reference in Pepys' diary to deposits or banking accounts with any other goldsmiths, and Richards' comment in 1933 that 'there does not appear to be in existence any documentary evidence to show that he regularly deposited his spare cash with a goldsmith-banker' still holds true today.[65] However, Pepys was familiar with, and at times benefitted from, the services of a number of other goldsmith-bankers, including Henry Pinckney, Humphrey Stokes, Joseph Hornby and John Colvill. He came to them, as he did to Backwell and Vyner, for a variety of reasons, to encash or borrow against tallies, to assign and borrow against Crown payment orders issued to him in relation to his naval duties or which he had acquired as personal investments, to cash notes, purchase coins or to order items of plate and jewellery.[66]

Yet despite this familiarity, he was still reluctant to leave money with the bankers. From the summer of 1666 Pepys determined to have £3,000 at his disposal in gold coin, to be stored

[62] *Diary*, 12 September 1664.
[63] *Diary*, 1 February 1666.
[64] *Diary*, 30 March 1666; Roseveare, 'Finances', p.133, states that his fears about leaving money with others led him to withdraw the money a few weeks after its deposit, though this must have derived from a misunderstanding of the 1 February diary entry as referring to the depositing of the money.
[65] Richards, 'Mr Pepys', p.517.
[66] Richards, 'Mr Pepys' and Roseveare, 'Finances', provide specific examples of Pepys' interaction with these men, mostly drawn from Pepys' diary and Exchequer records.

in an iron chest under his bed, and he gradually built up his hoard of cash. However, that in itself caused him further worries as to its safety, and on 23 July 1666 he considered that he had 'already as much money [£2,000] as is fit for me to have in the house',[67] and Roseveare notes that he had narrowly escaped losing it during the Great Fire.[68] Pepys recorded in his diary on 29 October 1666 that he had bought 2,000 guineas 'not long ago' from 'my goldsmith', who Richards takes to be the goldsmith-banker Humphrey Stokes.[69] By mid-November of that year, he had 'now near 2800*l* in gold, and will not rest till I get full 3000*l*'.[70] On 13 June the following year, when the Dutch fleet reached the Medway, and fearing that they would reach London, he sent his wife and father to Brampton with 'about £1,300 in gold in their night-bag' in order to hide it there. He also 'made a girdle, by which with some trouble I do carry about me 300*l* in gold about my body'.[71] Although Charles Knighton suggests that Pepys had tried to withdraw 'as much as he could … in gold coin', there is no evidence that he obtained any new gold coin on the day. Pepys recorded that his clerk and close friend William Hewer withdrew £500 from his own account with Edward Backwell on that day.[72]

Pepys did not keep all of his wealth in cash. In June 1666, for example, he took an assignment of an Exchequer order, purchasing it for £1,900 from the timber merchant Sir William Warren at a substantial discount. Four months later he assigned it to the banker John Colvill, in the process pocketing a gain of £532, of which £300 was in recompense for taking it off Warren's hands.[73] In June 1670 he noted that on his loans of £500 and £100 to Lord and Lady Sandwich respectively, loans which Roseveare notes he had made very reluctantly, he was charging 6% interest.[74] He also lent £1,000 on mortgage to his cousin

[67] *Diary*, 23 July 1666.
[68] Roseveare, 'Finances', p.134.
[69] *Diary*, 29 October, and Richards, 'Mr Pepys', p.508. Pepys purchased £1,000 of gold from Stokes on 13 August 1666.
[70] *Diary*, 12 November 1666.
[71] Roseveare, 'Finances', p.134 gives the amount as £2,300, which includes the further '1,000 pieces', probably guineas, sent to Huntingdonshire on the same day with Pepys' clerk Richard Gibson.
[72] *Diary*, 13 June 1667.
[73] Roseveare, 'Finances', p.134
[74] Claire Tomalin, *Samuel Pepys: The Unequalled Self* (London, 2002), p.293; Roseveare, 'Finances', p.136. *Diary*, 10 May 1668, notes that Lady Sandwich 'had it in her mind, if she had occasion, to borrow 100*l* of me … though I doubt it will be so much lost … but shall be glad that it is no bigger sum', and a footnote states that Pepys lent it on 8 June, and that it was outstanding two years later.

Roger in 1668 to clear a debt left by the latter's father, noting 'I am resolved to do it for him, that I may not have all I have lie in the King's hands', itself an indication that he had invested in Crown debt.[75]

When the Stop of the Exchequer was announced Pepys appears not to have had any money deposited with those goldsmith-bankers, such as Backwell and Vyner, whose loans to the Crown were impacted.[76] Tomalin states that Pepys 'had moved his savings elsewhere and converted his credit with Backwell to an overdraft, almost certainly because he had advance warning of the Stop'. However, the evidence does not suggest that he knew what was coming, and here Tomalin's reference, perhaps unknown to her, is to his account as Treasurer of Tangier.[77]

Pepys's banking activity after the Stop of the Exchequer

After the Stop, and without his diary, there is less evidence available to reconstruct his banking activity. The only businesses providing banking services for which there are surviving customer records, though not complete runs, during the remainder of Pepys' life are those of Robert Blanchard and his partner Francis Child in Fleet Street, of Richard Hoare and his son Henry in Cheapside and later, from 1690, in Fleet Street, and of Robert Clayton and John Morris in Old Jewry. It is possible that he might have banked with any of the other 44 'goldsmiths keeping running cashes' listed in *The Little London Directory* of 1677. The Hoare's ledgers provide the only concrete evidence of his banking activity.

The earliest account for Pepys in the surviving customer ledgers at Hoare's dates from December 1680, and runs to 9 November 1681.[78] However, he must have operated an account prior to that date as an entry in one of the bank's daily cash books notes that on 18

---

[75] Roseveare, 'Finances', p.136 and *Diary*, 11 November 1668, notes that his cousin wished to borrow '500*l* this term and 500*l* the next, for two year upon a Mortgage' to pay a debt left by Roger's father. The sealing of the mortgage deed for £500 is referred to on 25 and 27 November.

[76] Or at least he did not accept an assignment of any banker's debts that were still due in 1677.

[77] Tomalin, *Samuel Pepys*, 293. Tomalin relies here on Arthur Bryant, *Samuel Pepys: The Years of Peril,* 2nd edition (London, 1948), pp.65-66, though Bryant does not argue that this came about in response to inside knowledge of the Stop. In any case, Pepys' account was already overdrawn by £900 by 20 September 1671, and remained so thereafter, before Pepys was likely to have had any inkling of the Stop. See also Bryant, *Samuel Pepys*, pp.37-38 and 55.

[78] Hoare's Bank Archive (HBA) Ledger A, f.183. This account was transcribed and published in Richards, 'Mr Pepys', p.502, but Richards does not appear to have known of the later accounts.

October 1680, a fortnight after the burial of his father John, £1 12s 6d was 'Paid Esqr Pieps in full to ballance his Accompt'.[79] The previous year Pepys had given up his Tangier position, and had resigned as Secretary to the Admiralty. Knighton suggests that he was living mostly on his savings.[80] Those savings must have been ample, as Roseveare notes that as Secretary to the Admiralty he had received a salary of £500 a year along with other benefits amounting to £1,250 a year.[81] However, the 1680-1 account is limited in scope. It contains a single credit, of a note for £200, followed by 16 debit entries, half for payments 'per his receipt' and half for payments to named individuals 'per note'. The account was not balanced in the ledger, but was left overdrawn at £16 9s 8d, and there is no indication what happened to that balance.[82] On 16 December 1681 Pepys was lent £200 'per note'. [83] In January and February 1683 a separate account in his name contains just two credits, for £100 and £80, both 'in part of money due', suggesting that these might have been in partial repayment of the 1681 loan.[84] There is then a hiatus in Pepys' known banking activity until 1689.

In June 1684 Pepys returned to the navy, as secretary for the affairs of the Admiralty, with a salary of £2,000 a year, a post he held until the accession of William and Mary in February 1689, and Pepys thereafter enjoyed 'ample means'.[85] He opened a new account at Hoare's in September 1689.[86] This account was active until August 1696, containing 133 transactions with a total turnover of £3,034. From August 1696 all activity in the account ceased, and a small balance of £6 13s 4d remained until 21 June 1701, when according to the ledger it was transferred to his plate account. A further account began in a separate ledger two days later, opening with the account's only deposit, £190 9s 1d, which was drawn upon in three debit

[79] HBA HB/5/E/1, f.166.
[80] Knighton, 'Pepys, Samuel'.
[81] Roseveare, 'Finances', p.137.
[82] Whilst some accounts in this ledger were balanced, others were not, and so in this regard the way that Pepys' account was recorded is not unusual.
[83] The loan transaction also appears in a transcript of a private ledger of Richard Hoare, 1677-1685 (HBA HB/5/F/60), f.37, within a section of the ledger used to record money lent and received upon interest. See Appendix 4 for further information on this transcript.
[84] HBA Ledger 1 (transcript), f.131. However, these amounts do not appear as loan repayments in the private ledger 1677-1685. See Appendix 4 for further information on this transcript.
[85] Knighton, 'Pepys, Samuel'.
[86] Contained in HBA ledger C, f.266; and ledger D(1), ff.104 and 168. The account runs consecutively between the two ledgers, with a balance transferred from ledger C to ledger D.

entries between December 1701 and February 1703, whilst Pepys was living with William Hewer in Clapham.[87] The remaining balance of £83 18s 10d was debited to his account on 10 August 1703, a few months after his death on 26 May, and presumably paid to his executor.[88]

Pepys was therefore only an active user of a bank account with Hoare's for two relatively short periods, amounting to eleven months in 1680-1 and a little over seven and a half years between 1689 and 1696. Even during the latter period there were 7 months (between 2 May and 29 December 1690) when there were no transactions, no doubt in part because he was imprisoned in Westminster Gatehouse for three weeks that summer. Both were periods when he was not in employment, though it is not clear if that had any bearing on his decisions to bank with Hoare's at those times.

Pepys' business with Hoare's was not confined to the use of a banking account, and he regularly engaged with Richard Hoare in his capacity as a goldsmith. Pepys ordered a variety of new items as well as requesting Hoare to repair or alter existing pieces. Hoare kept separate books to record such activity, which was contracted out to other goldsmiths, though payment for some of the work carried out for Pepys also appears within his bank accounts.[89] On 1 May 1690, for example, £24 17s 1d was paid from his bank account for the 'balance of the acct for plate', and on 16 January 1691 he paid 'Richard Hoare in full for plate' £16 6s.[90]. Most of the goldsmiths' work was carried out between 1685 and 1698, though it is possible that earlier work was recorded in volumes which no longer survive. The last recorded work relating to Pepys was in January 1703. It is of note that Pepys maintained a bank account for only part of the period during which Hoare served him as a goldsmith, and that Hoare recorded his plate account separately.

[87] Pepys lived with Hewer at Clapham from June 1701 until his death, and possibly the transactions in that month were a tidying up of his affairs prior to his move from York Buildings, though maybe he did not know in 1701 that he would not return to live in London: Tomalin, *Samuel Pepys*, p.371.
[88] HBA Ledger 4, f.175.
[89] Pepys' transactions are recorded in HBA HB/1/1-2 and HB/1/5, though these do not appear to be a complete record of such work, as his plate account in HB/1/2, ff.45 and 172, is continued from a f.360, presumably in an earlier book which has not survived.
[90] HBA Ledger C, f.26.

Pepys also made use of the bank's secure premises, depositing '2 boxes Rapt up in Sacking Put in ye Cubbard in my Fathers [Richard Hoare's] Closet' on 23 June 1701, the day on which Pepys' last recorded bank account started.[91] On 10 December of the same year one of the boxes was delivered back to 'Mris Skinner' [Mary Skinner], Pepys' mistress for the last 35 years of his life.[92] According to Claire Tomalin, Skinner used her own account with Hoare's to manage the household finances, but the earliest banking account in her name in the surviving ledgers post-dates Pepys's death.[93] There are two accounts current during Pepys' lifetime for goldsmithing work headed 'Madam Skinner att S Pepies' and 'Madam Skinner at Esq Pepys' but these were not used for regular household expenses.[94]

During his working life Pepys had excelled at managing and accounting for vast sums of money, and in the process was rewarded amply. He was well-informed about economic and financial matters. He was also well connected, and knew many of the bankers.[95] His working life involved frequent travel between the City and Westminster, and his banking experience also covered a broad topography. Before the Stop of the Exchequer Pepys mostly called on the services of bankers based in and around Lombard Street and Cornhill, but after the Stop his only recorded interactions with a banker were those with Richard Hoare and later also his son Henry, at first in Cheapside and later in Fleet Street. The surviving records suggest that he only sporadically used the services of bankers to help him manage his personal finances, to order plate and look after his valuables. The silences in the record suggest that at other times he selected other options for looking after his money. Despite his financial acumen, he at times found himself in a quandary as to what to do with this money. It is unlikely that he was alone among his peers in this regard, when the financial landscape was so unstable.

[91] The deposit might have been in preparation for Pepys' move to Clapham in that month.
[92] HBA HB/1/5, f.248, and referred to in Claire Tomalin, *Samuel Pepys,* p.374.
[93] HBA Customer ledger 5 (1702-3), f.251.
[94] HBA HB/1/2, ff.45 and 96.
[95] For Pepys' multiple 'bi-polar' networks of contacts in the City and the West End, and his sources of news, see Ian W. Archer, 'Social networks in Restoration London: the evidence from Samuel Pepys's diary', in Alexandra Shepard and Phil Withington (eds.), *Communities in Early Modern England: Networks, Place, Rhetoric* (Manchester, 2000), pp.76-94; and Kate Loveman, *Samuel Pepys and his Books: Reading, Newsgathering and Sociability, 1660-1703* (Oxford, 2015), particularly Chapter 3, pp.80-107.

3.7 Conclusion

The bankers studied here operated businesses which were distinct, both geographically and in nature. Backwell's clientele was comprised of a number of separate categories of client, each of which had a specific form of banking engagement, whereas there was a greater homogeneity of banking activity among Blanchard's, and indeed Hoare's, clients. However, these patterns were not to last. After the Stop of the Exchequer, the large and complex business of Backwell - and that of some other of those goldsmiths who had invested heavily in Crown debt - failed. Their particular banking model, over-reliant on lending to the monarch and under-capitalised, was not to be repeated. Other models, such as that of Thompson & Co in which deposits were used in part to fund trading activity, proved no more sustainable. Even seemingly enduring and successful banking business, such as that of Clayton & Morris, could disappear when there were no successors to run them.

Not only were the bankers subject to the vagaries of client confidence and demand, but clients too had to adapt to a constantly changing banking landscape as providers came and went. This uncertainty was to continue into the early decades of the eighteenth century, but after around 1730 things began to settle, as will be demonstrated in the following chapter.

Chapter 4 - Client banking in the 1730s and 1780s

4.1 Introduction

This chapter presents for the 1730s and 1780s a similar analysis of client banking behaviour to that considered in Chapter 3 for the 1670s. In doing so it provides the context for the more detailed examination of saving, investing and borrowing which follows in Chapters 5 and 6. To date no attempt has been made to assess eighteenth-century clients' banking engagement in detail, or in the round, for any one bank, nor for a wider group of banks such as London's West End banks. This is the aim of the present chapter.

The chapter provides a detailed overview of the levels, types and longevity of banking activity undertaken by clients of the bankers Drummonds, Goslings and Hoare's. These three banks have been selected as relevant records survive for both the 1730s and 1780s.[1] Banking activity for these two time periods is considered together as it is suggested the pattern of client banking with the West End banks was largely established by 1730 and altered little over the following half century. The main development between those two dates was one of scale. For convenience the sample periods are mostly referred to hereafter as 1730 and 1780, though the precise sample dates vary, as noted in the Introduction.[2]

The chapter opens (in section 4.2) with an overview of the growth of the three banks' client business. It then moves to consider the scale of clients' banking activity and how this differed between banks and over time (4.3). This is followed in section 4.4 by an analysis of the types of payments made by clients from their bank accounts in order to shed further light on client activity at each bank. Section 4.5 considers clients' account balances, and what they imply for clients' use of their bank accounts. An overview of the types of bank services used by clients (4.6) demonstrates that there was specialisation in the banking market, but that there was also convergence in the services offered by banks between 1730

---

[1] All of the datasets cover a 12-month period, with the exception of the 1730 dataset for Hoare's which spans just under 9 months (269 days). For 1730 the numbers of account transactions in each dataset are as follows: Drummonds 11,524, Goslings 7,022 and Hoare's (clients with surnames A-C only) 3,364. For 1780 the datasets relate to clients with surnames A-C only, and the equivalent numbers are 32,215, 10,187 and 12,375. The only other West End bank for which comparable records survive is Coutts, but the records of the three banks examined here provide sufficient evidence for this study.

[2] Section 1.4.1.

and 1780. At the same time there was considerable variation in the ways that individual clients used banks and engaged with their bankers. A consideration of client account longevity (4.7) demonstrates that clients held bank accounts for a range of time spans, but equally that many engaged with a particular bank over many decades. It is suggested that by 1780 such relationships underpinned a culture of banking which had a wide appeal among elite and middling clients. The core features of that culture were the range of bespoke banking services available to clients, and the convenience of being able to access them though their existing banking relationship as they had need for them.

In section 4.8 three case studies illustrate and expand upon the statistical findings. The case studies review the banking relationships of the clergyman Rev Charles Briscoe (1699–1748), the correspondent and artist Mary Delany (1700-88) and the historian and MP Edward Gibbon (1737-94). These case studies demonstrate something of the variety of banking experience, and the range of services that clients used at different points in their lives.

4.2 Trends in the volume of banks' client business

The records of the three banks studied here indicate that their client business grew markedly between 1730 and 1780, yet at different rates. These trends are those of successful and enduring banking businesses, and are not presented as being typical of the sector as a whole, but they indicate the general components of the growth in banking clients' business. The records of Goslings and Hoare's provide evidence for the overall increase in the net total value of client account balances, that is the total of credit balances on client bank accounts less debit (overdraft) account balances (Chart 4.1). Between 1730 and 1780 the net balance at Hoare's increased more than three-fold from £208,692 to £677,980, and at Goslings the net balance increased more than eleven-fold between 1742 (the earliest surviving balance) and 1780 from £34,673 to £387,031. The trend in net balances at Hoare's was particularly volatile, and is considered briefly in Chapter 5.[3]

[3] Chapter 5, section 5.2, Chart 5.4.

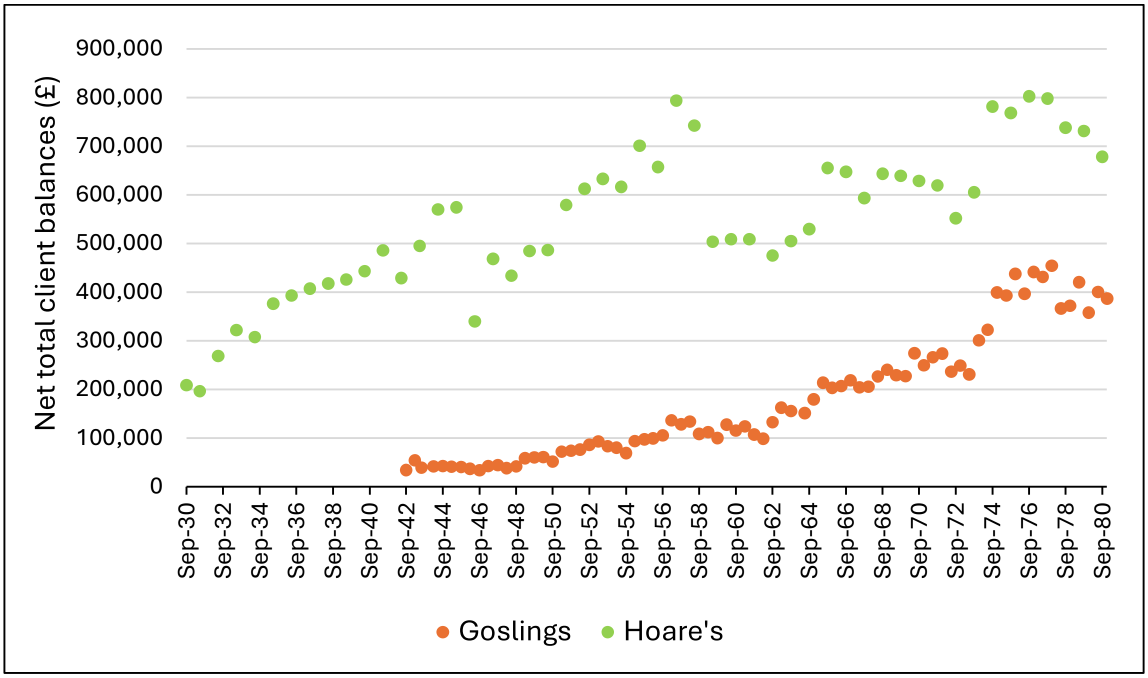


Chart 4.1: Net total client balances at Goslings and Hoare's, 1730-1780[4]

In part the increase in total net client balances between 1730 and 1780 can be attributed to an increase in the number of clients who used the services of each of these banks, as noted above in Chapter 2. For Drummonds and Goslings it is possible to plot over time the number of client accounts, as shown in Chart 4.2. These numbers are likely to provide a close, though not exact, approximation to the number of banking clients, as some clients held multiple accounts whereas a number of clients only operated accounts jointly with other clients.[5] It is clear that at both banks there was a significant, if not entirely even, growth in the number of client accounts that they maintained.

[4] These figures relate to client bank account balances, and do not include the balances outstanding on client loans. The chart includes all of the balances recorded in the banks' balance books over the period. Net aggregate balances have been calculated by subtracting total client account debit balances from total credit balances. Balances were mostly recorded half-yearly at Goslings and annually at Hoare's, though there are variations: Barclays Group Archives (BGA) 0130-715 and 718-724; Hoare's Bank Archives (HBA) HB/5/C/1/1-6 and HB/5/C/2/1. There are no extant balance books for Drummonds from which equivalent figures can be compiled.

[5] The numbers of accounts have been calculated from extracts from electronic indexes to the customer account ledgers of Drummonds and Goslings, which were kindly made available by NatWest Group Archives and Barclays Group Archives. The format of the indexes maintained by the two archives differs: for Drummonds it was relatively straightforward to calculate the number of accounts on an annual basis, whereas the index to the Goslings ledgers was more difficult to manipulate for this purpose and so figures have been calculated mostly at 10-year intervals. There is no equivalent index to accounts at Hoare's to enable numbers of accounts to be calculated.

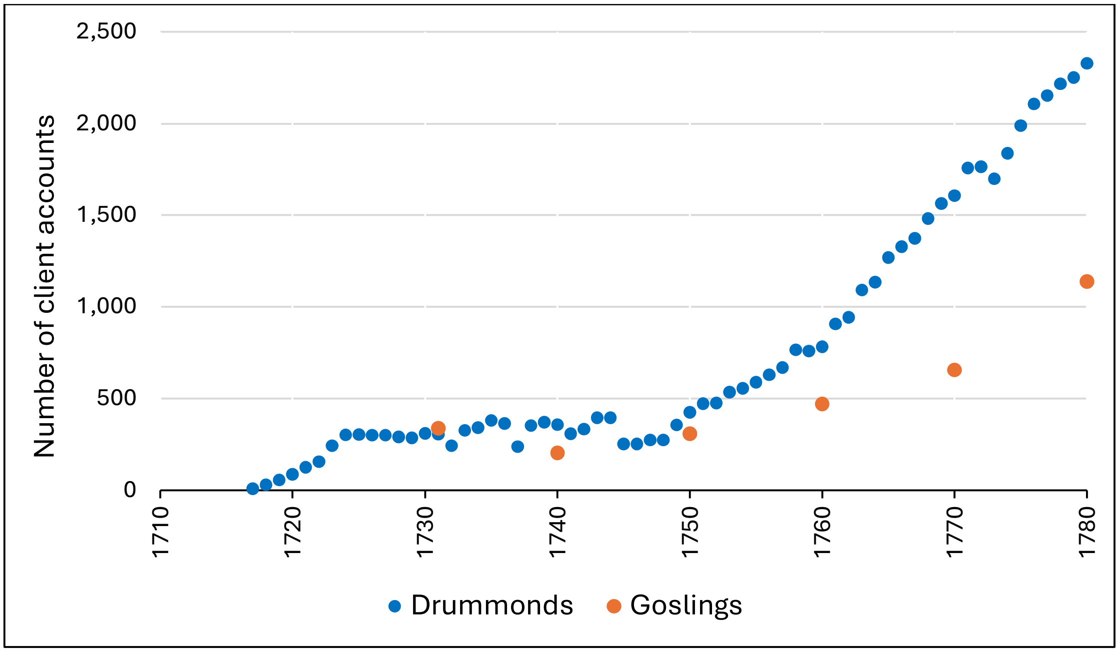


Chart 4.2: Number of client accounts at Drummonds and Goslings, 1717-1780

Comparing the number of accounts at all three banks in 1730 and 1780 illustrates the extent of this expansion. At Drummonds the number of non-institutional client accounts rose particularly dramatically, from 305 in 1730 to 2,329 by 1780 (a 7.6-fold rise), and at Goslings the number of accounts rose 3.4-fold between 1731 and 1780 from 339 to 1,139. At Hoare's the rate of increase was more modest, and the number of accounts there rose by 63% from 917 to 1,493.[6]

However, these increases alone do not account for the expanding client business of the banks. The other component determining the banks' growing business was the fact that many clients in 1780 were using banks more actively than in 1730. The growth in client activity is evident both from the number of banking transactions in, and the amount of money that was passing through, clients' accounts. As noted in the Introduction, the number of transactions and the value of annual turnover has been calculated for every client account analysed in the datasets.

[6] The figures for Hoare's in both years will be underestimates as they are based on balance figures showing only accounts with non-zero balances, and there will also have been some accounts with zero balances: for sources see Chapter 1, section 1.4.1, Table 1.1.

At Drummonds, for instance, the aggregate annual turnover on client accounts increased around 25-fold from £518k in 1730 to an estimated £12,855k in 1780. At Goslings the growth was more modest, rising over 7.6-fold from £380k in 1731 to an estimated £2,901k fifty years later, whilst at the longer-established Hoare's it rose 2.9-fold from an estimated £1,308k in 1730 to an estimated £3,741k in 1780.[7]

The average annual turnover across all three banks rose 63% from £1,315 in 1730 to £2,146 in 1780. The level of the rise varied by bank.[8] At Drummonds the average amount increased by 20% from £1,678 to £2,007, that at Hoare's 90% from £1,175 to £2,231, and the average at Goslings by 109% from £1,099 to £2,301.

In an age when inflation was relatively moderate, the rapidly rising value of clients' banking business indicates their increased desire or need to use banks to manage their monetary affairs, suggesting wider trust in banks as a whole and a greater acceptance of, and also a willingness to use, paper instruments to transfer money.[9]

Not only was there an increase in the amount of money passing through client accounts, but so too at Goslings and Hoare's there was also a growth in the in the average number of individual transactions within those accounts. Across all three of the banks studied, the combined average number of transactions undertaken over the course of a year rose by 40% from 24.6 in 1730 to 34.4 fifty years later.[10] At Goslings there was more than a doubling in average transactions from 19.6 to 40.9, and at Hoare's a 77% rise from 17.1 to 30, but at Drummonds there was a slight fall, from 36.6 to 34.5.

---

[7] The 1730 figure for Hoare's is scaled up from turnover during the period of analysis (9 months) and a sample of 268 accounts representing 23.7% of client accounts. The 1780 figures are estimates scaled up from the dataset samples covering clients with surnames A-C, which represent 23.0% (535) of client accounts at Drummonds, 21.8% (248 accounts) at Goslings and 24.4% (409 accounts) at Hoare's. These estimates are very crude.
[8] See Appendix 7 for further information on the calculation of account activity averages (transactions and turnover) in this chapter.
[9] Prices had been largely stable between the mid sixteenth century and the 1730s, but rose steadily thereafter; Stephen Broadberry, Bruce M. S. Campbell, Alexander Klein, Mark Overton and Bas van Leeuwen, *British Economic Growth, 1270-1870* (Cambridge, 2015), p.194.
[10] These averages relate to the 906 client accounts analysed in 1730 and the 1,192 accounts analysed in 1780. See Appendix 7 for further information on the calculation of account activity averages in this chapter.

The evidence presented so far in this chapter demonstrates that more clients were using banks in 1780 than had done so in 1730, and on average they were doing so more actively. At the same time the mostly steady growth in the size of the banks' clienteles and of client balances in the second half of the eighteenth century suggests that the banks were not aggressively competitive with each other, but rather that each found their own niche within a largely complementary banking system.[11] The differing rates of growth between banks possibly reflect the varying maturity of their businesses and different appetites for growth or specialisation. As will be explored below, this market segmentation was expressed in different clientele profiles and varied patterns of client banking behaviour. The banking activity of clients in 1730 and 1780 is examined in more detail in the following section.

4.3 Client banking activity levels[12]

In this section levels of banking activity at individual banks in 1730 and 1780 are examined and compared. The analysis demonstrates that there was considerable variation in the extent to which clients engaged with banks, both within individual banks and between banks, and over time.

Account turnover

It is worth noting at the outset that not all clients used their bank accounts during the sample periods, and indeed inactive accounts in some cases comprise a significant proportion of all accounts.

In 1730 nearly a quarter of accounts at Drummonds and nearly a sixth at Goslings had no turnover during the sample year, whereas at Hoare's less than 1% of accounts were inactive during the 9-month sample period.[13] A greater proportion of female accounts were inactive

[11] The lack of surviving correspondence between partners in the same bank or in different banks means that it is difficult to gauge how banks viewed each other. Correspondence between bankers and their clients rarely references other banks, though in a few of the surviving copies of letters written by Pall Mall banker John Ewer to his clients, Ewer suggests that he could offer cheaper rates and fees than some of his competitors for accepting bills and purchasing lottery tickets. Frank T. Melton, 'Deposit banking in London, 1700-1790', *Business History*, 28 (1986), pp.40-50 (p.42).
[12] No attempt has been made in this or subsequent sections to establish the marital status of female clients and its impact on banking activity. See also Chapter 3, footnote 13.
[13] In the remainder of this chapter the figures quoted for Hoare's in 1730 relate to a sample period of 269 days (just under 9 months), whereas all other samples in 1730 and 1780 cover a 12-month period.

compared to those of men at Drummonds and Goslings in 1730, particularly at the latter (29.4% of female accounts compared with 14.1% of male accounts). It is not clear why so many accounts at Drummonds were inactive, but the bank had started trading only 14 years earlier, and it may be that many of its earliest clients had, perhaps for a shared reason, ceased to use the bank. Possibly the bank had expanded too rapidly in its early days. It would seem that accounts which became inactive at Hoare's might fairly quickly have been removed to another record series, and this might account for the low figure there.

By 1780 the proportion of inactive accounts at all three banks was relatively similar (ranging between 10.1% at Goslings and 14.9% at Drummonds), and this convergence suggests that this had become a normal level of inactivity. In 1780 inactivity levels were far higher for male accounts (16.2% at Drummonds, 10.7% at Goslings and 12.0% at Hoare's) than those of female clients (5.1%, 7.1% and 6.4%), probably reflecting the fact, explored below, that more female accounts contained regular income from dividends and interest on investments.

Although not examined here in detail, the duration of account inactivity also varied. In some cases a formerly active client account became inactive for one or two years before being used again, whilst other accounts were inactive for many years, often for a period prior to the closure of the account, which in many cases occurred on the death of the client.

However, most accounts in both years and at all banks were active ones. In 1730 around a half (49.4% - 52.2%) of accounts at all three banks had turnover in the range £1 and £500, and in over a quarter (26.1% - 27.2%) of accounts the turnover did not exceed £100. When turnover up to £1,000 is included, the proportions rise to between 56.5% and 65.6%. However, when measured by their share of total client turnover, those accounts with turnover up to £1,000 represent a much lower proportion, though with considerable variation between the banks (6.8% at Drummonds, 12.5% at Goslings and 18.2% at Hoare's). Accounts with turnover over £10,000 comprise a small proportion of all accounts (0.8% - 3.3%) but contain a significant proportion of total turnover (18.5% at Hoare's, 23.4% at Goslings and 62.1% at Drummonds).

This pattern of turnover distribution, with a majority of accounts with low or modest turnover accounting for a relatively small proportion of total turnover alongside a small minority of accounts with a very high proportion of total turnover, was common to all three banks. Although average turnover values had increased by 1780, the pattern of turnover distribution was reasonably similar. The proportion of accounts with turnover in the range £1-100 had fallen at all three banks (10.1% - 14.6%). Now around half of accounts had turnover in the range £1-1,000 (49.1% - 50.8%), compared to around 60% of accounts in 1730. Accounts with turnover above £10,000 now represented a somewhat higher proportion of all accounts (5.1% - 6.9%). Overall, the main change between 1730 and 1780 was that there had been a gradual shift upwards in the pattern of turnover distribution.

As in 1730, accounts with lower turnover represent only a relatively small proportion of total turnover, and the turnover share of accounts with turnover between £1 and £1,000 had fallen (2.9% - 7.6%). In both 1730 and 1780 accounts at Hoare's with turnover between £1,000 and £5,000 contained a notably higher proportion of total turnover (41.2% in 1730 and 30.3% in 1780) than at the other banks (18.1% and 9.8% at Drummonds, and 35.9% and 24.3% at Goslings). The proportion of total turnover contained in accounts with turnover over £10,000 had risen considerably since 1730, and was far higher at Drummonds (80.3%) than at the other two banks (55.0% at Goslings and 41.6% at Hoare's). At Drummonds 57.7% of turnover was contained in accounts with turnover over £100,000. As will be considered below, the patterns at Drummonds were largely driven by the very active accounts of army agents there.

Whilst very active accounts with high turnover might have been attractive to banks in providing useful balances, they also absorbed considerable staff time. In contrast, the majority of clients made relatively slight demands on their banker's time, yet as a group they provided relatively stable and useful business for the banks. The banks were able to meet these different client expectations, and indeed the mix might have been useful to them in spreading risk.

These patterns are dominated by the activity of male accounts whereas, with the exception of one particularly active account at Drummonds in 1731, that of Katherine Bourne, the accounts of female clients had far lower turnover than those of their male counterparts. In 1730 the mean turnover for accounts held by women at Drummonds (£178), Goslings (£177) and Hoare's (£411) was well below that of men (£1,767, £1,252, and £933 respectively).[14] In 1780 the figures for mean turnover, excluding accounts with turnover above £50,000, are higher for both men and women, but the pattern is similar. Women at Drummonds, Goslings and Hoare's had mean account turnover of £622, £740 and £1,398, whereas for men the averages were £2,247 and £2,621 and £2,535. The difference between the genders was less marked in both 1730 and 1780 at Hoare's, which also had a far higher proportion of accounts of female clients than the other banks.

It is also worth noting that accounts in women's names do not represent all female banking activity. Some married women received money, and made payments, from their husbands' accounts. The Drummonds account of Lord Dacre, for example, contains in 1780 payments to his wife, and payments to third parties 'by L[ad]y Dacre's d[raf]t'.[15]

Account transactions

Another way to measure levels of client activity is by the number of transactions per account, and the results presented below demonstrate some similarities with the findings on turnover.

In 1730 around a third (34.8% - 37.2%) of all client accounts at the three banks had between 1 and 5 transactions, whilst around a half (48.3% - 51.5%) had no more than 10 transactions, and over 85% of accounts had between 1 and 50 transactions (85.7% at Drummonds, 89.4% at Goslings and 95.8% at Hoare's). Just as the majority of total account turnover was contained within relatively few accounts with very high turnover, most of the total turnover related to accounts with many transactions. Accounts with 1-5 transactions contained between 3.0% and 6.5% of turnover, and those with up to 10 transactions contained between 4.9% and 19.1% of turnover. However, there was considerable variation between the banks, and whereas accounts with up to 50 transactions represented 14.2% of total

[14] These figures exclude the following accounts with exceptionally high turnover: Katherine Bourne (Drummonds); Knight & Bourne (Goslings); bank partner Christopher Arnold (Hoare's).
[15] NatWest Group Archives (NWGA) DR/427/84, f.440.

turnover at Drummonds and 38.7% at Goslings, they contained 81.1% of total turnover at Hoare's. At Drummonds nearly two thirds (71.6%) of total turnover passed through accounts with over 100 transactions.

By 1780 the number of transactions per account had risen and, as a result, the proportions of accounts in the lower transaction bands had fallen. Now around a third (32.1% - 35.1%), rather than a half, of accounts had no more than 10 transactions, and in the region of two thirds (65.9% - 73.9%), rather than over 85%, had no more than 50 transactions. However, accounts with up to 100 transactions still represented over three quarters of all accounts (76.4% - 82.7%), and there were only a few very active accounts. Accounts with low transaction levels still accounted for a very small proportion of aggregate client turnover: those with 1-5 transactions contained between 1.4% and 4.0% of turnover, and those with up to 10 transactions contained 2.3% and 8.5%. There were still notable differences between the banks, and whilst the proportions of total turnover contained in accounts with up to 50 transactions were now similar at Goslings (39.7%) and Hoare's (40.8%), at Drummonds still only 11.1% of turnover was represented by those accounts, and there 79.3% of turnover passed through accounts with over 100 transactions. Most of these very active accounts at Drummonds were once again those of army agents.

In both 1730 and 1780 female accounts had fewer transactions than those of men. Excluding the one exceptionally active account at Drummonds, in 1730 female accounts in which there were transactions averaged only 3.8 transactions at Drummonds, 4.1 at Goslings and 7.2 at Hoare's. The respective figures for male accounts were 38.5, 22.2 and 13.4. In 1730, with the exception of the single very busy account at Drummonds, there were no female accounts with more than 50 transactions, and just under half (45.8% - 47.1%) of female accounts at the three banks had between 1 and 5 transactions. By 1780 female accounts contained on average many more transactions (16.3, 13.3 and 15.9), but so also did male accounts (66.9, 46.7 and 35.5).

The level of transactions undertaken by the majority of men and women suggest that most clients were not using their banks for day-to-day expenditure, but for a mix of regular and occasional payments. There were some payments to suppliers of goods and services, but these tended to be for one-off exceptional items rather than routine purchases. In both years at each bank there was considerable overlap, though not a straightforward correlation, between accounts with large numbers of transactions and accounts with very high turnover.

In 1730 nine of the ten most active accounts at Drummonds were those of army agents. By 1780 such agents were still prominent among the busiest accounts there for clients A-C, but by that date there were also very active accounts for individuals involved in collecting state revenue or managing their business activities, including architects, a cheesemonger and a perfumer. At Goslings the holders of the most active accounts in 1730 were more varied, including MPs, a merchant, a bookseller, and a peer. By 1780 the busiest accounts of clients A-C were those of lawyers, booksellers, a jeweller and a merchant. At Hoare's in both years no distinct groups of clients feature among the holders of the most active accounts, though in 1730 they included four peers, and in 1780 three of the seventeen most active accounts were those of two female clients. As noted in Chapter 2, each bank's clientele included many who were located close to their bank's premises, and this was also true of many of the holders of the banks' busiest accounts. Not only did the banking activity levels of each bank's clientele vary by bank, by gender, and over time, but they also varied by client status, and these differences will be examined in the following section.

Client status

In this section levels of banking engagement by clients of different status are compared. As noted in Chapter 2 the Information on status is derived from the formal title, epithet or rank recorded with clients' names in the headings of their accounts in the bank ledgers. These account records, which were available for inspection by clients, therefore reflect the form by which clients wished to be known. The number of female clients in each dataset, and the recorded information on titles, is too limited to make meaningful comparisons of activity by status, and so the focus here is on male clients.[16]

In 1730 there was considerable variation in account turnover by status, and this also differed by bank. At Drummonds, for example, clients whose accounts had above the average

[16] For the titles accorded to female clients see Chapter 6, Tables 6.2 and 6.3.

turnover (£1,678) were those described as Esquire (abbreviated in the bank records as Esq or Esqr) (average account turnover £2,704), and those with military titles (£1,907). At Goslings, knights and baronets (£3,519) and peers (£2,124) were the two groups with the highest average turnover, whereas at Hoare's it was peers (£2,578) and those described as Esq (£1,240) who had the most active accounts. These differences were also largely mirrored in the average number of transactions in accounts, with Esq accounting for the highest number at Drummonds (58) and Hoare's (18).

By 1780 there was a little more similarity between the banks, but there was still considerable variation. At Goslings and Hoare's, peers had the most active accounts when measured by turnover (£5,624 and £3,439 respectively), but at Drummonds those described as Esq had the highest turnover (£4,107). The average turnover on clergy accounts (ranging between £638 and £905) was well below the average for all clients (£2,247 - £2,621), and at Goslings and Hoare's knights and baronets (£1,645 and £1,366) also had below average levels of activity. As in 1730, transaction levels followed a broadly similar pattern, though those described as Mr at Goslings had double (95) the average number (47) of transactions there, and this figure was far in excess of the next highest figure (54) for any group in the three banks at that date. This possibly reflects the high number of clients involved in the book trade, some of whom used their accounts to manage their business affairs, though Drummonds (where the average figure for Mr was 33 transactions) also had many providers of goods and services.

This analysis of levels of account activity shows how, alongside the considerable growth in the number of client accounts, between 1730 and 1780 there was also a rise in the level of activity within those accounts. It is also clear that although there were some differences between individual banks, each of their client businesses comprised a mix of a small number of very active accounts alongside a large number of far less busy accounts. The precise ways in which this manifested itself varied by bank, as demonstrated by the varying activity levels of different client groups. The following section looks in more detail at types of debit transactions to see if they also reflect some of the same patterns.

4.4 Client payment types

At the most basic level clients used banks to deposit money and to then to make payments, either to themselves or others, at a later date, in part or in full. Sometimes, and particularly in 1730 at Hoare's, bank ledgers record deposits and then match payments to those deposits, thereby keeping a linked tally of money in and out, suggesting that clients also thought about their deposits and payments in the same way. However, this practice only relates to a proportion of accounts, and many client accounts in the ledgers make no connection between individual deposits and individual payments.

A simple analysis of debit transactions serves to illustrate some of the differences in the ways in which clients used their bank accounts. It was noted above that a significant number of client accounts were inactive during the sample periods, and an even larger proportion of clients made no payments. This was the case in 1730 for 27.9% of accounts at Drummonds, 20.1% at Goslings and 21.2% at Hoare's. Accounts of female clients at the three banks were even more likely to fall into this category (38.9%, 35.4% and 23.5%).

Where payments were made, each client account studied has been classified by the most common type of payment it contained, and again there are considerable variations. At Hoare's 33.4% of accounts were used mostly or fully to make payments to 'self' (the account holder), whereas at Goslings these accounts represent 21.8% of the total, and at Drummonds 13.1%. More accounts at Drummonds (47.8%) were used to pay named individuals or identifiable payees than at Goslings (40.6%) or Hoare's (35.2%). These differences are also evident when looking at the turnover of accounts classified in this way: at Hoare's, for instance, 18.4% of turnover was accounted for by accounts which were used mostly or fully to pay 'self', whereas a striking 81.1% of turnover at Drummonds relates to accounts used to pay named payees, and among female clients the figure was 97.5%. On the other hand, at Goslings 24.3% of turnover (61.4% for female clients) was contained within accounts containing a mix of payment types compared with 6.5% at Drummonds.

It is possible that different methods of recording transactions by the banks could account for some of these differences, but they are unlikely to explain all of these variations.[17] It is clear that each bank was used in a somewhat different way by at least some of its clients. However, it is not clear whether clients had enough prior knowledge to enable them to select the bank that best matched their intended use of their account.

By 1780 the ledgers of the three banks show a little less variation within and between banks. Accounts dominated by payments to 'self' had by this time become less significant in number (10.3% of Drummonds accounts, 7.6% of those at Goslings and 4.7% of accounts at Hoare's) and in their share of turnover (0.8%, 1.3% and 1.2% respectively). They had, however, become more common among women (16.7%, 9.5% and 5.5%) and accounted for a greater share of the turnover of their accounts at Drummonds (8.2%) and Goslings (4.3%), but not at Hoare's (1.4%).

The proportion of accounts with no debit transactions had fallen at all three banks (to 18.7%, 12.5% and 15.9%), but were more common among men. Accounts where debit payments were mostly or fully to named payees were relatively little changed at Drummonds (51.4% of accounts and 80.7% of turnover), but had increased significantly at Goslings (70.2% of transactions and 83.2% of turnover) and Hoare's (67.4% and 85.0%). The latter change may simply reflect the fact that transactions by means of cheques and bank promissory notes were by this time more acceptable and common in society, whereas earlier cash withdrawals were also for the purpose of paying others. Alternatively, it may suggest that clients were increasingly using their accounts to pay other people, rather than as a way of withdrawing for their own use money they had left on deposit.

It is not always clear how money paid to 'self' was actually paid. Sometimes, though rarely, 'in money' is written against such payments, and somewhat more frequently 'in Bank Notes' (i.e. Bank of England notes). It would seem that the norm was that the account holder would be paid mostly in Bank of England notes, sometimes supplemented with coin for smaller

[17] As was the case in the 1670s, the use of terms such as 'bill' and 'note' was still very fluid. See also Chapter 3, section 3.3.

amounts.[18] It may just be that by 1780 clients (and banks) were more likely to give a cheque or banker's promissory note direct to a third party rather than the account holder withdrawing cash for the purpose. Where the third party was a client of the same bank as the account holder such payments were often made simply by ledger transfer, involving no physical transaction. When cheques were presented for payment it would appear that they too were paid mostly in Bank Notes, supplemented with coin. On 9 March 1728, Briscoe's cheque to Rev Maddox for £279 9s was paid by £200 in notes (one £100 note and two £50 notes) and the remainder in money ('mo:').[19] It is also worth noting that most debit transactions in accounts began with the purely formulaic phrase 'by cash paid', irrespective of the form of payment.

This analysis of banking payments has offered some insights into clients' differing banking requirements, and how they were met by bankers. The following section seeks to expand on that by looking at clients' account balances.

4.5 Account balances

While many clients managed their accounts so that they left little money with their bankers, others appear to have been happy to maintain credit balances, and sometimes substantial balances. This section begins with a comparison of client balances at Drummonds in 1730 and 1780 (the latter for clients A-C only). In 1730 the banks' clients together brought forward into their accounts a net credit balance of £10,253. By 1780 this figure had risen to £183,805. In 1730 the majority of these aggregate net credit balances was contained in accounts with individual credit balances between £100 and £5000, whereas in 1780 the range was wider, from £100 to over £10,000. Anne Murphy noted 'for many investors [in the early financial markets], the pursuit of economic goals was accompanied by non-economic ones'.[20] The evidence of the amounts of money retained in bank accounts indicates that this was also true more generally of most bank clients in the eighteenth century, and that such

---

[18] Sometimes account entries are more specific. For example, in the Goslings account of Rev Charles Briscoe there are a number of entries which indicate that he was sent Bank notes by post, for example on 2 November 1732 for £1,100 'Bank Notes sent into ye Country' (BGA 0130-032 f.15).

[19] Hoare's Bank Archives (HBA) HB/8/M/13/15.

[20] Anne L. Murphy, *The Origins of English Financial Markets: Investment and Speculation before the South Sea Bubble* (Cambridge, 2009), p.7.

clients valued the convenience of holding money in an account over putting their money to productive use in other ways.[21]

The size of an account's balance did not necessarily reflect the amount of account turnover. In 1730, for example, accounts with individual credit balances in the range £1,000 to £5,000 together brought forward a balance of £8,291 and had combined turnover of £17,210. Accounts with individual credit balances of £501 to £1,000 contributed a lower figure of £7,766 to the total balance brought forward but together they had turnover of £109,929.

Just as most accounts of female clients contained far lower turnover than those of male clients, so too the balances brought forward into their accounts were concentrated in the lower value bands. In 1730, for example, with one exception, female balances brought forward did not exceed £100, whereas some male balances exceeded £1,000. By 1780 the amounts had risen, but still all female balances were below £5,000 whilst some male balances were in excess of £10,000.

Male accounts were also more likely to have overdrawn balances. In 1730, of the £-14,480 aggregate debit balances brought forward in male accounts, £-5,934 was contained in accounts with overdrafts of over £-1,000, whereas overdrawn accounts of female accounts contained together a total debit balance of £-379. In 1780 female overdrafts had increased to a total of £-1,537, but were still of relatively low individual value, whilst the total value of male overdrafts was little changed at £-16,082, of which £-7,108 was accounted for by individual debit balances over £-1,000.

The above balance figures need to be treated with a degree of caution, as balances represent only a single point in time, and balances could vary within and between years. At Drummonds in 1730, for instance, the total credit balances brought forward amounted to

[21] David Mitchell argues similarly that the bank accounts of late seventeenth-century clients of the Fleet Street banker Thomas Fowle, in which interest was not paid on credit balances, 'provide a service … offering convenience rather than interest'. David M. Mitchell, '"Mr. Fowle pray pay the washwoman": The trade of a London goldsmith-banker, 1660-1692', *Business and Economic History*, 23 (1994), pp.27-39 (p.35). See also David M. Mitchell, *The Wider Goldsmiths' Trade in Elizabethan and Stuart London* (London, 2024), pp.344-346.

£25,512 and total debit balances brought forward £-15,259, with an overall balance of £10,253 brought forward. However, the equivalent figures for the balances carried forward 12 months later were £26,550, £-7,832 and £18,718 respectively.

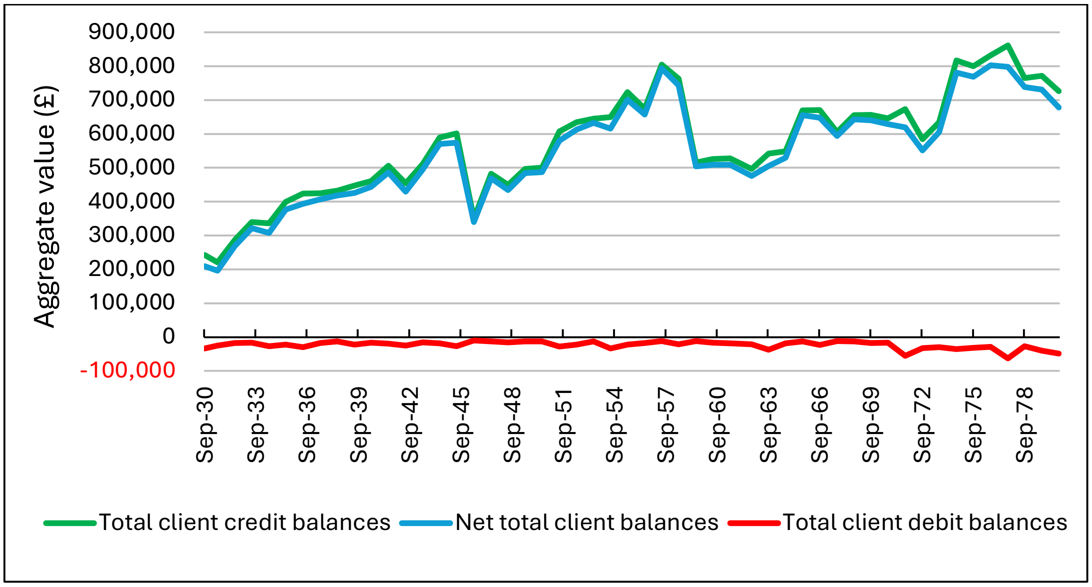


Chart 4.3: Annual client balances at Hoare's, 1730-1780

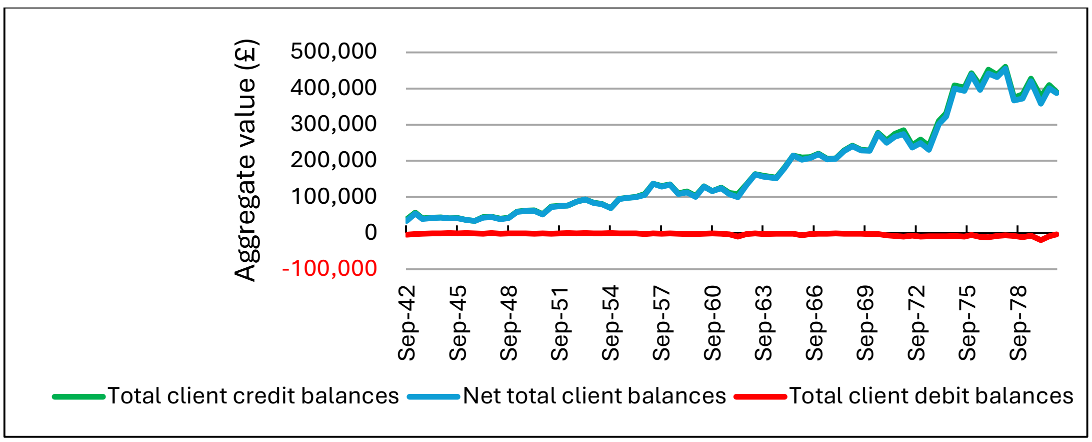


Chart 4.4: Six-monthly client balances at Goslings, 1742-1780

Such variations were common across all banks, as shown in Charts 4.3 and 4.4 for Hoare's and Goslings respectively. Whilst these charts only show balances annually or 6-monthly, it is unlikely that they hide significant interim variations. Whilst the trends are not even, it is clear that the banks had at their disposal significant and generally increasing sums, which they could put to use in investment and lending.[22] There was no charge for maintaining or using a bank account, but nor was interest paid on credit balances, and so it would seem from these charts that many clients valued the safety of leaving sums of money on deposit with banks, and the ease of making payments from those deposits as and when they chose to do so.

As noted above, some clients had debit balances on their accounts. Such overdrafts were often very temporary, and the amounts tended to be far lower than credit balances. There was considerable variation in the use of overdrafts between banks. 40% of Drummonds clients' accounts were overdrawn at the start or end of the 12-month 1730 sample period, and over a fifth (21.6%) were overdrawn on both dates. In contrast, the numbers of overdrawn accounts were much lower at the other two banks. 14.8% of accounts at Goslings and 15.9% of Hoare's were overdrawn at the start or end of the sample periods, and 5.9% and 5.3% on both dates. Accounts which were overdrawn on the start or end dates of the sample periods mostly had below average turnover during the sample period (£1,074 at Drummonds, £943 at Goslings and £878 at Hoare's, compared to average account turnover of £1,699, £1,402 and £866). The turnover of those accounts which were overdrawn on both dates was mostly considerably lower than the average (£743, £404 and £701). In the 1780s the variation between banks was smaller, but the proportions of accounts overdrawn at either the start or end of the sample period were still notable (17.2%, 9.7% and 18.1%), and the turnover of accounts overdrawn on both dates (£360, £221 and £573) was even lower in relation to the average turnover for all accounts (£2,007, £2,301 and £2,232).

Two of the clients whose banking activity is considered in the case studies section below made occasional use of overdrafts.[23] The account of Mary Delany, for instance, was overdrawn on just over ten per cent of the half-yearly balance dates during the 42 years that she held an account with Goslings. Her debit balances were mostly for relatively low sums, but on 28 June 1777 her account was £152 6s 11d in the red. Whilst over the 27 years that Edward Gibbon banked with Goslings he only occasionally overdrew his account, he was

[22] The trends in credit balances will be considered further in chapter 5, section 5.2.

[23] See the case studies in section 4.8 for source references.

overdrawn by around £1,000 on two successive half-yearly balance dates (26 June 1784 and 1 January 1785) as a result of his too hasty investment in a French loan.[24]

The evidence above suggests that the banks were often prepared to allow customers to overdraw their accounts, particularly for small sums. However, when the sum was more substantial there is evidence that banks usually politely requested repayment. Robert Dent, partner in Child & Co, wrote to Philip Jodrell in 1762 'we have taken the liberty of sending you the inclosed state of your account, by which you will find, if we are right that you have over drawn £522=15=6. If, by comparing this copy, you find that it corresponds with your own we are to desire the favour of your reinstating the Balance over drawn, as the present great scarcity of money really puts it out of our power to advance any sum whatever'.[25]

Whilst most overdrafts were very temporary, some client accounts were overdrawn for many months or even years. The Goslings account of John Carnac, for instance, had a debit balance of £338 16s 4d when balances were calculated on 26 June 1779. The amount by which he was overdrawn rose to £463 16s 4d on 1 January 1780, £857 3s 4d on 1 July and £872 3s 4d on 30 December, before falling slightly to £865 3s 10d on 30 June 1781. His account was in credit at the next balance date, 29 December 1781. In some cases continuing debit balances reflected a lack of account activity, as in the accounts of Lancelot Brown junior and Robert Brooke with Goslings which were overdrawn by £26 14s 8d and £82 16s 3d respectively over the whole of 1780. It may be that banks were sometimes content to let some clients borrow in this way, and indeed they charged interest on such debit balances. However surviving letters from bankers to clients suggest that banks did not always countenance persistently or regularly overdrawn accounts.

Child & Co, for example, often stated how overdrafts contravened its 'Method of Business'. Robert Dent advised Mr Thomas Naylor of Cheshire in 1768 that 'On looking over your Acc^{t} we find you stand Debtor £30:8:9. We sometime since advised you of an Irregularity of this kind and as it breaks thro' the Method of Business which we wish to observe, [we] hope you

[24] The balances were £935 6s 9d and £1019 6s 7d respectively. BGA 0130-070 f.133.
[25] NWGA CH/229, 12 June 1762.

will oblige us by avoiding a like circumstance for the future'.[26] However, stronger words and actions were sometimes deemed necessary. In June 1769 Dent wrote, not for the first time, to Lord Edward Bentinck about his overdraft, which then standing at £2,900 was to be converted to a loan with the assistance of his brother the 3rd Duke of Portland.[27] 'Your Lordship will give us leave to hope that no future drat of yours will appear on us 'till you have Cash to answer it, we shall otherwise be under the necessity of refusing the payment of it'.[28]

This analysis of payments in client accounts and account balances has shown that between 1730 and 1780 there was some convergence in the ways in which clients used banks, and particularly in their use of paper means of payment, but there were still considerable variations, for example in relation to overdrafts.

The focus to this point in the chapter has been on client accounts and account activity in general. The following section explores account activity in a different way, providing a very brief overview and comparison, between banks and over time, of client usage of the principal services offered by the banks.

4.6 Client use of bank services

It is clear from the analysis so far that accounts were not used in a uniform manner. As well as, or alternatively to, leaving money on deposit and making payments to themselves or to others, many clients used other bank services, most notably for borrowing or saving and investment, or for both. Some of the transactions relating to these other activities appear within their bank accounts, and those transactions have been included in the above discussion of account metrics. This section will provide an overview of the services offered to, and utilised by, clients. The following two chapters will consider two of the most frequently used services, borrowing and saving or investing, in more detail.

As noted in the Introduction, banks recorded client borrowing in separate accounts or record series to those used to manage clients' bank accounts, and these records are used to inform

[26] NWGA CH/229, 30 June 1768.
[27] £3,000 was lent him on Bond on 27 July 1769, NWGA CH/203/2, f.51.
[28] NWGA CH/229, 3 June 1769.

the discussion of borrowing in Chapter 5. Sometimes borrowing transactions also appear within a client's bank account, where the receipt or repayment of the loan principal, or payment of interest, was undertaken through the account. In the following section the bank accounts of all those account holders who borrowed from the banks are analysed, irrespective of whether loan transactions appear in their accounts.[29] Where borrowing is discussed below this relates to formal borrowing, and excludes overdrafts, which were considered in the previous section (4.5).

Many bank clients invested in government and other debt, and often the purchase and sale of investments and receipt of dividends or interest appears in their bank accounts. It is these accounts which are referred to in this section. Some bank clients invested independently of their bank accounts. Their investment activity has not been separately identified from other sources, and is not included in the following analysis. It is therefore likely that some of the accounts classified below as 'other' are those of clients who invested in other ways.

In this section the accounts of those borrowers and savers or investors are compared with the 'other' accounts of those who did not borrow from their bank or use their bank account for saving or investment purposes (Table 4.1). Whilst these 'other' accounts appear here as a separate category, and were used for receiving money and making payments or withdrawals of cash, many of the accounts classified under 'investors' or 'borrowers' also contained similar transactions. The aim of the classification is to highlight how accounts of investors and borrowers differed from those of clients who did not use their banks in those ways.

[29] Many borrowers from banks did not maintain bank accounts with them, and so their activity is not considered in this section.

Account category	Drummonds		Goslings		Hoare's	
	% of accounts	Average turnover (£)	% of accounts	Average turnover (£)	% of accounts	Average turnover (£)
1730 Hoare's accounts for clients A-C only						
All accounts	100	1,699	100	1,099	100	866
Investors	6.6	5,971	44.2	1,891	27.7	1,614
Borrowers	24.3	3,514	1.8	1,158	4.7	1,615
Other	71.2	663	54.3	477	69.7	526
1780						
All accounts	100	2,007	100.0	2,301	100.0	2,232
Investors	26.4	3,066	49.2	2,471	53.3	2,523
Borrowers	9.0	2,789	11.3	4,002	2.2	3,330
Other	67.3	1,648	44.8	1,978	44.7	1,833

Table 4.1: Account categories, 1730 and 1780[30]

There are significant variations by bank and over time. The use of banks to purchase, sell and receive dividends from investments varied considerably by bank. In 1730, 44.2% of the accounts at Goslings contain reference to such investments, and 27.7% of accounts at Hoare's, but at Drummonds this was only the case in 6.6% of accounts. By 1780 the proportion of accounts containing investment transactions had increased at all three banks, though it was still lower at Drummonds (26.4%) than at Goslings (49.2%) and Hoare's (53.3%). The turnover of accounts of investors was consistently above the average for all accounts, and sometimes significantly so. This was most marked at Drummonds, where the average turnover of investors was £3,066 compared to the average for all accounts of £2,007.

In 1730 the proportion of accounts which included transactions relating to borrowing was much higher at Drummonds (24.3%) than at the other banks (1.8% at Goslings and 4.7% at

[30] See Appendix 7 for details of accounts which have been excluded when calculating average turnover for all categories of accounts in 1730 and 1780. The figure for investors at Hoare's in 1730 excludes the stock account of bank partner Christopher Arnold.

Hoare's). By 1780 the proportion was similar at Drummonds (9.0%) and Goslings (11.3), but far lower at Hoare's (2.2%). At both dates borrowers' accounts had above average turnover.

It is clear that each bank's clientele used the range of financial services offered by their bank in a somewhat different way, though there was some convergence by 1780. Even so, the extent to which clients of Goslings and Hoare's used their bank to invest was striking when compared with those of Drummonds. These variations in borrowing and investing, and how this differed by gender, will be examined further in the following chapters.

The accounts of those who did not borrow or whose investment did not appear in their bank accounts (referred to in Table 4.3 as 'Other') varied between banks and over time, but always comprised a significant share of each bank's accounts. In 1730 these accounts represented a similar proportion of accounts at Drummonds (71.2%) and Hoare's (69.7%) but a lower share at Goslings (54.3%). By 1780 the proportions at Drummonds and Goslings were relatively unchanged (67.3% and 44.8%) but the proportion at Hoare's had fallen (to 48.0%), demonstrating a degree of convergence between the two Fleet Street banks. In 1730 these accounts had turnover levels significantly below the average (£663 at Drummonds, £477 at Goslings and £526 at Hoare's compared to the averages for all accounts of £1,699, £1,099 and £866), but by 1780 the difference had become less marked (£1,648, £1,978 and £1,833 compared with the averages for all accounts of £2,007, £2,301 and £2,232). It is possible that this change reflects the impact of the relative changes in turnover of borrowers and investors on the average turnover of all accounts, as much as a change in the turnover of those who did not borrow or invest. This is suggested by the fact that there are similar turnover levels for these 'other' accounts across the banks in each sample period.

Most of those who borrowed from their bank, and many of those whose investments feature in their bank account records, also received and paid money which was unrelated to their saving or borrowing, and such transactions often comprised the majority of their banking business. For most clients the security and convenience of a bank account, and the means of payment, was its chief attraction.

In 1722 two City bankers, Thomas Snow and Thomas Martin, made depositions in relation to an Exchequer case, in which they drew on their experience as bankers since the late seventeenth century.[31] They were asked to describe the business of a banker, and in particular the handling of deposits. Their answers therefore do not encompass the complete range of banking services, and they were written on behalf of the defendants, two other London bankers. However, they both make it clear that customers left money with bankers for safety and convenience. Snow stated that depositors might take 'Cash Notes' in exchange for their deposits, the depositor 'thinking his money safer there then [sic] in his own hands'. Alternatively the depositor 'will take a Receipt for such moneys whereby ye Banker promises to be accountable for ye same upon demand and in such case it is usuall and Customary for such persons who deposited such money in ye Bankers or Cashiers hands to draw Bills upon such Banker or Cashier payable to Tradesmen or any other persons that they have occasion to pay money unto which ye money originally paid into such Bankers hands be drawn out or an account of ye same is made up & Ballanced'. Martin similarly stated that 'ye manner or nature of Banker or Goldsmiths business is that when any summe or summes of money is or are paid to or left or deposted [sic] by any person or persons with any Banker or Goldsmith such summe or summes of [money] is or are either carried to an Acccount kept by such Banker or Goldsmith … or else a note or notes is or are given by such Banker Cashier or Goldsmith'. Snow and Martin were asked to give evidence because they were 'acquainted with the nature of the Business of a Banker or Cashier', and in response they used those terms and 'Goldsmith', suggesting that they accepted these terms as valid descriptors, at least concerning that part of their business which related to money deposited with them by their clients.[32]

Bankers also provided a variety of other services to their clients during this period. Clients benefitted from the convenience of being able to access this suite of services through a banker with whom they were familiar. In doing so clients could save the time and effort, or inconvenience, involved in using an alternative supplier. The take-up of these services varied

[31] For further information on their depositions, see Chapter 6, section 6.2.2, and also Frank T. Melton, *Sir Robert Clayton and the Origins of English Deposit Banking* (Cambridge, 1986), pp.212-5, and Peter Temin and Hans-Joachim Voth, *Prometheus Shackled: Goldsmith Banks and England's Financial Revolution after 1700* (Oxford, 2013), p.42.
[32] The National Archives E 133.145/65.

greatly by client, and often they were used only occasionally as the need arose, but clients must have been aware that these services were available to them. It is unlikely that banks earned much, if any, money from most of these services, but clearly on occasion there was client demand which they were keen to meet in order to fulfil client expectations. In doing so they averted the danger that clients might look elsewhere for banking services, ensuring that existing and future client balances remained in their hands. Some of these services had also been available in the 1670s, including the purchase, sale and commissioning of items of plate and jewellery, the safe custody of valuables and deeds, and the undertaking of foreign transactions or provision of the means to do so.

Those bankers who had started in business as goldsmiths continued, in some cases into the 1740s, to assist clients with requirements for items of plate and jewellery. Most, if not all, of this work was contracted out to others. At Drummonds, for instance, there are two ledgers containing client accounts for such business, the last entries in which date from 1736, though the bank continued to provide banking clients with such services into the 1740s.[33] Such business was not unique to Drummonds, and Rev Charles Briscoe, whose account is featured below as a case study, ordered a number of items of plate and jewellery from Hoare's in 1734. There were many goldsmiths in London who could offer similar services, including those to whom the banks subcontracted the work, but clearly for some clients it was just easier to deal with someone they knew and trusted.

By 1730 some client accounts include entries for the receipt of salaries and pensions, the payment of taxes, and the purchase of insurance.[34] The detail provided in the account entries suggests that the bank undertook these transactions on clients' behalf. Bankers also enabled clients to make charitable and other subscriptions.[35] Indeed, banks played a role in

---

[33] The two ledgers are NWGA DR/426/1-2. As an example of such business after 1736, on 24 October 1746 Stafford Briscoe signed a receipt for a number of rings and shoe buckles purchased from the bank, NWGA DR/400.

[34] For example, the account of Peter Wentworth Esq was credited with £53 5s on 6 April 1731 'for his Sallary', NWGA DR/427/11, f.150. In 1780 the account of William Cowper Esq was debited with 5 guineas for a year's coach duty, Mr Thomas Bush's account was debited £9 for land tax, and the account of Lady Vere was debited with £7 10s for a year's insurance with the Sun Fire Office: NWGA DR/427/84, ff.296 and 201, and NWGA DR/427/87, f.1810. See also the case study of Rev Charles Briscoe below (in section 4.8) for a similar instance.

[35] The Earl of Ashburnham's account was debited with subscriptions on his own behalf (10 guineas) and for his wife (5 guineas) to 'Immanuel Hos[pital]': NWGA DR/427/84, f.29.

accepting subscriptions for charitable causes, from clients and others. The Drummonds account for the Marine Society shows a donation of £20 received on 9 June 1780 of from Lady Elizabeth Noel, who was not one of their clients.[36]

Banks provided letters of credit for customers travelling abroad, and by 1780 were additionally supplying some travellers with Herries notes.[37] Bank clients could have obtained the latter directly from Herries, but it was much easier to ask their banker to supply them, and to debit their bank account accordingly. It was something clients expected their bankers to be able to do for them. In addition, banks accepted foreign bills of exchange and the drafts of foreign bankers. Goslings, for instance, accepted on Edward Gibbon's account a draft on the French banker de Lessert.[38] Sometimes banks used their European contacts to assist their clients in other ways. For example, on 9 August 1732 the classical scholar Edward Holdsworth wrote from Florence to the librettist Charles Jennens, 'Inclos'd is the bill of loading for your Harpsichord, w[hi]ch as my Banker Mr Blackwell informs me was put into the Cabbin of the Ship yt it might be less expos'd to damage, & was by him particularly recommended to the care of the Captain'.[39] The banker in this case was possibly Ebenezer Blackwell, of the City bank Martin, Surman, Leaver and Stone, though Blackwell was only a clerk at in the bank at this date. More commonly, bankers provided more general forms of advice and assistance, sometimes overlapping with the services of lawyers, including guardianship, executorship and trusteeship.

Bankers provided most of these services without charging clients a fee for their work, though they passed on to clients any third-party costs associated with the services, such as those for sending letters or money to clients in Britain or abroad. The take-up of such suites

[36] NWGA DR/427/86, f.1122.
[37] These fixed-denomination 'circular' promissory notes, invented and issued by Robert Herries from 1769, could be exchanged at a network of correspondents across Europe. The account of Hon Mrs Elizabeth Brown, who must have been in Europe during 1780, was charged on six dates between January and October of that year for a total of £385 in Herries notes, and was also charged during the same year for 11 letters at 10d each, NWGA DR/427/84 f.68.
[38] Letter from Gibbon to Lord Sheffield dated 11 May 1784. Rowland E. Prothero (ed.), *Private Letters of Edward Gibbon (1753-1794)*, vol.2 (London, 1896) accessed via Project Gutenberg, https://www.gutenberg.org/files/42632/42632-h/42632-h.htm, accessed 24 April 2023.
[39] Gerald Coke Handel Collection, Accession 7603, quoted in Amanda Babington and Ilias Chrissochoidis, 'Musical references in the Jennens-Holdsworth correspondence (1729-46)', *Royal Musical Association Research Chronicle*, 45 (2014), pp.76-129 (p.89).

of services varied greatly, according to clients' needs. The fact that clients could take advantage of this range of assistance, and also borrowing and investing, as required indicates that for many clients a banking relationship offered much more than the maintenance of a bank account, or the practice of a banking habit.

Surviving correspondence indicates that much of the more intimate or complex interaction with clients, for example in relation to borrowing, was dealt with by partners in the banks.[40] However, examples from client papers indicate that sometimes banks' senior clerks might write to clients on more routine matters such as the acknowledgement of receipt of deposits.[41] It was mostly left to clients to keep track of their account activity, though often banks confirmed in writing receipt of monies by post or from third parties.[42] Many clients visited their bank to consult their account in the bank's ledgers, to 'receive the vouchers' and check these against the account entries, and then to sign the account to verify its accuracy and confirm the balance due to them or to the bank.[43] Some clients visited regularly, whereas others rarely did so, and some clients arranged for others to do so on their behalf. It was also common for banks to send accounts statements, or confirmation of account balances, to clients.[44] These were not sent to a fixed schedule, but when requested by a client, or when the bank wished to alert a client to the fact that their account had become overdrawn. Sometimes clients signed and returned to the bank a form confirming their approval of their account. Such forms employed a similar wording to that used when a client agreed an account in person.

---

[40] Examples of such correspondence are provided in Chapter 5.

[41] For example, receipts to Sir Richard Lyttelton signed by Alexander Hope and George Wheatley, senior clerks at Drummonds, 18 April 1774 and 13 November 1776, Hertfordshire Archives and Local Studies (HALS) AH1390 and AH1391.

[42] For example, letters from Drummonds to the Duke of Bridgewater, confirming receipt of cash and bills to be credited to his account, 1795-1803, HALS AH1495-1566.

[43] See examples in the case studies in section 4.8 below. In the 1730s, for example, clerks at Hoare's also signed as a witness.

[44] For example, the statement of account sent by Child & Co to Joseph Hill Esq and John Vernon Esq, covering the period 15 October 1785 – 17 February 1786, Record Office for Leicestershire, Leicester and Rutland (ROLLR) DE107/150. On 4 June 1778 Child & Co clerk John Keysell confirmed in writing the balance of Joseph Bunney's account with the bank, ROLLR 10D72/262.On 2 August 1785 the Child & Co clerk John Wormald wrote to Francis Fortescue Turvile Esq, in reply to his enquiry of 24 July, to confirm specific account transactions ROLLR DG39/961.

Around the middle of the eighteenth century, banks began to offer clients books in which the bank entered a copy of a client's account as it appeared in the bank's ledgers, and these became increasingly popular over the following decades.[45] No doubt such pass books were introduced in response to client demand. These books had to be returned to the bank to be updated. The Drummonds pass book of Viscount Fairford, 1786-90, for example, was signed by one of the bank's clerks, Alexander Hope. The pass book of Mrs Margaret Fisher, 1794-98, was similarly balanced and signed by a clerk, William Craggs, but in this case she appears to have entered details of her account transactions with Drummonds herself. The book records numerous withdrawals by 'my own receipt', for instance of £52 10s on 14 May 1794 and £31 10s on 26 March 1795.[46] It is possible that some clients were charged for the cost of the book itself, though not its maintenance.[47]

It is clear that much, probably most, banking business was conducted by post. The banks regularly debited client accounts with the cost of postage for letters sent within Britain and abroad, and the account of Edward Gibbon, discussed in section 4.8 below, contains numerous such entries. However, clients certainly did on occasion visit their banker's premises to undertake straightforward transactions such as the withdrawal of cash, the checking of their account in their bank's ledgers, or the deposit or removal of items of safe custody.[48]

Goldsmiths had accepted items on deposit for safe custody since the mid seventeenth century, and the practice continued into the eighteenth century and beyond.[49] From the earliest days the goldsmith-bankers had used specially constructed safes for the storage of money and valuables, and often had multiple rooms set aside for the purpose, normally to the rear of the premises.[50] At both Child & Co and Hoare's there are also references to a 'warehouse'. The banks used various means to secure their premises. Most bank buildings

---

[45] For example, the 26 surviving Drummonds pass books of the 3rd Duke of Bridgewater, 1770-1803, HALS AH1467-1492.
[46] NWGA DR/65; NWGA DR/87.
[47] The debit entries of '6d for a book' in the Drummonds accounts of John Brinsden Esq (7 April 1731) and the Earl of Tankerville (2 November 1731) might relate to charges for providing pass books, NWGA DR/427/11 ff.11 and 328.
[48] For example, Hoare's recorded safe custody transactions in HBA HB/1/5.
[49] For an example of seventeenth-century deposits, see the Samuel Pepys case study in Chapter 3, section 3.6.
[50] A plan of the Hoare's premises in 1783 includes four separate 'strong rooms', HB/10/A/3/10.

were occupied during the night and banks also paid for premises to be watched. Goslings paid 4s a quarter for the watch, as for example on 7 October 1730.[51] Sometimes special arrangements were made for opening the premises the morning and shutting up in the evening, for example on 28 September 1730 Thomas Sidgraves received £4 10s as 18 months wages for 'opening the Shop'.[52] In 1780 payments were made by Drummonds to 'Chelsea Pensioners for their attendance at the time of the Riot', and following the same Gordon Riots the bank purchased muskets and blunderbusses for enhanced protection.[53] Throughout the eighteenth century many of the banks' expenses accounts contain references to the maintenance of firearms, for example the payment on 9 May 1754 by Hoare's of a gratuity of 5 guineas to Nathaniel Trevey, gunsmith.[54]

Although the banks insured their properties against fire, there are no references to any cover for clients' property deposited for safe custody.[55] Most of the banks' safe custody registers records simply note the date on which an item was deposited (and later removed), a physical description of the package or box and the location in which it was stored. The actual contents of a package or box were not often recorded, though where the item concerned was an investment certificate this might be noted, and often the bank held such items in order to receive dividends. For example in the summer of 1792 Lord Sheffield confirmed to Edward Gibbon 'The Debentures [Lord Barrymore's debentures, in which Gibbon had invested] are in the custody of Goslings, to enable them to receive at Hammersley's [bankers in Pall Mall] the interest half yearly'.[56] Sheffield also suggested to Gibbon 'it would be better to send [certain other deeds] in their Box to Gosling's Iron-room,

[51] BGA 0130-663, f.42.
[52] BGA 0130-663, f.41.
[53] NWGA DR/427/9, f.1631; The Royal Bank of Scotland, *Drummonds: A History* (Edinburgh, 2002), p.6.
[54] HBA HB/5/A/7, f.48.
[55] The Sun Fire Office policies dated 16 March 1785 of Henry Hugh Hoare and Charles Hoare relating to the premises at 37 Fleet Street occupied by the bank, include specific reference only to printed books, and, in the case of Henry Hugh Hoare, the building itself and plate, presumably the bank's own plate, London Metropolitan Archives (LMA) CLC/B/192/F/001/MS11936/326/502380-1. The policy of Henry Hoare Esq with the Hand-in-Hand Fire Office, dated 29 November 1788, for the bank's premises, HB/10/A/2/41 includes specific reference to the strong rooms marked in the plan noted above (footnote 50) and also 'Warehouses' over the 'Great Strong Room', but not to their contents.
[56] Undated letter; Prothero, vol. 2.

to appease your fears'.[57] The banks also retained in their secure premises securities for clients' loans.

The degree of clients' interaction with their bankers varied. From a banker's viewpoint much client business was relatively routine, such as the collection of dividends, the receipt of cheques and notes, payments of cash, issuing of cheques or notes, or depositing of items for safe custody. Much of this business was undertaken by banks' clerks, yet even so, such business was often arranged by correspondence from clients, which was usually addressed to bank partners. This suggests that even if partners delegated the execution of the business to clerks, the partners were to a degree aware of their clients' requests. The clerks also maintained most of the banks' records, in itself a not inconsiderable task, and kept a close eye on the balances of clients' accounts.

Other categories of client business required the more active involvement of bank partners. Chief among these was lending, which will be considered in detail in the following chapter. Partners undertook the assessment of loan applications and loan securities, the negotiation and re-negotiation of terms, the monitoring of repayments, the calling in of loans and overdrafts, and the demanding of interest payments. Even the purchase and sale of securities, which will be explored further in Chapter 6, often required the time and effort of partners in travelling, mostly into the City, to sign transfers. As they did so partners gained a familiarity with that aspect of their clients' activity. The partners were therefore often at least aware of some of their clients' banking business, and in many cases took an active part in corresponding with, or talking to, clients. There were elements of client banking engagement that were therefore personal, reliant on a personal relationship with a bank partner. Even where much of a client's business was relatively routine and seemingly impersonal, there was still interaction with bank clerks, particularly when clients visited the bank to check and agree the balance on, or to withdraw money from, their accounts. Indeed, many clients paid gratuities to their bank's clerks on an annual or occasional basis,

[57] Undated letter in reply to Gibbon's letter to him of 12 September 1792; Prothero, vol. 2.

suggesting an appreciation of their services and no doubt also a hope that their gift would ensure the clerks' continued attention to their banking affairs.[58]

On occasion clients were required to visit the bank when their account was overdrawn or when there was a need to discuss loan repayments. In 1779, for instance, Robert Dent, partner in Child & Co, wrote to Rev Matthais D'Oyley following a discussion at the 'Shop' in Fleet Street, 'I very well recollect the Conversation at Temple Bar regarding the state of your Account …'.[59] Edward Gibbon wrote to his friend John Baker Holroyd on 29 February 1778 'Last night I found a note from Gosling that he wished to see me this morning' concerning Gibbon's mortgage.[60] Partners also sometimes visited their clients. In December 1769, for example, Robert Dent explained to Thomas Harley Esq that 'In March last I troubled you with Notice to pay off the remaining Prin^{l} & Inter^{t} on your Bond. I have since several Times called in Aldersgate Street without the Pleasure of seeing you, owing I conclude to my calling at an inappropriate Time'.[61] When bank partners were away from the 'Shop' clients sometimes corresponded with them at their private addresses. For example, on 30 July 1750 E Bowater of Woolwich wrote on banking business to Henry Hoare Esq at Lincoln's Inn Fields, and on 5 November 1751 sent a letter to him at Stourhead, his Wiltshire home.[62] The Duke of Bridgewater appears to have visited Robert Drummond at his Hampshire home at Cadland on 18 November 1781 when travelling in Hampshire and Wiltshire.[63]

It is clear from this survey that banking clients used banks in a variety of ways and to varying extents. Whilst the focus of this thesis is on individuals' banking activity, it is also worth noting that much personal financial activity did not take place through clients' banking relationships or accounts. For example, very few accounts contain information on small

[58] For example, the payments of 2 guineas made by Dr William Baylies to the clerks at Drummonds on 27 January and 30 December 1780, NWGA DR/427/84, f.82.
[59] NWGA CH/229. Undated, but likely to be November or December 1779. Temple Bar was the stone gateway attached to the front of the bank's premises in Fleet Street and the Strand, on the boundary of the City. The bank's address was often given as Temple Bar.
[60] Rowland E. Prothero (ed.), *Private Letters of Edward Gibbon (1753-1794)*, vol.1 (London, 1896) accessed via Project Gutenberg, https://www.gutenberg.org/files/42578/42578-h/42578-h.htm, accessed 24 April 2023.
[61] NWGA CH/229, 9 December 1769.
[62] HBA HB/8/T/11.
[63] Coachman's expenses for the Duke of Bridgewater, 8 November 1781 – 5 June 1782, which include reference to a journey that included a visit to Cadland, HALS AH1798.

everyday purchases or regular household expenditure, which would mostly have been paid for using cash or credit with local shopkeepers or suppliers. Some clients regularly withdrew cash from their bank accounts in the form of Bank of England notes or coin, or, as noted for example in the case study of Rev Charles Briscoe below, had cash sent to them by post. No doubt many of these withdrawals were used to meet everyday needs. Other clients used their bank accounts to help manage their business activities, paying suppliers or sub-contractors and receiving payments from their own clients. Yet, even the most active of these accounts are not comprehensive records of their holders' business or personal activity.[64]

Having considered the nature of clients' banking activity, the following section considers the stability of clients' banking relationships by looking at account longevity.

4.7 Client account longevity

The duration of individual client accounts varied, but when client accounts at Drummonds and Goslings are plotted over time, the distribution of account durations shows a remarkable similarity, both between banks and for different dates (Charts 4.5 and 4.6).

At Goslings the distribution graph has a similar shape for accounts active in sample years 1740-1780, though over time the curves lengthen somewhat as the average account durations gradually increased. In 1740 the mean duration of an account (to closure) at the bank was 21.6 years, rising to 21.9 in 1750, 22.8 in 1760 and 24.5 in 1770. However, the average for accounts active in 1780 was only 22.4 years. The graph of account durations of Drummonds accounts which were active in 1780 nearly matches that for Goslings at the same date, though the number of clients for whom account durations have been plotted differs between the two banks (Chart 4.6).

[64] For example, the Drummonds account of Lancelot 'Capability' Brown, as discussed in Roderick Floud, 'Capable entrepreneur? Lancelot Brown and his finances', in *Occasional Papers from The RHS Lindley Library*, 14 (2016), pp.19-41.

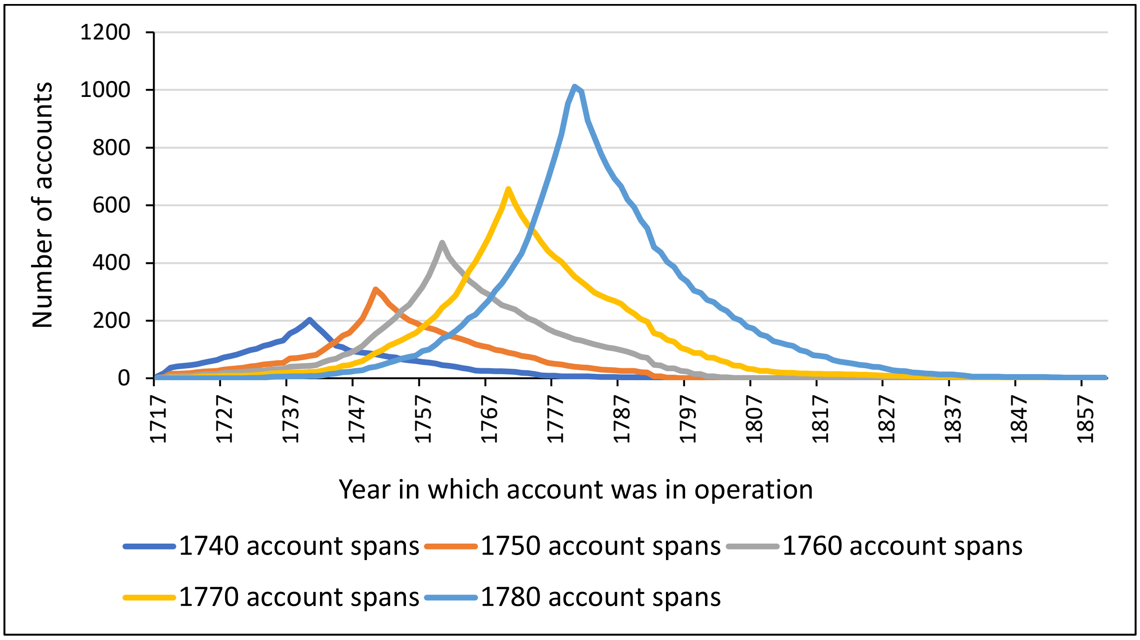


Chart 4.5: Account spans for Goslings client accounts, 1740-1780[65]
(N (accounts)=204 (1740); 309 (1750); 471 (1760); 657 (1770); 1,012 (1780))

There were also some variations in longevity by gender, and among accounts active in 1780 the mean durations Drummonds were slightly higher for men (20.5 years) than women (19.4 years), but at Goslings women maintained their accounts on average for longer (24.7 years) than men (20.6 years).

A significant proportion of bank accounts which were in use in 1780 were still operational at the date of death of the account holder, though in some cases the account may have been dormant for a while before that. At Drummonds 20.1% of accounts continued to the death of the client, and at Goslings 36.8% did so. The proportions were higher for women (22.7% at Drummonds, and 40.5% at Goslings) than for men (19.7% and 36.0%). Accounts which were held until death were mostly maintained for longer periods, reflecting the account holders' satisfaction with their bank, or possibly the inconvenience of moving their business elsewhere. This was particularly noticeable at Drummonds where the mean duration of such accounts was 35 years, whereas at Goslings the average duration of such accounts was 25.1 years.

[65] The chart covers years to account closure, though in some cases accounts continued beyond the death of the client.

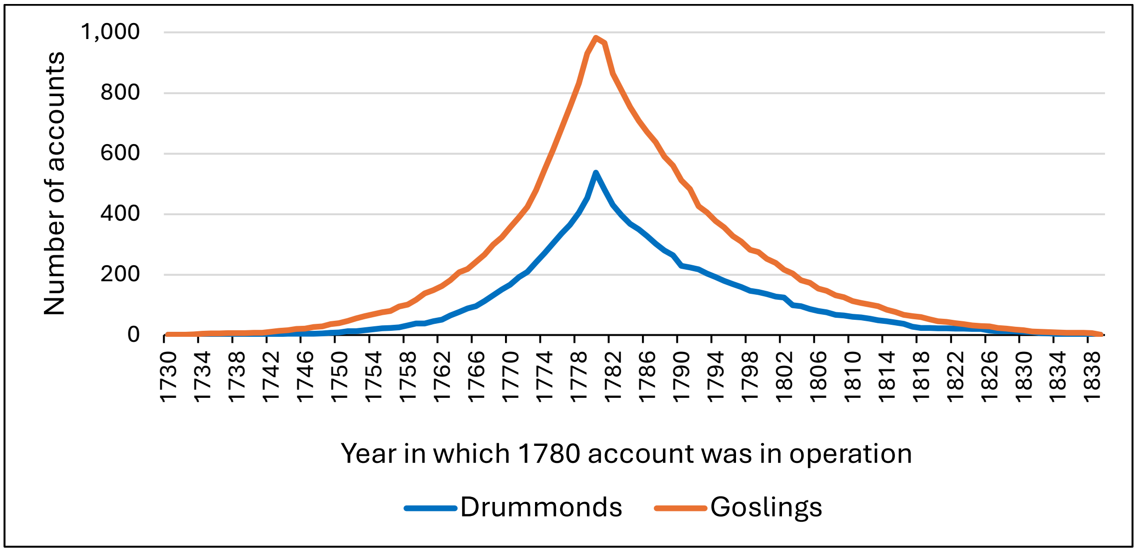


Chart 4.6: Account spans for Drummonds (A-C) and Goslings accounts (A-Z), 1780[66]
(N (accounts)=537 Drummonds; 982 Goslings)

However, the peaks in Charts 4.5 and 4.6 reflect the fact that many accounts were only active for a short time. One such was the 1779 Goslings account of Catherine Walkinshaw, (d.1794), formerly one of the six Women of the Bedchamber to the dowager Princess of Wales. The bank's customer ledger records that she received £193 14s as the proceeds of a Victualling Bill on 21 July 1779 and 7 weeks later she paid the same amount to Lady Mary Macdonald (who herself was not a client of the bank). This is all there is for Catherine Walkinshaw. She had not appeared as an account holder in any of the ledgers before 1779, and she did not appear again. Her experience was by no means unusual, and many accounts contain only a single deposit, followed by one or more withdrawals of the money deposited. Some of these clients may have had a more active bank account elsewhere, but clearly there were some people for whom a banking habit had not developed.

As in the 1670s, this raises the question why accounts were used at all. Between 1730 and 1780 there does not appear to have been any formal process for 'opening' an account, and indeed it is not clear that all or even many clients would have considered their interaction with a bank as being related to an 'account'.[67] When on occasion client accounts were

[66] Spans to earliest of death or account closure.
[67] However, Mabel Winter notes that in 1692 Earl Fauconberg referred to the opening of an 'Account' with Richard Hoare. Winter interprets this to mean that Fauconberg had an expectation of an ongoing engagement with Hoare. Mabel Winter, *Banking, Projecting and Politicking in Early Modern England: The Rise and Fall of Thompson and Company, 1671-1678* (Cham, Switzerland, 2022), p.134.

balanced, the wording in the banks' ledgers indicates that the banks themselves often understood an account to start following a balance and to end when the next balance was undertaken. At that point the client was often given a promissory note which was recorded as a credit entry at the start of a new account. In other words, the word 'account' was used to describe both a series of transactions between two balance events, and the written evidence of those transactions in the banks' ledgers. It is not clear that in the early eighteenth century, banks considered an account to be a continuous or enduring entity, even where a client's transactions covered many years. This form of referring to an account becomes less common later in the century, possibly reflecting a shift in the use of the term to something approaching our 21st century conception of a bank account. Possibly the gradual extension of account longevity played a part in this.

Clients appear to have understood how to undertake their banking business. There were no guides or conduct manuals to help them, unlike those available for those wishing to invest in government debt or other securities, or to trade as merchants.[68] Most likely they learned from parents or friends, and possibly bankers offered some guidance to new clients, though no evidence survives of such support. Clients clearly understood, for example, how to write cheques, and how to inspect and agree their accounts in the banks' ledgers. The activity within many client accounts expands over time, possibly a product both of increasing confidence and increasing resources.

This survey of account durations has shown that, for a range of dates and for two banks, overall patterns of account longevity were similar. Whilst there was a general increase in longevity over time, and those clients who maintained their accounts until their death generally had longer account durations, there were also some notable differences between the banks.

---

[68] Concerning investment, there were guides such as Thomas Mortimer's *Every Man His Own Broker*: *or, A Guide to Exchange-Alley* (London, 1761), and information in the press. For further consideration of such guidance, see, for merchants, Natasha Glaisyer, *The Culture of Commerce in England, 1660-1720* (Woodbridge, 2006), particularly pp.100-183, and, for investors, Murphy, *The Origins of English Financial Markets*, pp.106-112.

Whilst it has been possible to track the longevity of banking relationships, it is beyond the scope of this thesis to consider client activity over the course of a calendar year. Frank Melton suggested that in the early eighteenth century, banking activity at many West End banks was very seasonal.[69] He argued that account balances grew in the autumn with the receipt of annual rents, and then declined as clients spent money during 'the Season' in London over the following six months. However Melton produced limited evidence in support of this assertion, and it rests in part on an assumption that most clients had landed estates. The analysis of clients in this thesis suggests that certainly by the 1730s a relatively small proportion of clients had landed estates, and an even lower number by 1780, and therefore this pattern may have been a very temporary one, confined to the late seventeenth and early eighteenth centuries. Nevertheless 'the Season' may well still have had a significant impact on clients' banking business and the aggregate total of their balances held by banks. Similarly, the legal terms may also have affected client balances and therefore also banks' cashflow and resources.[70]

4.8 Case studies[71]

Having looked at client accounts and client activity at a variety of banks between 1730 and 1780, in this section some of the common and particular features of client account activity are demonstrated by means of case studies.

Rev Dr Charles Briscoe, clergyman (1699 – 1748)

Charles Briscoe's interaction with his bankers Hoare & Co can be tracked through both his account in the ledgers of Hoare's Bank and in surviving correspondence that he sent to the bank.[72] This case study sheds light on how clients undertook their banking business and the range of services that they utilised.

---

[69] Melton, 'Deposit Banking in London', pp.40–50.
[70] A brief analysis of the number of loans granted at Drummonds each month during the years ending 24 March 1732 and 31 December 1780 indicates that there was no clear pattern in the early 1730s but that in 1780 an above-average number of loans was granted in each month from February to July, and in November. This might suggest that there was a degree of seasonality in client business at this time, but it is not known whether the figures for 1780 are representative of a wider period or of banking activity in general.
[71] See Appendix 3 for details of the bank ledgers containing the accounts of the clients featured in these case studies.
[72] 150 letters survive covering the period February 1715 - March 1736, HBA HB/8/M/13/15. Unless noted otherwise, all letters from Briscoe referred to below are from this collection, and are referenced by date only.

Briscoe's account was a continuation of that of his father, Sir John Briscoe of Boughton, Northants and Amberley Castle, Sussex, who died in February 1724, and of whom Charles was the sole surviving son and executor. The account continued in his own name from February 1728 until April 1747, just under a year prior to his death. It is not clear if he had a bank account elsewhere before he started banking with Hoare's. Briscoe had been appointed rector of Pitsford, Northamptonshire in 1699 and vicar of nearby Boughton in the following year, appointments he held until his death.[73] He appears to have been resident at Boughton, though a few of his letters refer to rent paid on a house near the Physic Garden in Chelsea. Some of his letters were sent from Boughton or relate to payments to individuals in or around Northampton.[74]

Briscoe appears to have managed his account almost entirely from a distance. Although it is clear that Briscoe sometimes asked the bank to send him statements of his account so that he could keep track of his balance, these were not referenced in the bank's ledgers and the account was not balanced on those occasions.[75] Indeed, the account was balanced only twice, first on 20 February 1727, when 'John Dennett of ye suburbs of London' did so 'under authority of Charles Briscoe' as his father's executor, and again on 18 September 1736, when Briscoe signed the ledger to agree the balance. There is no other reference to him visiting the bank in Fleet Street, though in his letter of 15 July 1728 he notes that 'my spouse left at your Shop a Bond from Mr Parker to mee'.[76] In 1734 he told the bank's partner Christopher Arnold 'I shall depute my Sister Ellis in my place to pass my Account with Mr Hoare and you – shee will bee constantly in Town all Winter'. [77] There is no reference in the bank's ledgers to her approving Briscoe's account.

Briscoe used his account to make payments to named individuals, to buy and sell stocks and lottery tickets and receive dividends, and to process loans to third parties.[78] He does not

[73] Clergy of the Church of England database (CCEd), https://theclergydatabase.org.uk/, Person ID: 176129, accessed 11 August 2023.
[74] For example, his letters of 28 October 1732, 14 January 1731 and 31 March 1735.
[75] For example, in his letters of 28 Sept 1731, HBA HB/8/T/11, and 25 February 1731.
[76] Letter dated 15 July 1728.
[77] In his letter of 10 October 1734.
[78] His investments are considered further in Chapter 6, section 6.4.

appear to have borrowed formally from the bank, though two of the half-yearly balances indicate that his account was, on those dates, overdrawn.[79]

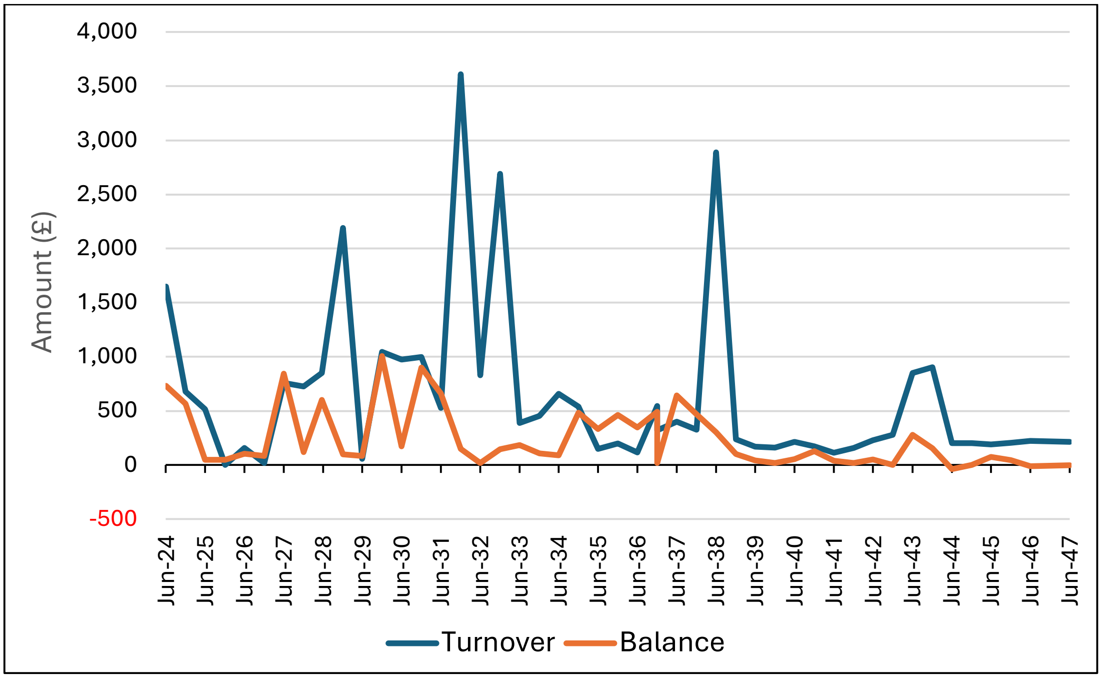


Chart 4.7: Charles Briscoe half-yearly account turnover and balances, 1724-1747

Briscoe's average annual account turnover of £1,276 was a little higher than that (estimated at £1,175) of accounts as a whole in the 1730 Hoare's dataset but almost identical with that of accounts of male clients (estimated at £1,266).[80] Chart 4.7 indicates that the half-yearly account turnover fluctuated and that it was often well in excess of the half-yearly average figure (£638). The large rises and dips in turnover and in his account balance (Chart 4.7) are almost all related to loan or investment transactions.

The number of transactions in Briscoe's account largely mirrors the pattern of turnover, but during the last ten years of the account there are more debit transactions per annum (Chart 4.8). In the latter period many of the payments to individuals were for relatively small sums, often £10 or £20, and mostly not exceeding £40. With a few exceptions credit and debit transaction numbers follow similar patterns to each other. On average the account contains 24 transactions a year, above the estimated average for all clients (17.1) in the 1730 Hoare's

[79] On 30 June 1744 (when it was overdrawn by £35 10s) and 30 June 1746 (£9 14s 3d).
[80] See footnotes 6-8 for the basis of the estimates.

dataset and also above the estimated average for male clients (18.2). Briscoe's account is therefore somewhat busier than the typical male account at Hoare's despite containing an average level of turnover.

However, Briscoe's account was more active than most other clergy accounts at Hoare's in the early to mid eighteenth century. For example, Rev Samuel Arnold's account (1730-53) had average annual turnover of £146, despite a relatively high average of 22 transactions a year, whilst the account of Rev Dr Penyston (also known as Peniston) Booth (1730-65) had annual averages of £204 turnover and 6 transactions, and Rev Dr Francis Clerke's account (1714-32) had averages of £578 turnover and 8 transactions. The account of Rev Dr Peter Chester (1720-28) had higher average turnover (£1,746) than Briscoe but far fewer transactions a year (6).

Most payments out of Briscoe's account were to named individuals, with relatively few marked as being paid to himself, though there are a few instances where Bank Notes (Bank of England notes) were sent to him by post. However, among his correspondence to the bank there are requests to pay named individuals who he describes as his agents, who he may have used to supply him with cash. It is clear that most of the named payments which appear in the account were made in response to Briscoe's surviving written requests in the bank's archives. These requests were in effect cheques, even if they also sometimes included other information or instructions and often take the form of letters. For example, over several years he requested the bank to send 'one of your men' or 'one of your servants' to pay his annual dues at the Tenths office in Middle Temple, and on one occasion he referred to this as his 'anniversary request', indicating the regularity of the transaction.[81] When Briscoe first asked the bank to undertake this service, he must have had some expectation

[81] For example, in letters dated 25 February 1731 and 3 March 1733.

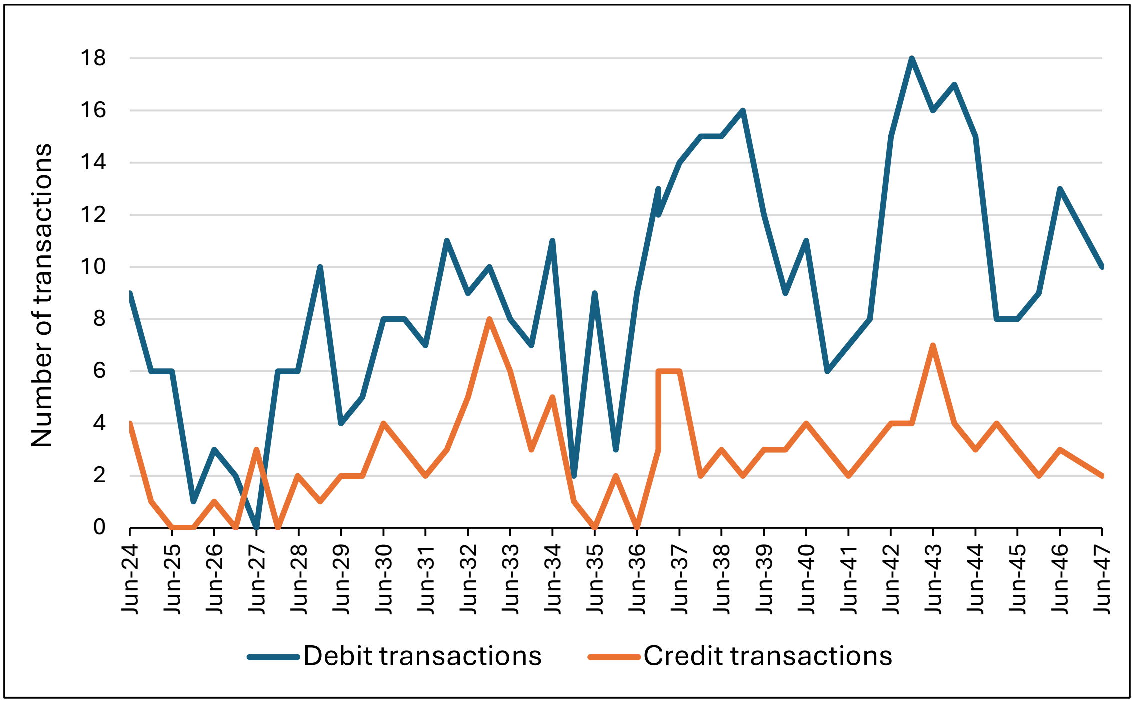


Chart 4.8: Charles Briscoe half-yearly account transactions, 1724-1747

that they would be willing and able to do so, possibly because he knew other clergymen among their clientele for whom the bank acted in a similar manner.

On occasion Briscoe made use of the bankers' connections and knowledge as goldsmiths. On 30 July 1734, for example, he asked them 'to procure for me a half a dozen of the newest fashion[e]d knives and forks … and to pay for them, placing the same to my account', and the following day he ordered 'a newest fashion silver cupp ... and also a silver boat for fish=sauce, venison sauce &c', which were supplied by John Curghey.[82] In October of the same year he paid for a 'brilliant Diamond ring'.[83] Briscoe also made use of the bank's secure storage, depositing a Trunk there on 9 May 1727.[84]

Briscoe's account shows how it was possible for a client to conduct a wide range of banking business remotely and almost entirely by correspondence. Ledger entries indicate that the bank acted immediately on instructions received, often on the same day that a letter was written and posted.

[82] Letters of 30 and 31 July 1734.
[83] Letter of 8 and 10 October 1734.
[84] HBA HB/1/5, p.211.

Mary Delany, correspondent and artist (1700-88)

Mary Delany's account offers an opportunity to examine the banking activity of a female client, and one whose circumstances changed considerably over the duration of her bank relationship.

Delany opened her account on 16 April 1747, a few years after her second marriage, in 1743, to Patrick Delany, an Irish Anglican cleric, who was appointed Dean of Down in 1744. Mary Delany's brother Bernard Granville had opened an account at Goslings in 1737 (which he held until his death in 1782), which probably explains why she also opened an account there. She used her account until her death on 15 April 1788, after which the account was continued by her executor before being closed on 28 February 1789. As noted earlier in this chapter many bank customers had banking relationships which lasted until the end of their lives.

The Delanys lived mostly in Ireland, also spending time in London and Gloucester, but following her husband's death in 1768 Delany moved back to London, where she had spent most of her first widowhood, from 1725. After 1768 she regularly spent summers with Margaret Duchess of Portland at Bulstrode, Buckinghamshire, where George III and Queen Charlotte were visitors. After the Duchess's death in 1785, the King gave Delany a house at Windsor and a pension of £300. Delany's account with Goslings was unusual in that it was opened with a debit transaction, of £19 3s 6d, paid to 'Mr Pond', probably the portrait artist Arthur Pond, and the payment possibly for tuition and maybe materials.[85] No money was paid into the account for another three months. For the duration of her account Delany received a half-yearly annuity of £185, which would appear to have been her jointure from her first marriage.[86]

[85] Lady Llanover (ed.), *The Autobiography and Correspondence of Mary Granville, Mary Delany: with Interesting Reminiscences of King George the Third and Queen Charlotte*, 3 vols (London, 1861), vol 1, p.485, quoted in Martin Postle, 'Arthur Pond, Doddington and the patronage of the Delavals', *Art and the Country House*, https://doi.org/10.17658/ACH/DNE509, accessed 26 April 2023.

[86] For the jointure, which Francesca Wilde states was £400 per annum, see Francesca S. Wilde, 'London Letters (1720-1728): Written by Mary (Granville) Pendarves to her Sister, Anne Granville, in Gloucester. A Sequence from the Autobiography and Correspondence of Mary Delany, formerly Mary Pendarves, nee Granville (1700-1788)' (unpublished PhD thesis, University of York, 2003), pp.36 and 38.

Most of Delany's payments were to named individuals, and prior to 1768 there were multiple payments to a small group of individuals, including family members such as Court Dewes, and a few to her husband. After her husband's death the payments were to a much larger group, with many new names appearing in the account. Very few debit entries in the account were for payments to herself: there was rarely more than one a year.

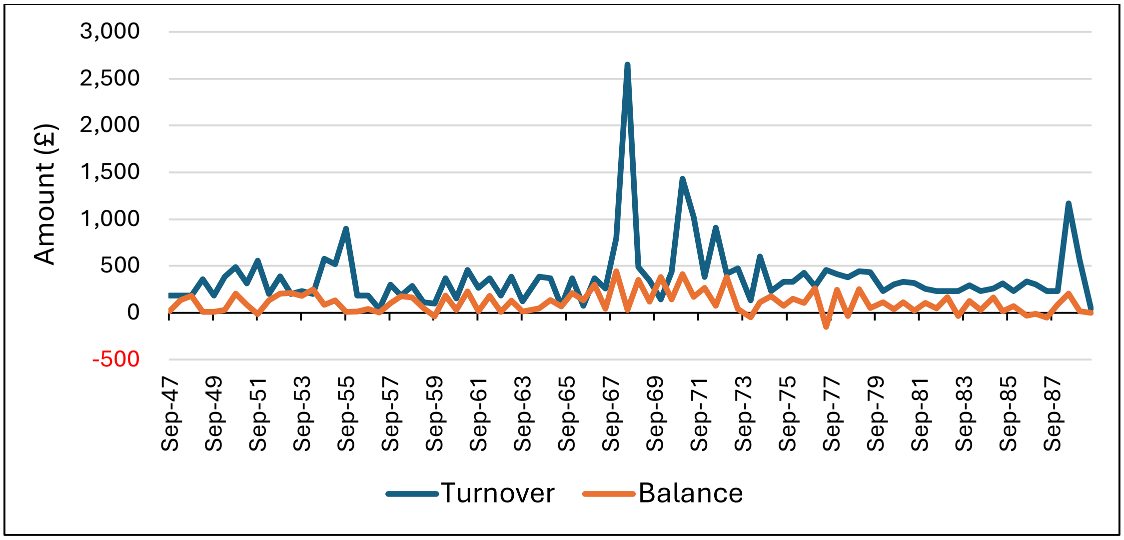


Chart 4.9: Mary Delany half-yearly account turnover and balances, 1747-1789

Delany made occasional purchases of lottery tickets and she invested in government annuities.[87] In many years her jointure and dividends accounted for the majority of her income, but in some years there were other receipts. The housekeeping allowance of £600 a year that her husband agreed to pay her in 1758 to cover housekeeping expenses does not appear in the account, and nor does the pension she was granted towards the end of her life.[88]

The account was balanced at various times, but not with any regularity, though this was typical of most bank accounts at this time. Although the account was in her own name, and

[87] Her investment activity is considered separately in Chapter 6.
[88] Llanover, *The Autobiography and Correspondence of Mary Granville*, vol 3, p.530, quoted in Amanda Vickery, 'His and hers: gender, consumption and household accounting in eighteenth-century England', *Past and Present*, Supplement 1 (2006), pp.12-38 (p.35).

she often signed it to agree the balance, [89] on occasion her husband did so on her behalf.[90] In May 1778 she gave written permission for Court Dewes to check the account and sign, which he did thereafter.[91]

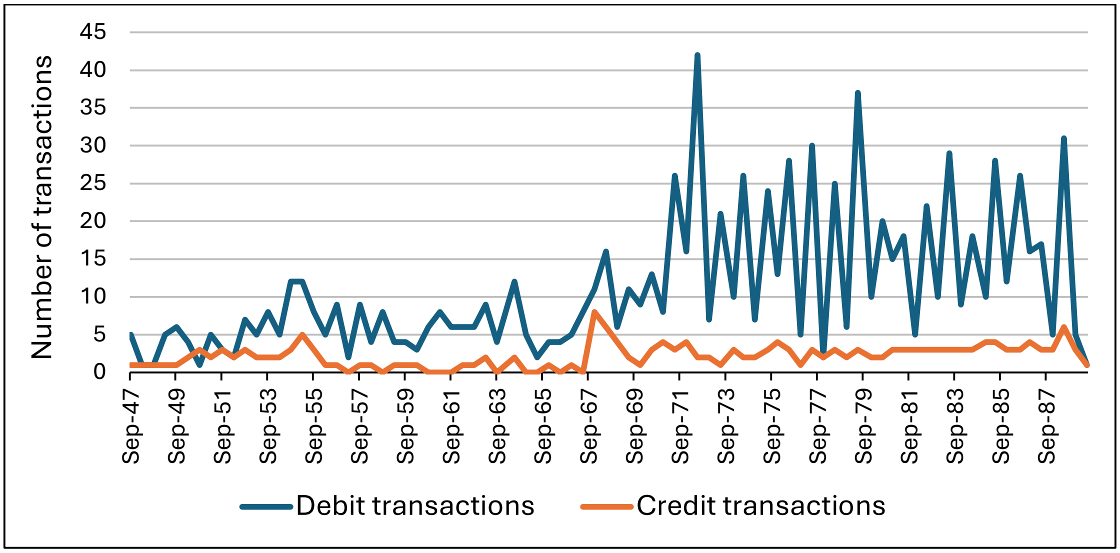


Chart 4.10: Mary Delany half-yearly account transactions, 1747-1789

The sums passing through Delany's account fluctuated (Chart 4.9). For the most part turnover amounted to less than £1,000 a year, but there were peaks in 1755 (when she sold her holdings of Old South Sea Annuities), 1768 (the year of her husband's death) and 1788 (the year of her own death, relating to the sale by her executor of the majority of her holding of consols). Delany's average account turnover (£762) was very close to the mean for female clients at Goslings in 1780 (£740). The half-yearly balance of her account also varied, averaging £111 and in most years ranging between zero and £200. Female accounts at Goslings in 1780 had an average of 13.3 transactions a year, and until 1767 Delany's account contained an average of 14 transactions.

The account was busier following her husband's death in 1768, after which her account contained an average of 36 transactions per annum (Chart 4.10). Whilst in most years

[89] On 21 December 1757, 3 May 1763, 14 December 1767, 20 February 1770, 26 July 1771, 20 March 1773 and 30 May 1774.

[90] On 23 June 1755 and 19 January 1761.

[91] 28 May 1778 (following permission granted on 11 May), 15 February 1780, 1 February 1783 and 8 March 1785.

thereafter the turnover was similar to that before his death, the number of debit transactions increased significantly (from an average of 12 before 1768 to 32 thereafter). A striking feature of her account activity from 1771 onwards was a concentration of expenditure in the first half of the calendar year (Chart 4.11).[92]

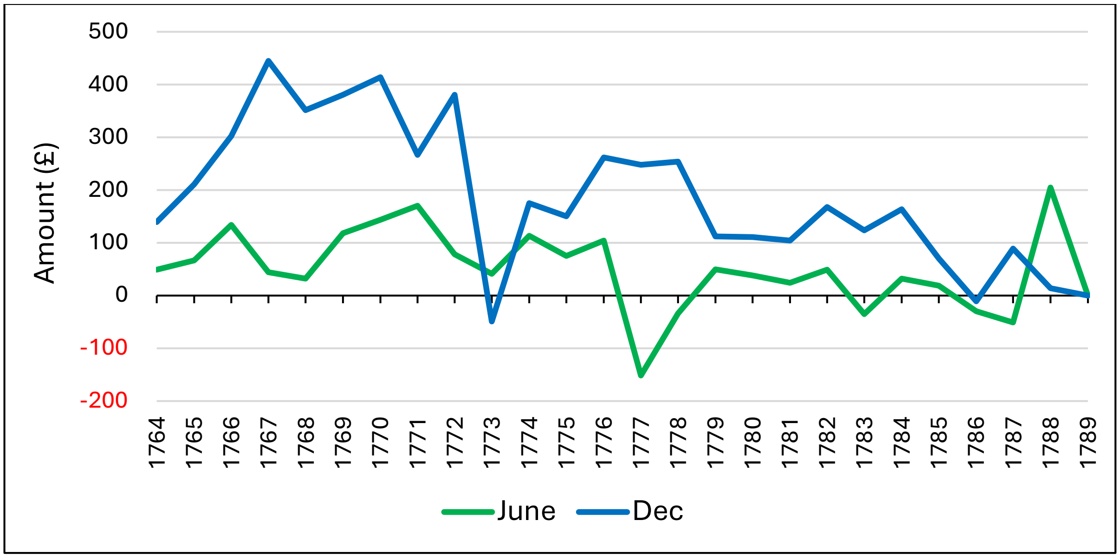


Chart 4.11: Mary Delany account balances in June and December, 1764-1789

Delany borrowed from the bank briefly on two occasions, and her account was frequently overdrawn.[93]

Delany's account demonstrates that married women were able to hold accounts in their own name. It also shows how the use of a bank account could adapt to changing life circumstances, such as the death of a spouse. It is not possible to know how far Delany's investment decisions were her own, or whether she obtained advice from her husband or nephew, but she was clearly able to obtain short-term credit from the bank.

Edward Gibbon, historian and MP (1737-94)

In this case study Edward Gibbon's financial affairs will be examined to set his use of his bank account at Goslings in the context of his wider financial concerns and actions.

[92] Turnover and transactions have only been totalled on a half-yearly basis, aligning with the bank's own balancing of accounts, and therefore these figures do not the reveal the exact pattern of expenditure.
[93] Her lending is referred to in Chapter 5, section 5.3.3, and her overdrafts in this chapter, section 4.5.

In the summer of 1765 Edward Gibbon arrived back in England after a two-year tour of Europe. On his return he tried to persuade his father to improve the poor state of the family finances. On 14 February 1766 Gibbon and his father borrowed £15,000 on bond and mortgage from Goslings. The following day his father opened an account at the bank. Gibbon opened his own account with Goslings two months later, on 28 April 1766 and he used it until his death on 16 January 1794, after which his executors continued the account for a short period. There is no known family relationship with the bank before 1766.

Over the following years Gibbon relied heavily on the advice and intervention of his close friend John Baker Holroyd, later Lord Sheffield (1735-1821), described by David Womersley as 'an efficient and practical man of business'.[94] Holroyd opened his own account at Goslings on 3 Jan 1770, which he too continued until his death. The protracted attempts to sell Gibbon's family estate in Buckinghamshire, mortgaged to the bank, occupied much of their time, and will be considered further in Chapter 5.

In July 1779 Gibbon was elected to the Board of Trade and Plantations, with a salary of £750 per annum, and it would appear that this was paid into his account by Grey Elliott, an employee of the Board.[95] However, the Board was disbanded in May 1782. Without the salary it seems unlikely that Gibbon would have been able to meet his expenses and keep his bank account in credit. He decided to return to Lausanne, where he had resided between 1753 and 1758, and where he believed he could live more economically. He visited the bank in Fleet Street to check, agree and sign his account on 11 September 1783, a few days before he left for Lausanne.

Whilst Gibbon was abroad, Sheffield had power of attorney to transact business with Goslings.[96] During such periods Gibbon relied on Sheffield to assist not only with the sale of

[94] David Womersley, 'Gibbon, Edward (1737–1794), historian' in *Oxford Dictionary of National Biography,* 25 May 2006, https://doi.org/10.1093/ref:odnb/10589, accessed 24 April 2023.
[95] Elliott paid £1,694 into Gibbon's account between July 1780 and September 1783, and there was also an unmarked receipt likely to have been for the same, bringing the total to £1,881. As there were no earlier or later receipts from Elliott, it seems likely that these credits were for his salary.
[96] In a letter to Sheffield, dated 15 May 1790, Gibbon referred to 'the power, which I have never revoked, over all my cash at the Goslings': Prothero, vol.2.

the Buckinghamshire estate, but also to undertake investments on Gibbon's behalf, which will be considered in Chapter 6.

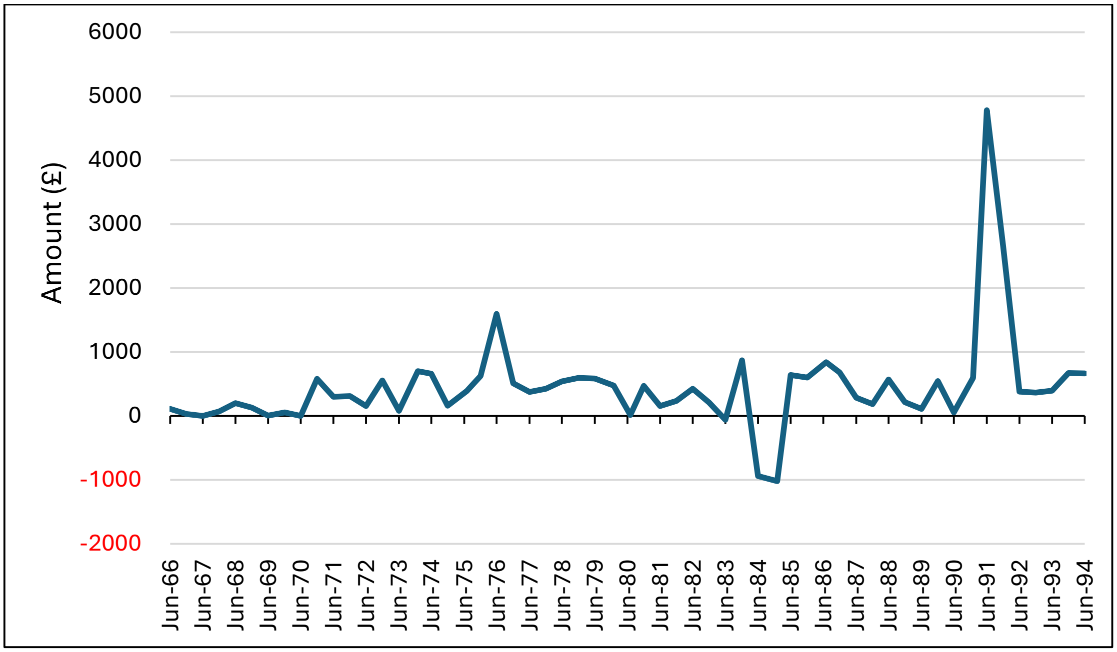


Chart 4.12: Edward Gibbon half-yearly account balances, 1766-1794

The sale of the Buckinghamshire estate finally completed on 26 January 1785, and Gibbon's account at Goslings was credited with the net sum of 15,446 13s 3d. On the following day his loans (£12,300) from the bank were repaid along with the outstanding interest due on them (£992 9s 9d). Interest of £31 4s 6d was also paid on the overdrawn balance of his account since June 1784, which at its height had amounted to £1,278 6s 8d (Chart 4.12). Having completed that business, the bank sent him on the next day, 28 January, a copy of his account. On completing the manuscript of the second half of his *Decline and Fall*, Gibbon returned to England in the summer of 1787, where he remained for almost a year. On his 51st birthday, 8 May 1788, the final three volumes of his history were published. The following day he took the opportunity once again, and for the last time, to inspect the bank's ledgers containing his account transactions.

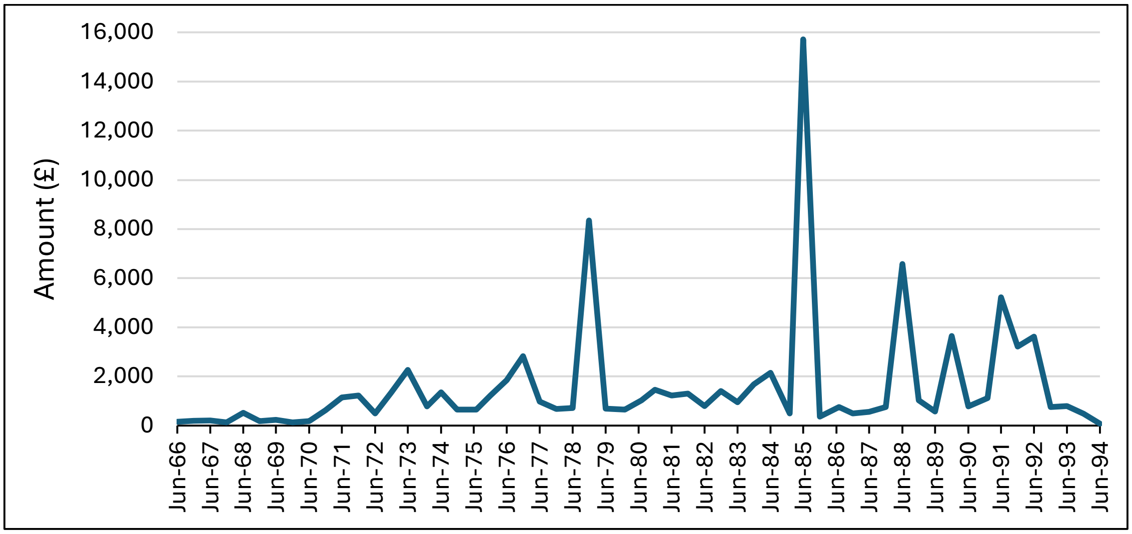


Chart 4.13: Edward Gibbon half-yearly account turnover, 1766-1794

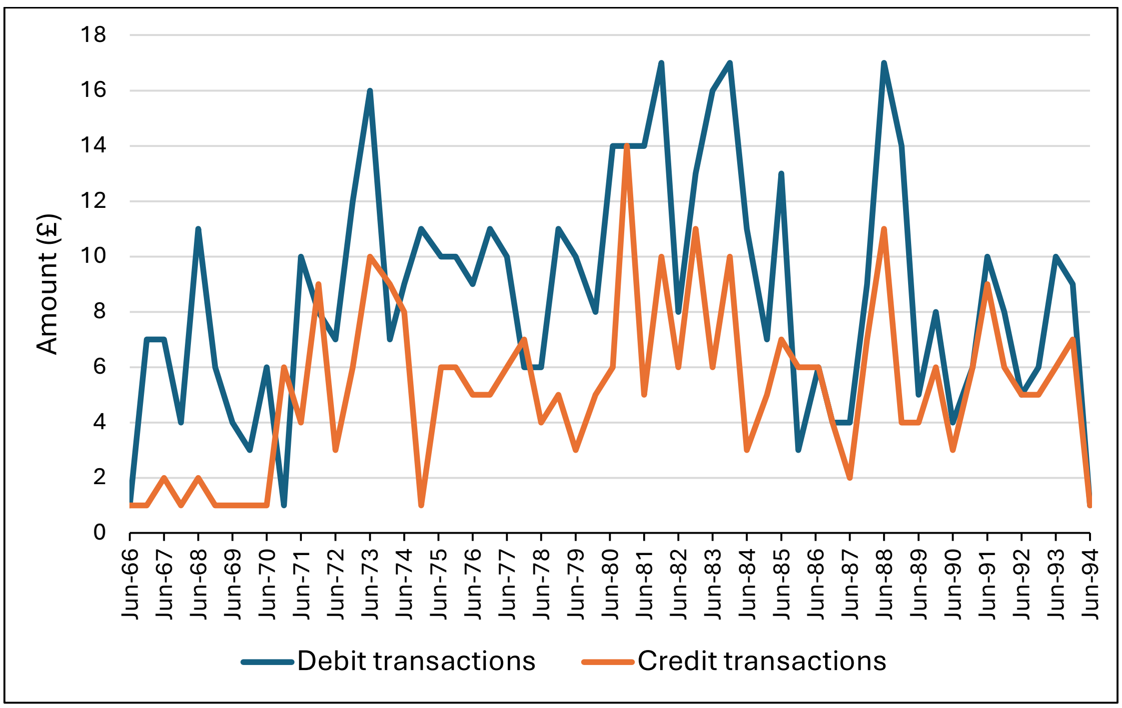


Chart 4.14: Edward Gibbon half-yearly account transactions, 1766-1794

Aside from his property transactions and investments, which will be discussed in later chapters, Gibbon's account was a relatively active one. The turnover of his account was reasonably stable during the first decade of its operation (Chart 4.13) but later peaks mostly relate to the repayment of his mortgage. Over its full course the account had higher than average annual turnover (£3,142 compared to Goslings' 1780 average male turnover of £2,621) but a lower number of transactions per year (27.8) compared with the bank's 1780 average for male clients (46.7) (Chart 4.14). There are numerous entries in the account relating to his estates, including receipt of rent and payment of expenses. Many names recur throughout the account, including some of his tenants. There are regular payments into the account of Bank of England notes sent by post to Goslings from Francis Hugonin, who possibly acted as an agent for Gibbon.

There are also numerous payments to Holroyd, to Gibbon's cousins Edward and William Darrel, to his valet Richard Caplen and to Caplen's successor the Swiss valet Blondell. There are also transactions with the Genevan banker Isaac Panchaud. There are no credits to his account in the name of his publishers, Strahan and Cadell, but credits 'By receipt' of £500 on 17 August 1787 and £3,500 on 9 January 1788 may well make up the £4,000 he is said to have been paid for volume four of *Decline and Fall* in 1787. There are very few payments to himself, as he did not often withdraw cash from the account.

Throughout the duration of his account he paid an annuity (initially annually and later quarterly) to Phoebe Ford, first cousin of Samuel Johnson, who had been employed at the family estate at Buriton in Hampshire and who moved to London with Gibbon as his housekeeper following his father's death. By his will the annuity continued after his death.

His stepmother was also paid an annuity out of his account until her death in 1793. Gibbon regularly communicated with her concerning payment of the annuity. On 3 January 1776 he assured her that 'Messrs. Gosling and Clive will honor your order whenever you chuse to draw for the last half year, and on every future occasion I will take care that it shall be ready for your draft, which I think, once for all, will be the best way of settling it'.[97]
Gibbon's account also contains a payment to Sir Joshua Reynolds - £52 10s on 17 July 1781 - possibly for the portrait Reynolds painted in 1779. Gibbons enjoyed Reynolds' company and in November 1787 Reynolds proposed Gibbon for the chair of ancient history at the Royal Academy.[98] There were also two payments to Josiah Wedgwood: £23 14s to Mr Wedgwood on 30 March 1789 and £76 19s on 10 May 1793. The earlier of the Wedgwood payments might relate to the firm's production sometime after 1788 of a Jasperware medallion

[97] Prothero, vol.1.
[98] Womersley, 'Gibbon, Edward'.

depicting Gibbon, based on Reynolds' portrait. Such payments for one-off expenditure are a feature of many bank accounts in the late eighteenth century.

A single payment marked simply 'Child & Co' on 22 December 1778 might suggest a transfer of money to an account in his name there, but there is no mention of such an account in his correspondence and the bank's ledgers do not survive. On balance it seems unlikely that he banked elsewhere.

Most of Gibbon's banking business was conducted remotely. As will be seen in later chapters, Gibbon did not always view his bankers in a positive light, and indeed at times felt that they had forced his hand. He was also frustrated that no interest was paid on his credit balance, in contrast to a bank in France, and that Goslings were profiting from access to his money. Gibbon's correspondence reveals that he was constantly aware of, and often anxious about, his financial situation, including the state of his bank account. Despite his misgivings about his bankers, he remained loyal to them, and he does not appear to have banked elsewhere in London.

4.9 Conclusion

This analysis of clients' banking activity in eighteenth-century London has shown that the greatest change in client banking during the period was one of scale. The number of clients at London's West End banks increased greatly and on average those clients operated their accounts for a longer period, undertook more transactions, and used banks to transact a greater volume of business. The increased use of banks by individual clients reflected a growing confidence in engaging with banks and accessing their services, and a growing demand. For the most part after 1730 the nature of their interaction with banks was relatively stable, even if the ways in which individual clients engaged with their banks differed. By 1780 the scale and nature of client banking suggests that banking had become an accepted norm and expectation for elite and middling individuals.

Clients also had access to, and used, a wide range of services provided through their bankers. During the middle and later years of the eighteenth century the package of services offered by the banks, and used by their clients, to a considerable extent converged. The extent to which clients availed themselves of those facilities varied considerably, both on an individual basis and also to a degree by bank. The evidence of the client case studies demonstrates that use of services could also alter over the course of an individual client's banking relationship. Whilst all of the banks served a wide clientele, each one attracted one or more particular category of client, and these differences were reflected in the bespoke mix of services those clients utilised. The development of such services through client demand and bank supply was key to the emergence of a culture of banking.

The following two chapters will seek to see how supply and demand played out in relation to two of the most popular spheres of clients' banking activity: borrowing, and saving or investing.

Chapter 5 - Client borrowing

5.1 Introduction

The previous two chapters have looked in the round at the extent and nature of client banking between 1672 and 1780, and how by 1780 a culture of banking had emerged. Two of the most common ways in which clients engaged with banks were for borrowing and for saving and investing. This chapter considers client borrowing in detail, whilst the following chapter shifts focus to the saving and investing activity of bank clients.

Of all the activities undertaken by banks in the seventeenth and eighteenth centuries, lending carried some of the highest risks yet potentially also offered substantial rewards. As one of the core functions of a bank, lending might be expected to have dominated most banks' business and provided the greater part of their profits. It required careful management of cash supply, via client deposits, and of borrower activity. As noted in the thesis Introduction, it was also an area in which trust, personal relationships and service were most likely to have been critical.[1]

By looking at those on both sides of the counter, this chapter provides a far more complete picture of the identity of borrowers and their borrowing activity, and over a longer timescale than has hitherto been available. The chapter begins (5.2) with an overview of trends over time in the volume of lending by the sample banks. This section also outlines the importance of lending to banks relative to other forms of income, and establishes that borrowers were crucial to bankers.

Section 5.3 presents a detailed analysis of client borrowing during the three sample periods (the 1670s, 1730s and 1780s). This establishes, for each bank and at each point in time, who was borrowing from banks. It also demonstrates that the nature of their borrowing varied in multiple ways, including by amount borrowed, number of loans, security, interest rate, loan

---

[1] As discussed, for example, in Craig Muldrew, *The Economy of Obligation: The Culture of Credit and Social Relations in Early Modern England* (Basingstoke, 1998) and Margot C. Finn*, The Character of Credit: Personal Debt in English Culture, 1740-1914* (Cambridge, 2003). See the thesis introduction for a broader historiographical survey covering debt and credit.

duration and interest payment schedule, and also over time and by bank. In addition, this section examines the differences in client borrowing between individual banks and considers trends over time in the manner of borrowing. It is apparent that successful bank lending was reliant on broader relationships between borrowers and banks. Such connections underpinned the trust crucial to credit relationships and supported bankers in their assessments of creditworthiness.[2] Banks often declined to lend, or limited their lending, as is demonstrated in a short review of borrowing by the 3rd Duke of Bridgewater.

Section 5.4 shifts the register to look at the borrowing experience of three bank borrowers: Johann Christian Bach, Lancelot 'Capability' Brown and Henry Holland. Their experience illustrates some of the variety in lending observed in the statistical analysis presented earlier in the chapter. The evidence from the case studies also indicates that at least some of the borrowing from West End banks directly financed employment, production and service provision.

Section 5.5 illustrates the nature of the interaction between borrowers and bankers. Evidence from bank correspondence is used to show how both parties navigated the process of borrowing and lending. The interaction between borrower and banker is also examined through the correspondence of one particular borrower, the historian Edward Gibbon.

The chapter concludes (5.6) with a general review of the changes over time in the identity of bank borrowers and the form of their borrowing, and how distinctive banks were, individually and collectively, in the overall credit market. Client case studies and correspondence indicate that the nature of borrowing from banks was distinctive because, for the most part, it was based on wider banking relationships. Borrowing was also an area in which banks were not able to fulfil in full their clients' demand.

---

[2] Muldrew and Finn have highlighted the importance of character in assessing creditworthiness and the foundation of trust in credit relationships, yet this has received limited attention in studies of borrowing from banks. Craig Muldrew, *The Economy of Obligation;* Finn*, The Character of Credit*.

5.2 Bank lending and income trends

In order to provide a context for the examination of borrowing by clients which follows in the remainder of the chapter, this section contains an overview of trends over time in the volume of lending by the sample banks studied. It demonstrates that the total value of banking clients' deposits acted as a constraint on the expansion of bank lending. The section concludes by considering the importance to banks of lending as a means of generating income. The focus in this section is on general trends rather than detailed analysis, though some reference will be made later in the chapter to specific factors which on occasion affected bankers' appetite for lending.

In this chapter the focus is on secured lending. Some clients borrowed via overdrafts on their bank account, sometimes in addition to formal loans, but the total amounts borrowed in this way per bank were mostly small in comparison with the amounts borrowed through agreed loans, as discussed in Chapter 4. Though the West End banks discounted bills to a lesser extent than the City banks, particularly before 1780, some clients of West End banks borrowed money on a short-term basis in this way. This form of borrowing is not analysed here.

Peter Temin and Hans-Joachim Voth, John Gent, Gareth Turner and Paul Kosmetatos have all looked - to varying extents, for different combinations of banks, and for often overlapping periods - at trends or snapshots of one or more of the following: bank lending, balance sheet composition, income, return on assets, fractional reserves, and profitability.[3] Some of the charts in this section overlap with, duplicate, or supplement their own graphs. In this chapter, the primary focus is on borrowers and their borrowing activity, and no attempt is made here to provide a comprehensive set of bank figures or to replicate, summarise, or combine their findings.

---

[3] Peter Temin & Hans-Joachim Voth, *Prometheus Shackled: Goldsmith Banks and England's Financial Revolution after 1700* (Oxford, 2013), pp.62-72 and 125-147, relating to the early-mid and mid-late eighteenth century respectively; John A. Gent, 'Abundance and Scarcity: Classical Theories of Money, Bank Balance Sheets and Business Models, and the British Restriction of 1797-1818' (unpublished PhD thesis, London School of Economics and Political Science, 2016), pp.90-159, relating to the 1770s onwards; Gareth D. Turner, 'English Banking in the Eighteenth Century: Bankers, Merchants and the Creation of the English Financial System' (unpublished MLitt thesis, University of Durham, 2015), pp.143-170, relating variously to all or parts of the eighteenth century; Paul Kosmetatos, *The 1772-73 British Credit Crisis* (Cham, Switzerland, 2018), pp.78-100, 154-157 and 273-274, relating mostly to the period 1755-85.

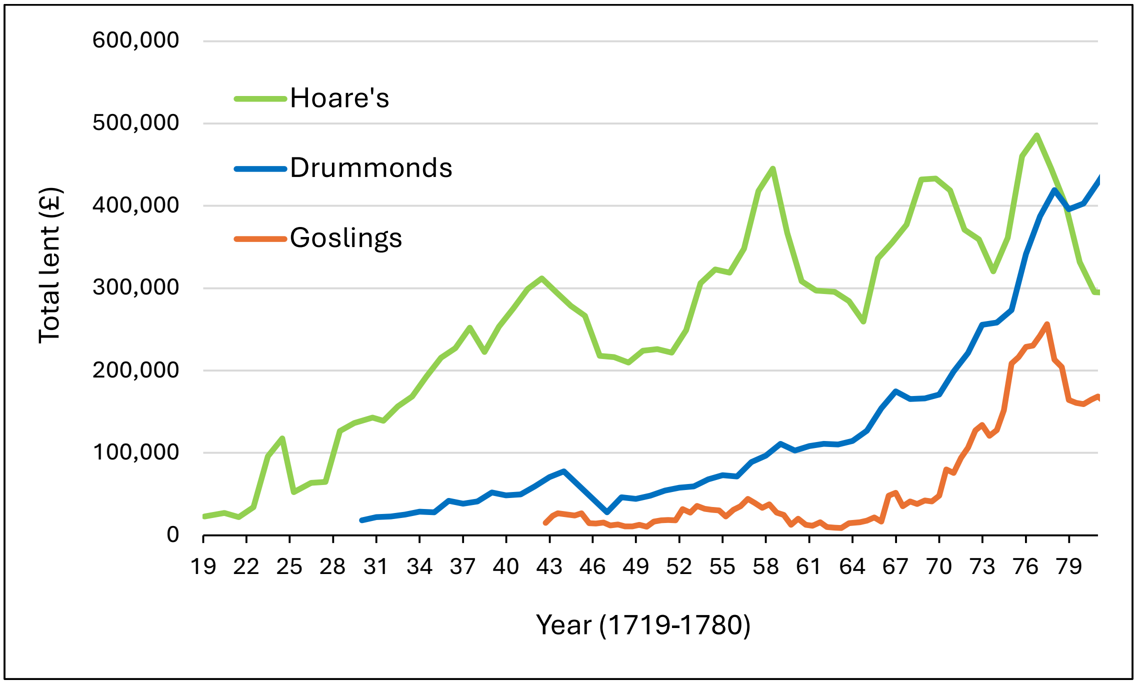


Chart 5.1: Total lending by three West End banks, 1719-1780

It is not possible easily to track overall lending trends for most of the sample banks until the middle of the eighteenth century. A comparison of the total value of lending at Drummonds, Goslings and Hoare's over various spans between 1719 and 1780 indicates that the trends were not identical (Chart 5.1).[4] Drummonds and Goslings both saw a general rise in the level of lending to the late 1770s, after which there is continuing growth at Drummonds but dropping off and stabilization at Goslings. The total amount lent at Hoare's was much higher than at the other two banks, but the trend was much more volatile after 1750. However, examination of the amount of interest received by Child & Co indicates that despite the fluctuations in the 1760s the overall trend is for a steady rise over the 1760s and 1770s, then a temporary drop in the years around 1780, followed by a dramatic rise from the mid-1780s before another sudden fall in 1789.[5] The fluctuating levels of bank lending during the mid and late eighteenth century reflected the impact of political and financial crises and war. In his study of the effect of war on banking activity, Joslin concludes that 'the behaviour of

[4] NatWest Group Archives (NWGA) Money Lent account within customer ledgers DR/427/; Hoare's Bank Archives (HBA) HB/5/C/1/1-6 and HB/5/C/2/1; Barclays Group Archives (BGA) 0130-715 and 718-724. The following discussion is based on these sources, and they are not referred to below except in relation to specific entries. The balance books of Child & Co (NWGA CH/206/2-3) do not contain a consistent series of annual figures for loan principal outstanding.
[5] NWGA CH/203/3/1-3. A comparison of total money lent and interest received at Drummonds shows that the pattern of interest received closely matches the trend in the total amount lent.

these private bankers in wartime is remarkably consistent ... In years of heavy government borrowing the secular rise in bank deposits was checked, as customers purchased securities and the bankers restricted their loans to private borrowers'.[6] Temin and Voth take this further to argue that at such times government borrowing crowded out private borrowing which might otherwise have supported manufacturing industry.[7]

The records at Drummonds make it possible to chart over time trends in new and existing lending (Chart 5.2). It is evident that new lending fluctuated somewhat more dramatically, year by year, than existing lending, presumably because banks could regulate their total lending more quickly by granting or withholding new loans.

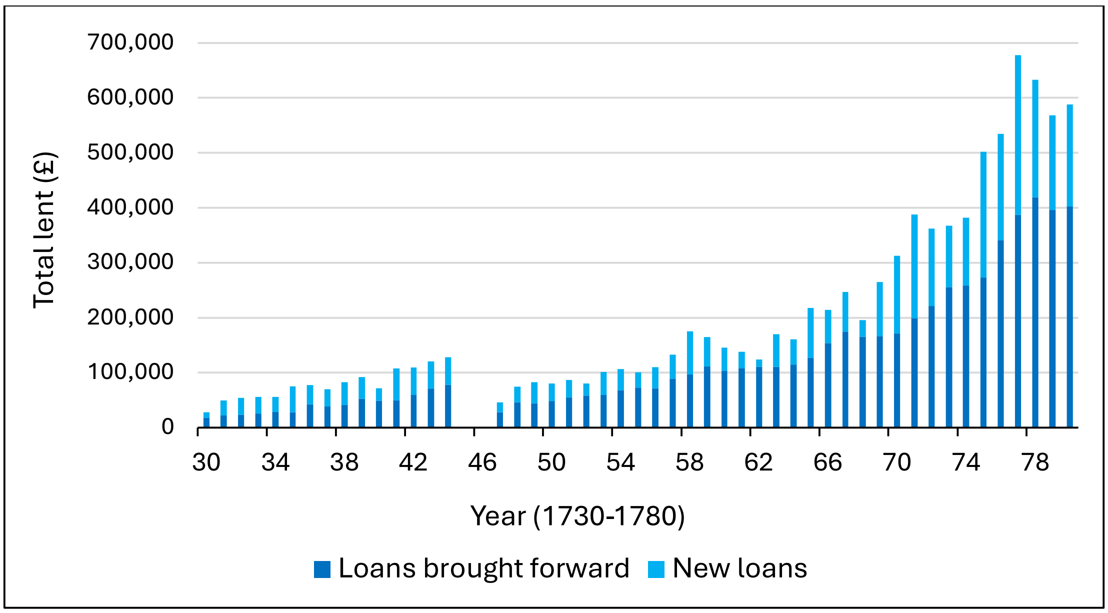


Chart 5.2: New and existing loans at Drummonds, 1730-1780[8]

It is impossible to know the full extent of client borrowing from all of the West End banks, never mind all London banks, but the evidence presented in the charts above provides some indication of the different levels at which some of the West End banks lent, and how the

[6] David M. Joslin, 'London bankers in wartime, 1739-1784' in Leslie S. Pressnell (ed.), *Studies in the Industrial Revolution Presented to T. S. Ashton* (London, 1960), pp.156-177 (p.175).
[7] This is discussed further at the end of section 5.3.3.
[8] It is not possible to establish reliable lending figures for 1745-1746, due to the confused state of the bank's internal accounts in those years, related to the temporary suspension of the bank's operations in October 1745.

course of the generally upward trajectory of the growth in lending varied between the banks.

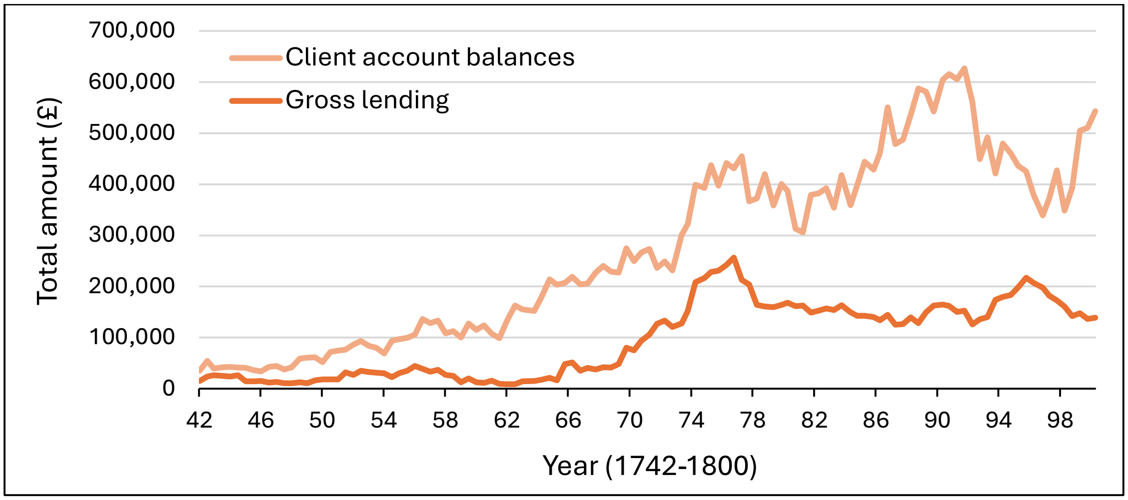


Chart 5.3: Total client account balances and gross lending at Goslings, 1742-1800

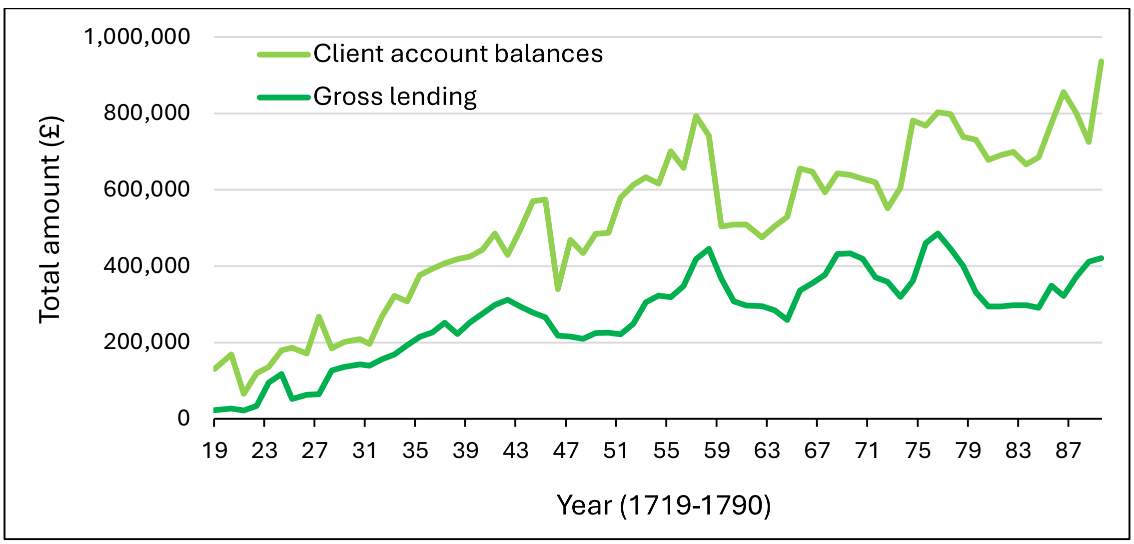


Chart 5.4: Total client account balances and gross lending at Hoare's, 1719-1790

The balance books of Goslings and Hoare's can be used to plot trends in lending against total client creditor balances, and Charts 5.3 and 5.4 show that although the trends were different between the two banks, in both cases the levels of deposits and loans went broadly in step until about 1780, when they started to diverge. This suggests that up to 1780 the steady growth in lending was limited by the volume of client balances at hand, with temporary reductions in deposits and lending at both banks following the collapse of Ayr Bank in 1772, and a similar dropping off from 1777 as a result of the war in America. These trends suggest that if, before 1780, they had wished to lend more, the bank's partners would have had to make additional efforts to obtain client deposits.

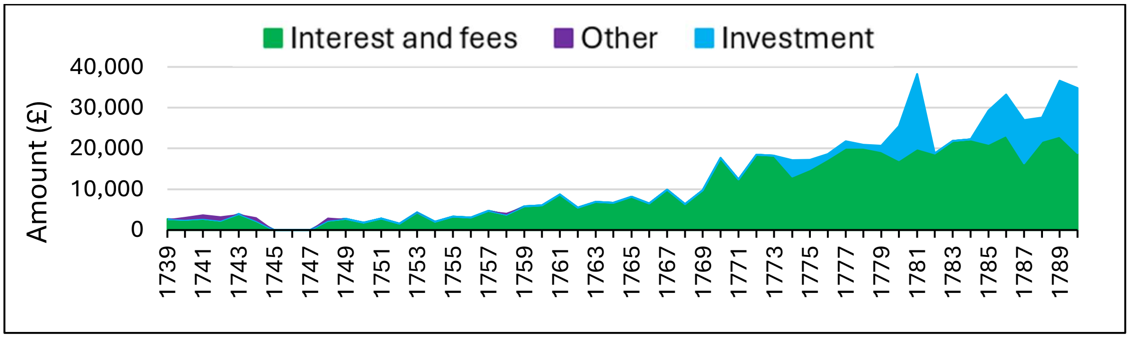


Chart 5.5: Bank income sources at Drummonds, 1739-1790[9]

The banks' profit and loss accounts show that in order to generate income they needed both the balances of those (the majority) of clients who operated a current account as well as the loans of a smaller group of borrowers. From the latter they earned interest income, and from the former they were able both to lend and to invest, often at a considerable profit.

Charts 5.5-5.8 show that the proportions in which investment and lending contributed to the income of each bank varied both between banks and year-by-year as economic and fiscal conditions and client deposits fluctuated.[10] In most years at Child & Co, investment income exceeded interest and fee income, but the opposite was true of the other three banks. In 1780, for instance, Child & Co earned 62.5% of its income from investment trading and dividends or interest on investments and whereas the equivalent figure for Drummonds was 32.5%.

[9] Investments are only included in this chart when they are noted in the bank's interest account (in customer account ledgers NWGA DR/427/), from 1774 onwards. Earlier stock accounts have not been checked, though it would appear that investment income was relatively low prior to 1774. It is possible that the figures here do not include all of the bank's income from discounting. Frank Melton notes that Drummonds regularly discounted substantial numbers of bills for army agents, particularly up to 1745. Frank T. Melton, 'Deposit banking in London, 1700-1790', *Business History*, 28 (1986), pp.40-50 (p.45).

[10] Some of the reasons for these fluctuations are discussed in Joslin, 'London bankers in wartime', and will be touched on later in the chapter.

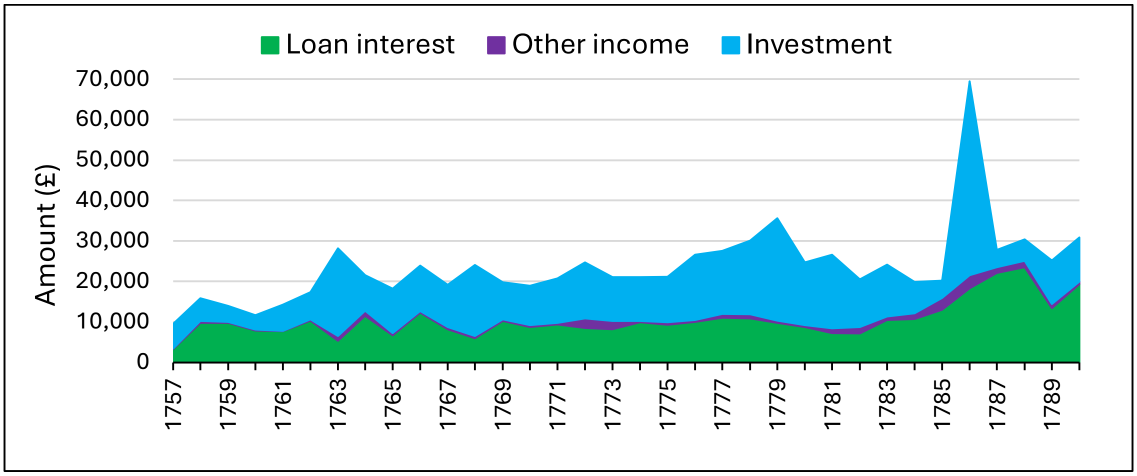


Chart 5.6: Bank income sources at Child & Co, 1757-1790[11]

Each bank in the sample adopted a different strategy in terms of where to earn its income, and to some extent these variations will have been linked to their partners' appetite for lending. As noted above, it would appear that, overall, the level of lending was held in check by the extent of client deposits. A trope of English banking history is that the limits on

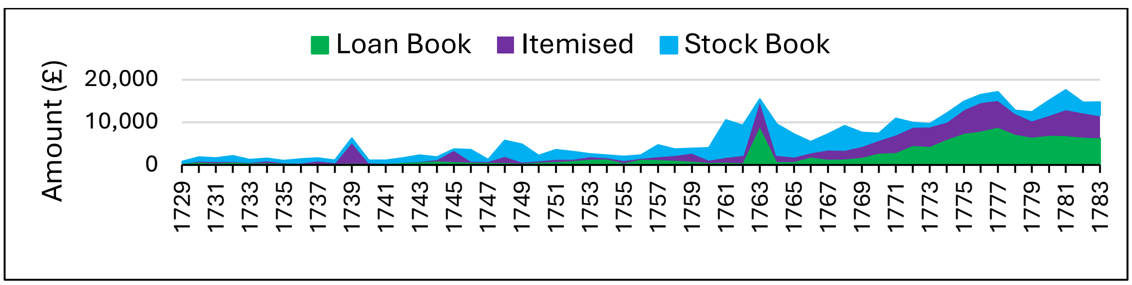


Chart 5.7: Bank income sources at Goslings, 1729-1783[12]

[11] It seems that regular receipts of interest were entered in the profit and loss books under 'Interest'. 'Other income' relates to loan interest received during the year on loans repaid or where lending was reduced or increased, and bill discount income. The portion attributable to interest has not been extracted, but in 1780 interest made up 94% of this income. NWGA CH/203/1-6.

[12] It seems that regular receipts of interest were entered in the profit and loss books under 'Loan Book'. The itemised entries are mostly a mix of income from discounting bills, commission and dividend fees, and income from interest received during the year on loans repaid or where lending was reduced or increased. The portion attributable to interest has not been extracted, but in 1780 interest made up 43% of this income, discounting bills 39% and commission and dividend fees 17%. BGA 0130-663 - 667.

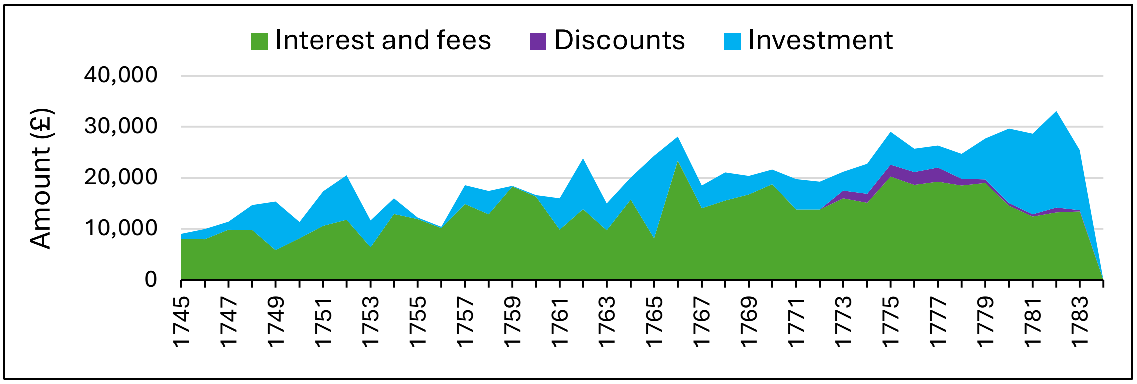


Chart 5.8: Bank income sources at Hoare's, 1744-1783[13]

potential partnership capital imposed by the six-partner restriction had the effect of limiting the size of their businesses, including their lending.[14] The legal maximum of 6 partners in banking firms (and many of the firms in this period had less than 6 partners) might have restricted the expansion of such firms, as indeed was originally intended by the legislation which limited partnership sizes. However, it probably did so by creating an administrative limit to the number of loans (and accounts) that each bank could effectively manage and keep track of.

It is clear that the total capital which was actually invested by partners was not a significant determinant of borrowing volumes. Partly this is because partners' investment in their businesses was relatively small.[15] At Hoare's, for example, the total capital invested by the partners stood at £10,000 between 1731 and 1771, and then at £12,500 from 1771 to 1780. The bank's lending during the same time span rose from £139,229 in 1731 to £370,594 in 1771, though by 1780 it had fallen to £295,000, having peaked at £485,738 in 1776. At the same time net deposits rose from £196,359 in 1731 to £619,161 in 1771 and stood at £677,980 in 1780, peaking at £802,596 in 1776. However, partners' liability was not restricted to their investment in their business, but also extended to all of their personal

[13] Investment includes income derived from the stock account of bank partner Christopher Arnold 1744-1759, and from tea warrants in 1773 and 1774, both of which were listed as separate items in the accounts. HBA HB/5/C/1/1-6, HB/5/C/2/1 and HB/5/A/6-8.
[14] Temin and Voth, for example, consider that banks in London and beyond were 'hamstrung' by the limit. Temin and Voth, *Prometheus Shackled*, p.32, and also pp.38 and 182.
[15] Gent notes that among the group of banks he labels 'Goldsmith' banks, comprising mostly the West End banks, 'committed and paid-up equity was usually small, no more than 5% of total liabilities', but that partners often supplemented this with extra interest-bearing deposits: Gent, p.120.

wealth.[16] Even so, the surviving records do not contain any evidence that at any bank its partners' combined overall wealth was ever calculated or recorded to inform decisions on lending.

The banks' operating costs were relatively low, usually below 10 per cent of income, although at times the banks also had to undertake additional expenditure, for instance on premises, or to bear losses from staff fraud, forgery, errors and bad debts [17]. At Hoare's, for example, between 1744 and 1784 expenses amounted on average to 7.5% of income, ranging year by year from 4.1% to 12.1%. The bank's profits therefore roughly follow the trends in, and equate to around 90% of the value of, the banks' total income shown in Charts 5.5 – 5.8. The practice at most of the banks, and in most years, was to calculate and distribute the profits (and very occasionally share the losses) between the partners every six months or annually.

This short overview has demonstrated that over the period studied the total amount of money lent by each bank steadily increased. Through their borrowing, the banks' clients thus provided bankers with a significant proportion of their growing income and profits. In order to understand how this happened it is necessary to consider who those borrowers were and the forms which their borrowing took.

5.3 Client borrowing

Having observed the growth in overall levels of bank lending over the majority of the eighteenth century, this section of the chapter shifts the focus from banks to borrowers. This, the largest section of the chapter, looks in turn at client borrowing during the three sample periods (the 1670s, 1730s and 1780s), based on a detailed examination of the evidence in the banks' loan records. This analysis presents the most significant

---

[16] Gent, p.120. Goodspeed argues that similar unlimited liability of bank shareholders in the relatively unregulated Scottish 'free banking' system was a driver of banking stability: Tyler B. Goodspeed, *Legislating Instability: Adam Smith, Free Banking, and the Financial Crisis of 1772* (Cambridge MA, 2016), p.8.

[17] For example, at Hoare's a payment of 15 guineas was made on 28 September 1730 to Richard Hoare for his expenses in prosecuting a John Smith for forgery and on 24 June 1731 £50 was debited to the bank's housekeeping account for Bank note loss the previous December: HBA HB/5/A/4 ff.91 and 95. See also Temin and Voth, *Prometheus Shackled*, pp.135-141, for other instances. Bad debts in the 1730s and 1780s are considered in sections 5.3.2 and 5.3.3.

consideration of bank client borrowing to date, covering a wider period and far greater number of banks than in the historiography.[18] It establishes, for each bank and at each point in time, who was borrowing from banks. It also demonstrates that the nature of their borrowing varied in a number of ways, including by amount borrowed, number of loans, security, interest rate, loan duration and interest payment schedule, and also over time and by bank. This section also examines the differences in client borrowing between individual banks and considers trends over time in the manner of borrowing.

It is also worth bearing in mind that in addition to the borrowing considered below, some of the banks also acted as intermediaries in the credit market. Frank Melton, for example, noted that in the early eighteenth century 'The Hoares negotiated loans for their clients at the same time they placed their own capital out in loans'.[19] Some of the client bank accounts in the Drummonds 1780 ledgers also include transactions relating to borrowing from third parties.[20] These particular loans may well have been arranged by the bank given that the bank recorded details of principal and interest rates in the clients' accounts.

Sometimes clients borrowed directly from a bank partner, rather than from the firm, and such lending does not feature in the figures relating to bank lending referred to in this chapter. In 1780, for example, Henry Drummond received interest on loans granted to the trustees of the Earl of Northampton, his brother-in-law (£10,000), Sir Lawrence Dundas (£20,000), and Charles Churchill (£500).[21]

---

[18] Temin and Voth undertook a partial aggregate analysis of bank borrowers at Hoare's between 1690 and 1724, and somewhat less comprehensively for Child & Co in the period 1686-1740. Although relatively limited in scope, it comprises the most detailed study to date of the social status of bank borrowers and their borrowing activity. Temin and Voth, *Prometheus Shackled*.

[19] Melton, 'Deposit Banking in London', pp.46, 48.

[20] In 1780 for example, General Henry Seymour Conway paid interest on a loan of £5,000 from John Jefferys, and Lord Cadogan paid interest on a mortgage of £5,000 from Thomas Byron.

[21] Peter Dickson provides information on private lending by bank partners Sir Francis Child and Samuel Child during the periods 1700-13 and 1740-52 respectively: Peter G. M. Dickson, *The Financial Revolution in England: A Study in the Development of Public Credit, 1688-1756* (London, 1967, reprinted with new introduction: Aldershot, 1993), p.444.

5.3.1 Client borrowing in the 1670s

This section considers the borrowing activity of clients of two goldsmith-bankers, Edward Backwell and Robert Blanchard.[22] However, as Joslin cautioned in his 1954 article, there were also 'a whole host of financial intermediaries, scriveners, brokers and merchants whose role in the embryo money market of the seventeenth century may be underestimated'.[23] The activity of these providers will not be discussed here, but Melton's detailed exploration of the lending and loan-broking activities of the scriveners Clayton & Morris illustrates both diversity and specialisation in the provision of financial services in the late seventeenth century.[24]

The following review of borrowing in the 1670s is based upon an examination of Backwell's ledger covering the year to March 1672, and the 'Pawnes' account of Robert Blanchard for loans current 1674-1678.[25] Client accounts with Backwell have been classified as 'borrowing' where it is obvious that a client received a loan from him or paid interest on a loan in 1672, and therefore this category might include some accounts where interest was paid on an overdraft rather than a pre-arranged loan. Some of these accounts also involved other types of transactions, and all information on loans was contained within a client's bank account.[26] Robert Blanchard's lending in the 1670s was recorded in a dedicated account within the customer account ledgers, originally entitled 'Pawnes' and later headed simply 'P'. The earliest surviving record of this account starts in 1674 and includes information on outstanding loans dating back to 1669. The contents of this account up to the end of 1678 have been used in the following analysis.

---

[22] The surviving loan records of the Fleet Street goldsmith-bankers Richard Hoare and Thomas Fowle have not been analysed, though a summary of the latter appears in David M. Mitchell, '"Mr. Fowle pray pay the washwoman": the trade of a London goldsmith-banker, 1660-1692', *Business and Economic History*, 23 (1994), pp.27-39. The Backwell ledger, and the dataset derived from it, is referred to hereafter as 1672.
[23] David M. Joslin, 'London private bankers, 1720-1785', *Economic History Review*, 7 (1954), pp.167-186 (p.168).
[24] Frank T. Melton, *Sir Robert Clayton and the Origins of English Deposit Banking* (Cambridge, 1986).
[25] Although not considered here, further information on borrowers and borrowing from Blanchard's successor Francis Child in later decades is provided in Stephen F. Quinn, 'Banking before the Bank: London's Unregulated Goldsmith-Bankers, 1660-1694' (unpublished PhD thesis, University of Illinois, 1994), pp.143-163; and Stephen Quinn, 'The Glorious Revolution's effect on English private finance: A microhistory, 1680-1705', *Journal of Economic History*, 61 (2001), pp.593-615. An analysis of lending by Hoare's between 1692-1724 is provided in Temin and Voth, *Prometheus Shackled*, pp.46-61.
[26] Backwell also tracked interest paid and received through a separate interest account in the ledger.

Among Backwell's 1,828 client accounts, 110 (6.0%) included client borrowing, and it is likely that this low figure reflects the fact that Backwell could earn much more on lending to the Crown and therefore had less need of private borrowers. Indeed, most of Backwell's income in 1672 came from lending to the Crown, which has not been captured in this analysis, and it is likely that those clients who borrowed from him did account not for a major share of his income. It is also likely that many potential borrowers might have been able to borrow more advantageously directly from other individuals, some through the brokerage of money scriveners such as Clayton & Morris.[27] Borrowers' accounts were sometimes in credit during the period of the 1672 ledger, and average turnover (£3,224) tended to be above that of Backwell accounts as a whole, though this average was skewed by a few accounts with very high turnover. A third of accounts with loans had a turnover of less than £100, and 70% had a turnover of no more than £1,000. Some loans had been contracted before the sample year and continued without further activity during the year.

Borrowers' accounts generally had a lower that average number of transactions (around 60% of the average), largely reflecting the fact that most such accounts were used solely for borrowing. Levels of initial and closing account balances of borrowers are therefore a reasonable guide to levels of lending, with average balances brought forward of £-498 and carried forward of £-280. Chart 5.9 illustrates that nearly half of loan accounts had a zero balance carried or brought forward, indicating that half of borrowers were not in debt to Backwell either in March 1671 or March 1672. This suggests that the borrowing was fluid and often very short-term. It is also apparent that a further 30% of clients had debit balances of up to £-500 at the start of the year and 37% had similar balances at the end of the year, and it would appear that most of those who borrowed had lower debts at the end of the ledger year than at its start. As noted in Chapter 3 there were also many clients who had substantial overdrafts.[28]

[27] As described in Melton, *Sir Robert Clayton*.
[28] See Chapter 3, section 3.4.

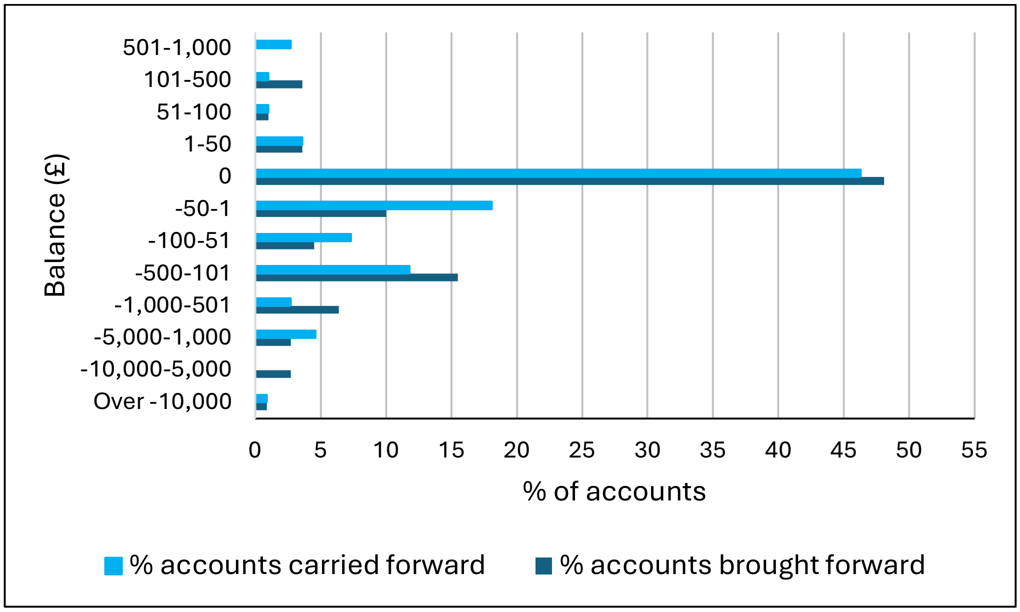


Chart 5.9: Balances of Backwell's accounts containing loans, 1672 (N=115 accounts)

The proportion of clients who borrowed from Blanchard in the mid 1670s appears to have been much higher than for Backwell, but it is difficult to be certain of the total number of Blanchard's banking clients in any given year. The bank's customer ledgers were an overlapping series such that in 1678, for instance, Blanchard's client accounts were spread across six of the surviving ledgers. It is likely, though not definite, that these six ledgers would have been the complete group covering that year. In relation to the loans current at the end of 1678 there were 78 borrowers, whereas there were in that year around 187 client accounts in the surviving ledgers, suggesting that around 42% of Blanchard's clients borrowed from him.[29]

Some borrowers with both Backwell and Blanchard took out multiple loans. Chart 5.10 indicates the level of multiple loans with the latter. Richard Beavoir (or Beavoyer) was the most frequent borrower (with combined loans of £1,384) from Blanchard. The borrower with the largest amount in total (£4,400) was Sir Edward Hungerford, known to

[29] The figure for the number of clients is taken from an electronic index to the ledgers held by NatWest Group Archives, which itself was derived from a card index compiled in the 1960s or 1970s. The figure may be slightly inaccurate. It was discovered during this research that in relation to the year 1672, dating errors in the index resulted in the attribution of more client accounts to that year in the index than were identified in the ledgers. See also Chapter 2, footnote 29.

contemporaries as 'the spendthrift', who by the mid-1680s had amassed considerable debts with a variety of lenders, notably £40,000 with Sir Stephen Fox.[30]

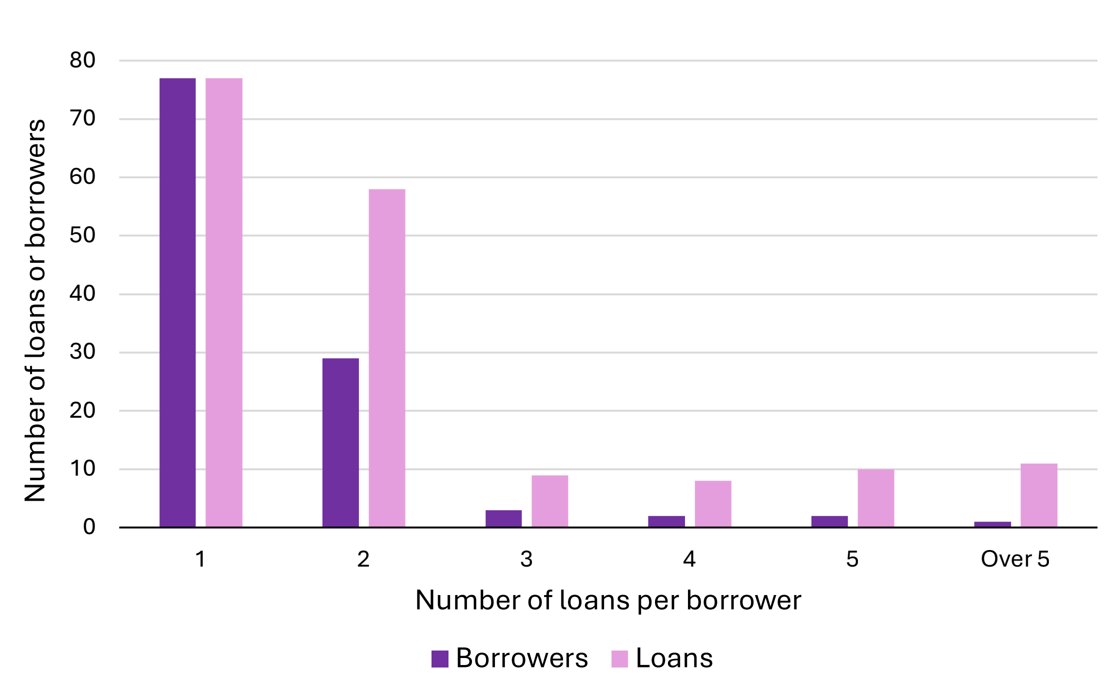


Chart 5.10: Number of Blanchard loans per borrower, for loans active 1674-1678
(N=173 loans; 114 borrowers)

At this time, as shown Table 5.1, Robert Blanchard was rapidly expanding his lending, both in terms of number of loans and the overall value of his lending. Over half of loans were for no more than £50, whereas three quarters of the aggregate value of loans was accounted for by loans of more than £500. Among those who borrowed these larger amounts were a number of peers (or future peers) and their sons (the Earls of Bedford, Bristol and Exeter, Lord Arlington, Sir Robert Howard and Colonel John Churchill), knights (Sir Edward Hungerford and Sir Thomas Clayton) and other financiers (Christopher Cratford and John Mawson).

[30] D. W. Hayton and Henry Lancaster, 'HUNGERFORD, Sir Edward (1632-1711), of Broadwater, Suss.', *History of Parliament*, https://www.historyofparliamentonline.org/volume/1690-1715/member/hungerford-sir-edward-1632-1711, accessed 15 September 2021.

Year in which loan contracted	Number of loans (total 173)	Amount outstanding on 1 January (rounded) (£)	New lending during year (£)	Paid off during year (£)[31]	Balance at the end of the year (£)	Interest received during year (£)
Pre-1674	10					
1674	7	-400	-538	30	-908	1
1675	6	-908	-495	0	-1,403	10
1676	17	-1,403	-2,091	0	-3,493	28
1677	39	-3,493	-11,125	416	-14,201	133
1678	94	-14,201	-32,658	14,659	-32,170	911

Table 5.1: Borrowing from Blanchard, 1674-1678

Although this sample only includes repayments up to the end of 1678, it is of note that the distribution of loan repayment values follows as an almost identical pattern to that of loan values. This suggests that it was just as common to repay large loans as small ones within the years covered by this sample. Of the 173 loans active during the sample period, 35 were repaid in full, 10 were repaid in part, 2 were fulfilled by the disposal of the security, and for 16 loans only interest was paid during the period. No repayments or interest payments were made on the remainder (110), though 94 of the loans in the sample were contracted in 1678, so interest and repayments would have been less likely on many of those.

Neither Backwell nor Blanchard specified in the surviving records the rate of interest, and only Backwell sometimes indicated the intended loan duration.[32] Where it has been possible to calculate the rate of interest charged by Backwell, the rate was 6% (the legal maximum at that time). This may well have been his normal rate given that he was paying 6% on deposits. Where (for 35 loans) in Blanchard's Pawnes account there is sufficient information

[31] Includes the following repayments where the ledger does not contain details of the original loan: £20 in 1774, £77 in 1777, and £1,070 in 1778.
[32] The lack of comparable records for other bankers means that it is not clear whether this manner of recording loans was the norm.

to enable the calculation of interest the most common rate (for 31 of those loans) was 6%, with a very small number of loans at what appear to be lower rates (with a minimum of 4%).

The frequency with which interest was paid by Backwell's borrowers was very variable, from 6 months to 2 years. Among Blanchard's borrowers who paid interest regularly, the most common frequency was 6 months, though sometimes regular payments were made at a longer interval, and very occasionally more frequently. However, it was more common for borrowers with Backwell and Blanchard to pay interest only on repayment, partly because so many loans were short term in nature. No client correspondence for Blanchard or Backwell survives in the archives of the banks to illuminate their lending processes in more detail.

Only occasionally (for 12 loans) in Blanchard's Pawnes account is there an indication of the loan security. In those cases, this was one or more of gold, plate, rings, 'jewels' and 'money'. For most of Backwell's loans there is no mention of the security, though there are some loans secured on tallies. It seems that at this date there were few, if any, mortgages at either bank, in stark contrast to the business of Robert Clayton and John Morris, where mortgages were common. Indeed, according to a letter from Francis Child (Blanchard's partner and later successor) to a client, Henry Marten, dated 9 May 1671, there was a particular reason why the goldsmiths had not found a foothold in the mortgage market. To quote Frank Melton's summary of Child's letter, 'although they had the capital to lend and could hire lawyers to perform their conveyancing, he [Francis Child] noted, Clayton was able to monopolize the large-scale loan market because he held the key to accurate land assessment'.[33]

The above analysis has shown that the extent of client borrowing at both banks in the 1670s was limited, though much more common among Blanchard's clients. Clayton & Morris's expertise regarding, and domination of, the mortgage market restricted the extent to which the goldsmith-bankers could participate in such loans. However, some of the goldsmith-bankers' clients had a bridge through to such loans as a result of the activities of Christopher Cratford. Whether the demise of Clayton & Morris had an immediate impact on the

[33] The letter is referred to in Melton, *Sir Robert Clayton*, p.158. Melton provides a reference to the letter in the Clayton papers at LSE (Clayton Box 4), but the letter is not in the box specified nor in adjacent boxes.

goldsmith-bankers' lending is not known, but as will be seen in the next section, by the 1730s mortgage borrowing from West End banks had become common.

5.3.2 Client borrowing in the 1730s[34]

The following analysis of borrowing in the 1730s is derived from the surviving records of Child & Co (successors to Robert Blanchard), Drummonds, Goslings and Hoare's. As noted in the thesis Introduction, the periods covered by the samples for each bank vary, and have been dictated by the survival and format of the surviving records. Variations in record-keeping practices have made it difficult, though not impossible, to extract comparative information for each bank. For simplicity, the following analysis will refer to all of the samples as dating from the 1730s, but one notable outlier is the sample for Goslings loans, where the earliest surviving record detailing loans dates from 1742.[35]

The total number of loans current at each bank varied considerably during the analysis periods: 24 at Goslings, 96 at Child & Co, 132 at Hoare's and 286 at Drummonds. The proportion of all loans granted during the period of analysis also varied: 13.5% at Child & Co, 28.0% at Hoare's (over 9 months), 33.3% at Goslings (over 10 months) and 40.6% at Drummonds. However, at Drummonds far more loans (49.1%) were paid off during the year than at the other banks. Overall, loans at Child & Co date back further than at the other banks: whereas at both Drummonds and Hoare's loans stretching back up to 10 years from the start of the analysis period accounted for 99.3% of all loans, at Child & Co the proportion was 83.3%. The oldest loan at Child & Co had been granted over 34 years before the analysis period (compared with 11 and 10 years at Drummonds and Hoare's respectively).[36]

There was also great variation in the average amounts lent, ranging from £173 at Drummonds to £1,087 at Child & Co, £1,143 at Goslings and £1,430 at Hoare's. Whilst there

[34] Information on status is derived from the formal title, epithet or rank recorded with clients' names in the bank records. No attempt has been made to establish the marital status of female clients and its impact on banking activity. See also Chapter 3, footnote 13.
[35] Child & Co, 21 November 1734 - 25 November 1735, 'Pawnes' account in NWGA CH/200; Drummonds, year beginning 26 March 1731, NWGA DR/427/11; Goslings, 29 September 1742 - 1 August 1743, BGA 0130-719; Hoare's, 29 September 1730 - 24 June 1731, HBA HB/5/C/1/2 and HB/5/H/2.
[36] The Goslings loans are from the earliest surviving balance book, and there is no evidence to show if any of the loans pre-date the start of book in September 1742.

were far more borrowers at Drummonds than at the other banks, the average amount they borrowed was small in comparison with their counterparts at the other banks. The aggregate value of lending at each bank varied according to the number and size of the loans they granted. The two older-established banks, Child & Co and Hoare's, had higher figures (£104,349 and £188,797 respectively) than Drummonds and Goslings (£49,438 and £27,451).

There were far fewer female than male borrowers at all of the banks. The difference was particularly marked at Hoare's (2 female borrowers and 83 male borrowers) and Goslings (1 and 22), but less so at Child & Co (10 and 101) and Drummonds (23 and 149). On average, the amounts women borrowed were much lower than for men. In the 1730s the average loan of a female borrower ranged from £126 (compared with £180 for male loans) at Drummonds to £200 at Hoare's (£1,460), £250 at Goslings (£1,183) and £420 (£1,125) at Child & Co.[37]

At Drummonds, of the 172 borrowers, only 64 held a banking account in the 1731-32 ledger, and a further 22 held an account prior to 1731. 86 (or exactly 50%) of borrowers did not hold a banking account with Drummonds in or before 1731-2. At this time Drummonds were also providing goldsmithing services, which were recorded in separate ledgers to their banking business. 58 of the bank's 172 borrowers appear in the goldsmithing ledgers, of whom 35 also held a banking account in or before 1731-2, and 23 did not. Overall, 63 borrowers (37% of all borrowers) had no prior involvement with the bank either as banking of goldsmithing clients. To a significant extent Drummonds was looking beyond its existing client base in order to expand its lending and its interest income. However, from the bank's point of view this growth in lending may have come at a cost, as of the 286 loans current in 1731, a considerable number (49, or 17%) were to be written off 27 years later, in 1758. It is not clear what efforts had been made by the bank to recover the amounts outstanding, but most (41, or 84%) of these loans were those of borrowers who were not holders of bank

[37] The average loan values for male and all clients at Hoare's exclude the outstanding borrowing of the Duke of Montagu (£28,350), which was transferred to Benjamin Hoare. Details of early eighteenth-century borrowing by a few female clients of Hoare's bank are discussed in Anne Laurence, 'The emergence of a private clientele for banks in the early eighteenth century: Hoare's Bank and some women customers', *Economic History Review*, 61 (2008), pp.565-586.

accounts, and therefore the bank did not necessarily have regular contact with them. A number of studies of credit in the eighteenth century have focused on negative aspects of the credit market. These include what happened when borrowers were unable to pay their debts, and the fear and frequency of imprisonment or bankruptcy, but with minimal reference to debtors of banks.[38] It is not clear what happened to the borrowers of the 1730s loans that were written off at Drummonds.

The evidence presented above points to the value to banks of maintaining relationships with account holders when granting and monitoring loans. Drummonds was probably exceptional in the extent of its lending to non-banking clients. At Hoare's, for instance, the number of borrowers relative to the number of account holders was far smaller than at Drummonds (Table 5.2).

	Drummonds	**Hoare's clients and borrowers A-C**
Banking clients in 1731	299	260
Borrowers in 1731	172	23
Ratio of all borrowers to banking clients	57.5%	8.8%
Borrowers who were also banking clients in or before 1731	86	14 (1731 only)
Proportion of banking clients who were also borrowers	28.8%	5.4%

Table 5.2: Borrowers and banking clients at Drummonds and Hoare's, 1730-1732[39]

[38] For example Aidan Collins, 'Bankrupt traders in the Court of Chancery, 1706–1750', *Eighteenth-Century Studies*, 55 (2021), pp.65-82; Aidan Collins, 'Narratives of bankruptcy, failure, and decline in the Court of Chancery, 1678-1750', *Cultural and Social History*, 19 (2022), pp.1-17; Julian Hoppit, *Risk and Failure in English Business 1700-1800* (Cambridge, 1987); Tawny Paul, *The Poverty of Disaster: Debt and Insecurity in Eighteenth-Century Britain* (Cambridge, 2019); Alexander Wakelam, *Credit and Debt in Eighteenth Century England: An Economic History of Debtors' Prisons* (Abingdon, 2021).

[39] Data for Drummonds relates to the year 25 March 1731 - 25 March 1732; that for Hoare to the nine months 29 September 1730 – 24 June 1731.

Most borrowers in the early 1730s had only a single loan during the year analysed, with highest proportions of single loans at Child & Co (89.0%) and Hoare's (74.1%) compared to lower levels at Goslings (75%) and Drummonds (63.4%).[40] However, these variations may in part be a result of bank lending practices. The fact that there were far more loans at Drummonds than at the other banks, loans which were on average for much lower values and shorter durations, may have meant that clients were more likely, or even encouraged, to borrow less at a time but more frequently.

Just as with account holders in general (see Chapter 4, section 4.3), there were some borrowers who were exceptional in the extent of their activity, for example Thomas Pritchard who, during the 9 months in 1730-1 for which loans were analysed at Hoare's, had twelve separate loans from the bank, some overlapping and some sequential.

The status of each bank's borrowers tended in general to match that of their account holders.[41] At Drummonds, for instance, military clients accounted for 16.7% of clients and 14.1% of borrowers, far above their representation at the other banks. However, a greater proportion of peers at Child & Co and Hoare's borrowed than held bank accounts. Those banks had a greater preference for lending on mortgage, and many peers had land with which to secure such loans. Whilst members of the clergy accounted for 5.8% of borrowers (and 3.1% of clients) at Hoare's, they did not borrow at all from Child & Co, Drummonds or Goslings, even though at the latter they comprised 2.4% of clients.

In the 1730s most loans were for less than £500, comprising 50.1% of loans at Goslings, 51.2% of loans at Hoare's, 64.7% of loans at Child & Co and 90.9% of loans at Drummonds. However, these loans only accounted for 11.8%, 11.6%, 12.1% and 48.7% respectively of the

---

[40] The results for Hoare's are similar to the averages for the period 1692-74 given by Temin and Voth. They found, for instance, that 68.3% of borrowers had only one loan. Temin and Voth, *Prometheus Shackled*, p.82 (Table 4.3).

[41] The banks' loans were recorded in 'private' ledgers which, unlike the customer account ledgers, customers were not able to inspect to verify their transactions. This may explain why only minimal information on the status of borrowers is recorded. Titles are given for peers, knights, baronets and clergy, and miliary ranks, but the use of 'Mr', 'Mrs', 'Gent' or 'Esq' is rare. This also limits the extent to which the status of borrowers and account holders can be compared. No indication of marital or other status is provided for female clients unless they were wives of peers, knights or baronets, and the numbers are too small to make meaningful comparisons.

total money lent. By contrast, loans for amounts over £5,000 comprised 2.1% of loans at Child & Co, 4.3% at Goslings and 6.8% at Hoare's, representing 30.7%, 21.9% and 45.5% respectively of the total money lent by each bank.

Most Drummonds borrowers borrowed relatively small sums, whereas the majority of the total amount lent by Child & Co and Hoare's was to those who borrowed larger sums.

Security	**% of loans**		**% of total value lent**		**Average value (£)**	
	Child & Co	**Hoare's**	**Child & Co**	**Hoare's**	**Child & Co**	**Hoare's**
Bond	24.0	37.9	12.7	13.2	652	573
Note	12.5	0.8	2.5	0.2	245	500
Jewellery or plate	14.6	7.6	2.7	3.6	222	782
Mortgage	19.8	30.3	69.2	65.1	3,581	3,534
Stock*	2.1	1.5	0.3	0.4	200	400
Multiple	7.3	0	1.9	0	314	0
Not specified or unclear	19.8	22.0	10.7	17.5	667	1,311
All	**100.1**	**100.1**	**100.0**	**100.0**	**1,087**	**1,645**
*South Sea Bonds at Child & Co, South Sea Annuities at Hoare's						

Table 5.3: Loans by security, 1730s

The differences in loan values between banks reflect differences in security employed (Table 5.3). It is notable that a reasonable proportion of loans at Child & Co and Hoare's were secured on mortgages (19.8% at Child & Co and 30.3% at Hoare's), accounting for a very high proportion of the total money lent (69.2% at Child & Co and 65.1% at Hoare's).[42] Average lending on mortgage in the 1730s at Child & Co (£3,581) was over three times as high as the average value of all loans there (£1,087), and that at Hoare's (£3,534) was more than twice the average for all bank loans (£1,645).

[42] The loan records of Drummonds and Goslings do not indicate loan securities in the 1730s.

Bonds were also a popular security, accounting for 24.0% of loans at Child & Co and 37.9% at Hoare's in the 1730s, though the share of total money lent was lower (12.7% and 13.2%). A significant proportion of loans in the early 1730s were secured against plate or jewellery (14.6% at Child & Co and 7.6% at Hoare's), though these loans only accounted for 2.7% and 3.6% respectively of the totals lent by those banks. This may have been something of a legacy from the goldsmithing origins of these firms. Although by the early 1730s neither firm had any substantial business as goldsmiths, the banks' partners must still have had sufficient expertise or contacts to make reasonable valuations of the security offered by clients.

These differences in part reflect the differences in clientele between the banks: the greater prevalence of mortgages at Child & Co and Hoare's was a result of the greater proportion of peers among their clientele, peers who had landholdings with which they could secure substantial lending on mortgage. Whether potential borrowers gravitated to banks which were more likely to be able to lend against their available or chosen security is not clear but seems likely. Possibly, just five individuals borrowed from more than one of the banks in the sample period: Sir Roger Bradshaw (Drummonds and Hoare's); William Dixon (Child & Co and Hoare's); James 5th Duke of Hamilton (Child & Co & Drummonds); Edward Layton (Drummonds and Hoare's); and Gwyn Vaughan (Child & Co and Drummonds).[43] As noted in Chapter 2, not all clients used the same banks as their parents.[44] The 3rd Viscount Weymouth (later 1st Marquis of Bath), for example, borrowed substantially from Hoare's in the 1750s, with multiple loans totalling £94,000 in the late 1750s, and a balance of £64,000 still outstanding in 1780. He did not obtain the funds from Child & Co, from which his father the 2nd Viscount had borrowed on multiple loans in the 1720s and 1730s, which when repaid in 1735 amounted £31,500.

At Drummonds it is possible to calculate the full duration of each loan, and it is clear that almost 90% of loans lasted no more than 6 years, and that these loans accounted for a

[43] These are cases where the names of borrowers match, but it is possible that not all of the matched names are those of the same individuals, and for instance Edward Layton is referred to as Sir in the Hoare's records but not in those of Drummonds.
[44] Section 2.3.2.

similar proportion of the total value of loans. Although 11 loans were held for over 10 years, they represented only 5% of loans and 6% of loan value.[45]

5.3.3 Client borrowing in the 1780s

In the following section reference will be made to client borrowing in the 1780s, mostly based on analysis of borrowing during 1780.[46]

In the 1780s, as in the 1730s, there was a variety in the total number of loans provided by each bank, though the total numbers were higher, ranging from 92 at Hoare's and 97 at Child & Co to 133 at Goslings and 336 at Drummonds (Chart 5.11).

The total amount lent by each bank shows a similar pattern (Chart 5.12), with a larger proportion of new loans (and amounts lent) during 1780 at Drummonds (as had also been the case in the 1730s) and Goslings. There was less new lending at Child & Co or Hoare's, and indeed, those two banks were taking on much less new lending than they did in the 1730s.

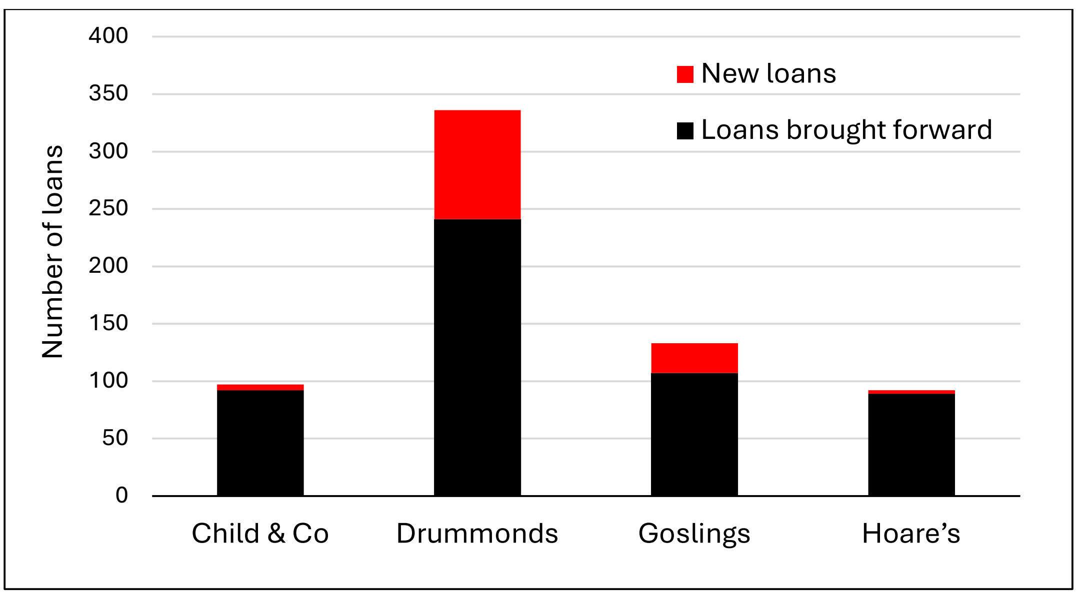


Chart 5.11: Number of loans, 1780
(N (loans)=97 Child & Co; 336 Drummonds; 133 Goslings; 92 Hoare's)

[45] Loans were tracked in the bank's Money Lent account in NWGA DR/427/11-37.
[46] Child & Co, calendar year 1780, NWGA CH/203/1-3; Drummonds, calendar year 1780, NWGA DR/427/86; Goslings, calendar year 1780, BGA 0130-175, 0130-718 and 0130-667; Hoare's, year commencing 29 September 1780, HBA HB/5/C/2/1 and HB/5/H/5.

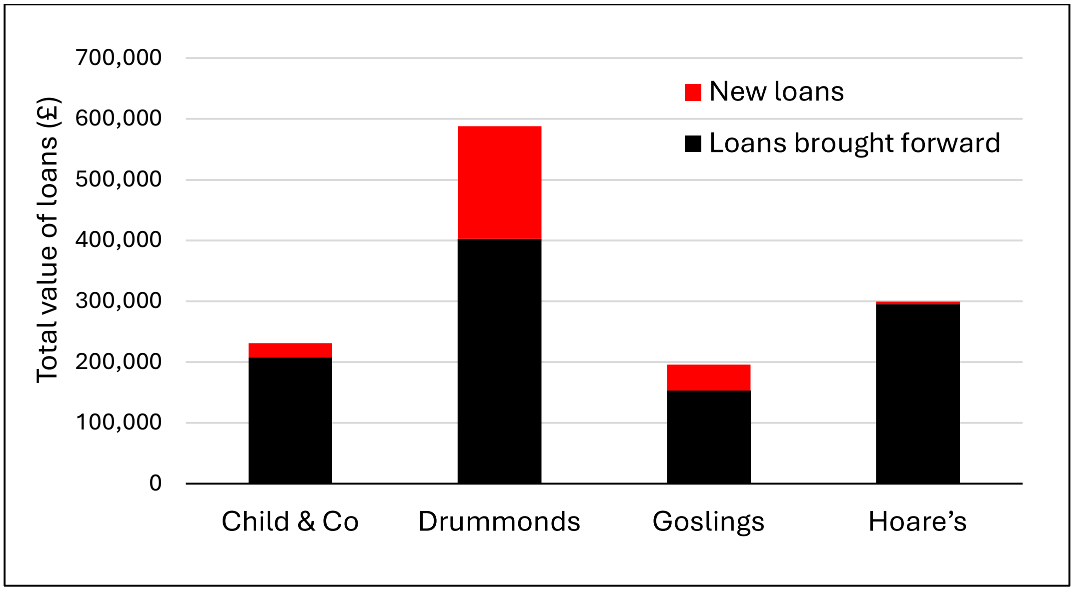


Chart 5.12: Total value of loans, 1780
(N (loans)=97 Child & Co; 336 Drummonds; 133 Goslings; 92 Hoare's)

As in the 1730s, the number of loans repaid during the year was far higher at Drummonds (91) than at the other banks (ranging between 4 at Hoare's and 20 at Goslings). This meant that at Drummonds, for instance, new lending in 1780 exceeded repayments, so that the total amount on loan increased by nearly £26,000. In contrast, at Child & Co the amount lent decreased by just over £28,000. By 1780 the average loan value had risen considerably since the 1730s, but there was a clear distinction between Child & Co (£3,314) and Hoare's (£3,256) compared with the Goslings (£1,478) and Drummonds (£1,750), though average values at the latter had grown at the fastest rate, from just £173 in the 1730s (Table 5.4).

Gender	**Child & Co***	**Drummonds***	**Goslings**	**Hoare's**
Male	3,316	1,841	1,871	3,337
Female	3,200	346	288	1,125
All	3,314	1,750	1,478	3,256
* Excludes loans taken out jointly by male and female borrowers				

Table 5.4: Average value of loans (£), 1780

As in the earlier samples, the amounts borrowed by female clients were still very low at Goslings (£288) and Drummonds (£346) relative to male loans (£1,871 and £1,841), but higher at Hoare's (£1,125) and Child & Co (£3,200) compared with male averages (of £3,337 and £3,316). At Drummonds women comprised a slightly smaller proportion (9%) of borrowers, than of account holders (12.5%).[47] Their outstanding borrowing at the start of 1780 was on average only 21% of that of male borrowers, and the equivalent figure for amounts borrowed during 1780 was 15%. At Goslings 7% of borrowers were female, as opposed to 17% of account holders, and their loans were on average for 15% of the value of male loans. At Child & Co there are no surviving customer account ledgers or lists of clients to indicate the comparative proportions of female borrowers and clients, but in 1780 only two of the bank's 97 loans were those of women. Women were far less likely than men to borrow than to hold a bank account at Goslings and Hoare's, but the difference between men and women was lower at Drummonds. The proportions of male borrowers to holders of bank accounts varied between 7.6% at Hoare's, 10.5% at Goslings and 12.5% at Drummonds, whereas the equivalent figures for female borrowers and clients were 0.5%, 3.3% and 8.4%.[48] Most female borrowers do not appear to be connected with male borrowers or clients, though there are a few cases of joint loans between male and female borrowers.

As noted in Chapter 4, in both 1730 and 1780 borrowers at all three banks who were also account holders had on average higher turnover than accounts in general.[49] In 1730 the account turnover of such borrowers at Drummonds, Goslings and Hoare's was £3,514, £1,158 and £1,165, compared to that of all account holders (£1,699, £1,099 and £866). In 1780 the figures for borrowers were £2,789, £4,002 and £3,330 compared with averages for all accounts of £2,007, £2,301 and £2,232.

In 1780 there was an even greater prevalence of single loans than in the 1670s and 1730s. The proportions of borrowers who had single loans in 1780 varied from 70% at Child & Co to 75% at Drummonds and Hoare's and 87% at Goslings. However, these figures do not tell the whole story as many borrowers who had outstanding or new lending in 1780 were also serial borrowers, with other loans before and after 1780 which were not current in that year. When all of the borrowing between 1775-1785 of those Child & Co clients who borrowed

[47] The Child & Co female average relates to the two female loans there in 1780.
[48] The total number of banking clients of each gender is not known but has been estimated by multiplying the total number of clients (as stated in Chapter 2, section 2.3.2) by the gender balance of clients in the A-C datasets.
[49] See section 4.6, Table 4.1

from the bank in 1780 is included, the proportion of borrowers who had multiple loans rises to 53%. Repeat and supplementary borrowing was commonplace among those clients.

A few clients borrowed from more than one bank. For example, in 1780 Viscount Dudley and Ward was a borrower at both Drummonds (£430) and Child & Co (£4,000), and Sir George Warren had outstanding loan debts of £16,000 at Hoare's and £1,500 at Goslings. In the same year the architect Henry Holland had loans from Goslings and Drummonds (which will be considered in further detail below). However, such simultaneous borrowing from more than one of the banks in the sample studied here was rare. Borrowing at different dates from separate banks might have been slightly more common but has not been studied in detail. Thomas Connolly, for instance, who was a borrower at Drummonds in 1780, also borrowed from Hoare's in 1787.[50]

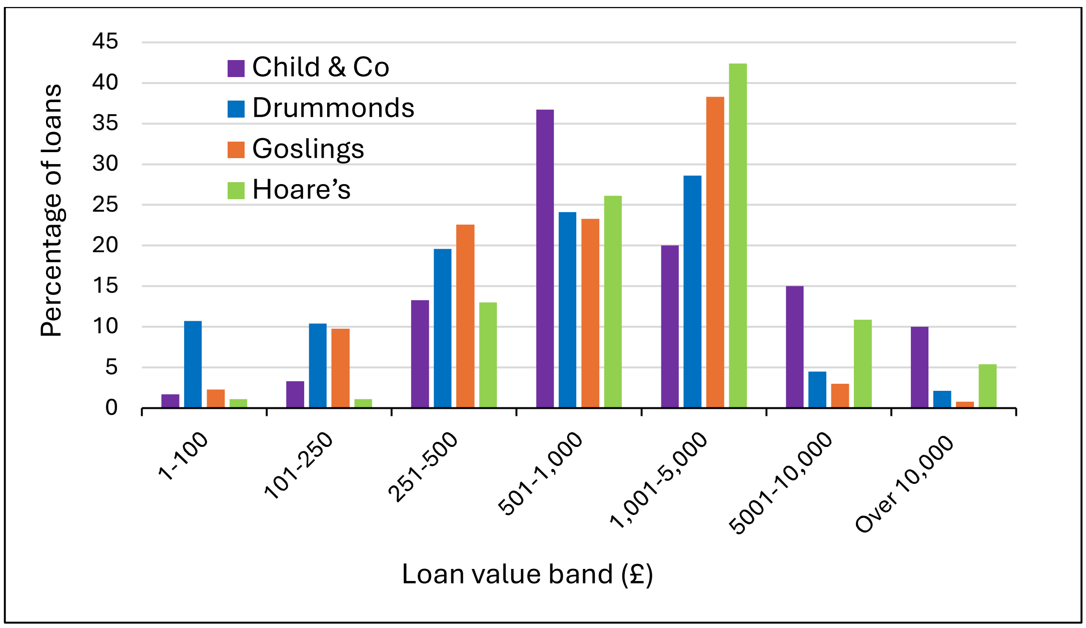


Chart 5.13: Distribution of loan values by number of loans, 1780
(N (loans)=97 Child & Co; 336 Drummonds; 133 Goslings; 92 Hoare's)

In 1780, as in 1730, there was a skewed distribution of loan numbers compared with the share of total loan value. This is less pronounced at Child & Co and Hoare's, but more prominent at Drummonds (Charts 5.13 and 5.14). Loans for values over £5,000 account for 25% of loans and 72.4% of value at Child & Co, and 16.3% of loans and 55.0% of value at

[50] The Hoare's loan is referred to in Temin and Voth, *Prometheus Shackled*, p.127.

Hoare's. At Drummonds the comparable figures are 6.6% and 42.1%, and at Goslings 3.8% and 18.0%.

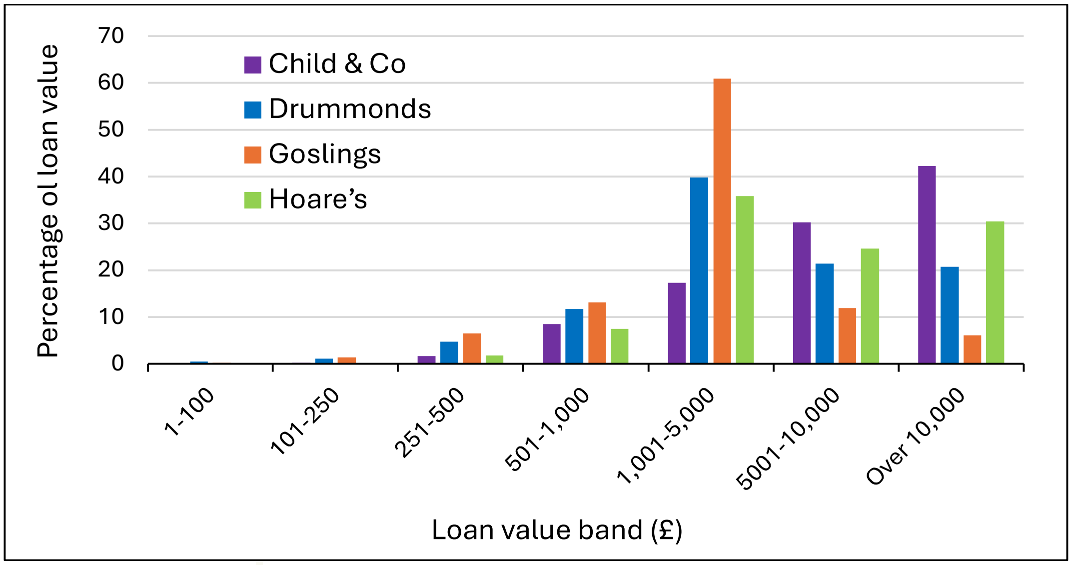


Chart 5:14: Distribution of loan values by aggregate loan value, 1780
(N (loans)=97 Child & Co; 336 Drummonds; 133 Goslings; 92 Hoare's)

As in the 1730s, these patterns reflect differences in the security employed to back loans (Table 5.5). As noted in Chapter 2, John Gent's study of banking in the half-century starting in 1775 suggests that almost all London banks by this date followed one of two types of business model, which he labelled 'Goldsmith' and 'Discounter'. His 'Goldsmith' model, which he argued applied exclusively to most of the West End banks in his sample, and all of those studied here, was 'focused on medium-term lending secured on real assets', where 'mortgages would account for the bulk of total secured lending, mostly secured on private houses and landed estates'.[51] John Gilbart wrote of London's private bankers that in the eighteenth century 'their loans to their customers are chiefly upon landed security' and also noted that in 'the West End banker's asset portfolio … loans on bond or mortgage were the norm'.[52] In a similar vein Frank Melton considered that at Goslings 'not only did the bank [over the course of the 18th century] increase its moneylending facilities, it changed from a small-scale loan establishment to one offering large-scale loans, strongly suggesting an

[51] Gent, pp.329 and 122.
[52] James W. Gilbart, *The Principles and Practice of Banking* (London, 1871), quoted in Iain S. Black, 'Private banking in London's West End, 1750-1830', *London Journal*, 28 (2003), p.37.

orientation to mortgage security'.[53] Joslin, in his survey of the activity of individual banks, noted that at Hoare's, for instance, 'The bulk of its lending [in the eighteenth century] was on mortgage and bond, … mainly to the gentry and aristocracy'. However, he suggested that by the late eighteenth century the asset structure of Child & Co 'increasingly resembled that of Hoare's. Loans were made to the aristocracy and gentry upon mortgage or assignment of mortgage, upon personal bonds or upon the deposit of stock [as] collateral security'.[54] The evidence presented in this section indicates that Joslin's summary was the more accurate assessment of the varied nature of bank lending.

By 1780 Child & Co and Hoare's had a far higher proportion of mortgages (17.5% at Child & Co and 51.1% at Hoare's) than the other two banks (2.7% at Drummonds and 3.1% at Goslings). The total amounts secured on these loans accounted for 31.7% of money lent at Child & Co and 79.6% at Hoare's. In both the 1730s and 1780 the average amount lent on mortgage was far higher than the average for all loans, though the difference was less stark in 1780. In the latter year the average lending on mortgage for the four banks ranged from £5,076 at Hoare's to £6,529 at Drummonds, compared with overall average values ranging from £1,751 at Drummonds to £3,256 at Hoare's.

By 1780 loans on bond were more numerous than in the 1730s, comprising between 45.7% (Hoare's) and 59.8% (Child & Co) of loans. They also accounted for an increased share of the total money lent by each bank, ranging from 19.7% of the total lent at Hoare's to 37.0% at Child & Co, 39.8% at Drummonds and 65.8% at Goslings. Whereas in the early 1730s some lending had been secured against plate or jewellery, none of the lending in 1780 was secured in this way.

[53] Melton, 'Deposit banking in London', pp.46 and 48.
[54] Joslin, 'London private bankers', pp.176-7.

Security	% of loans		% of total value lent	
	Child & Co	**Hoare's**	**Child & Co**	**Hoare's**
Bond	24.0	37.9	12.7	13.2
Note	12.5	0.8	2.5	0.2
Mortgage	19.8	30.3	69.2	65.1
Other	2.1	1.5	0.3	0.4
Multiple	7.3	0	1.9	0
Not specified or unclear	19.8	22.0	10.7	17.5
All	**100.1**	**100.1**	**100.0**	**100.0**

Table 5.5: Loans by security, 1780

These differences in part reflect the differences in clientele between the banks. As in the 1730s, the greater prevalence of mortgages at Child & Co and Hoare's was a factor of the greater proportion of peers among their clientele. The proportion of peers who borrowed was highest at Hoare's (31.5%), and also significant at Child & Co (21.1%) and Drummonds (16.0%), but much lower at Goslings (7.7%). At Goslings knights and baronets accounted for a higher proportion of borrowers (12.0%) than at the other banks (where the proportion ranged between 7.0% and 8.2%). At Drummonds, where military clients made up a significant proportion of clients (7.9%), military borrowers were more prominent (9.3%) compared to the other banks (0.9% - 4.2%).

In Chart 5.15 the status of borrowers is compared with that of male account holders for two of the banks, Drummonds and Goslings.[55] At Drummonds there was a far greater proportion of peers among borrowers (16%) than as account holders (4%), and at Goslings, where clergy were more common as account holders than at the other banks, they were much less so as borrowers. At both Drummonds and Goslings knights and baronets accounted for a greater proportion of borrowers (7.4% and 12%) than account holders (4% and 5.4% respectively).

[55] See footnote 41 concerning the comparison of the status of borrowers and account holders.

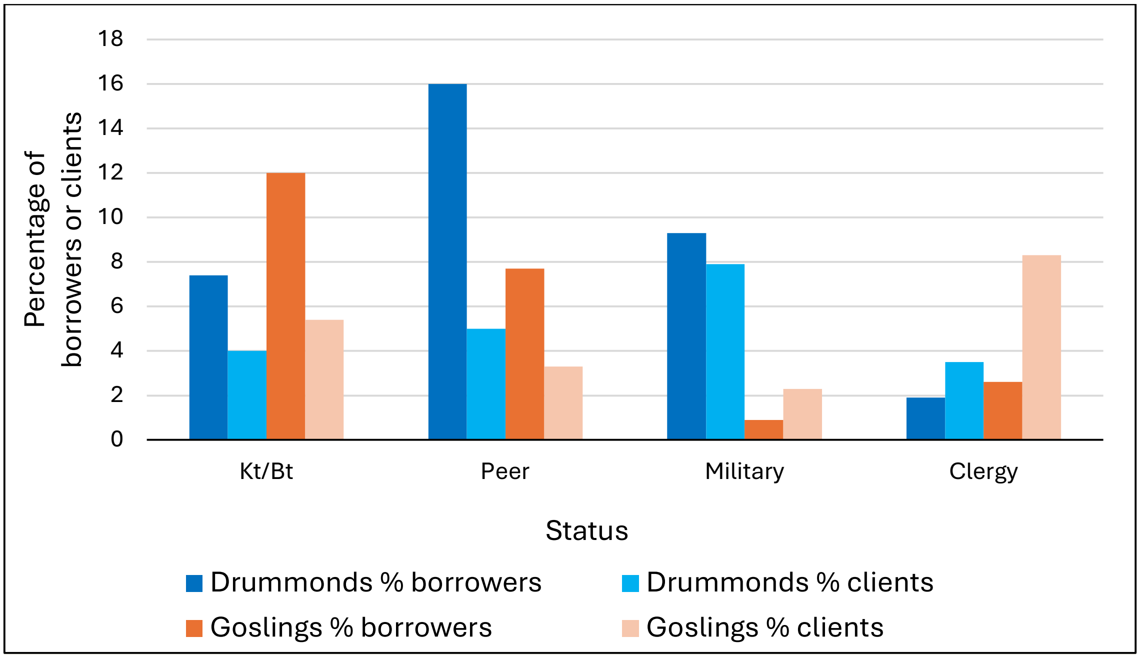


Chart 5.15: Status of male borrowers and clients, 1780
(N=257 borrowers and 2,179 clients Drummonds; 117 borrowers and 1,146 clients Goslings)

At all four of the banks studied, peers were among the borrowers who had the largest loan balances and the largest individual loans in 1780. At Child & Co, Lord Foley had outstanding loans of £30,000 (including a single loan for £25,000), and the Duke of Portland and his trustees £39,000 (with a single loan for £20,000) and £35,600 (including a single loan of £20,000) respectively, and the Earl of Oxford's trustees £14,000 (as one loan). At Drummonds the Duke of Grafton had the largest total debt, at £53,000 (including individual loans of £10,000 and £25,000), and the Earl of Hillsborough (£11,000) and Lord Grosvenor (11,000) were also substantial borrowers. At Goslings £9,000 was owed by the Earl of Surrey and £5,700 jointly by the Countess of Shelburne and her brother-in-law Thomas Fitzmaurice.

The electronic indexes to clients and borrowers at Drummonds and Goslings make it possible to establish the overlap between the two groups. At Drummonds of the 336 loans current in 1780, most (287, or 85%) were those of individuals who also held a bank account there in that year. Of the remainder 31 held an account in the 20 years before or 10 years after 1780, with a fairly even mix of those who opened an account prior to borrowing from the bank and those who borrowed first. Just 18 borrowers did not have an account during those 30 years. Two Drummonds borrowers who did not have bank accounts there in 1780 banked with Goslings in that year.[56] At Goslings 15 (11%) of the 133 loans current in 1780 year were held by individuals who did not have an account with the bank. It possible, though not clear from the records, that borrowers who did not have accounts were recommended by a friend or relation. As noted above, those to whom banks lent were, in general, from similar social groups to those who banked with them.[57] This suggests that their understanding of those clients' and borrowers' circumstances might have given them the confidence to lend to others from the same backgrounds. It also suggests that they were careful in their lending, avoiding the temptation to chase 'dangerous' money.

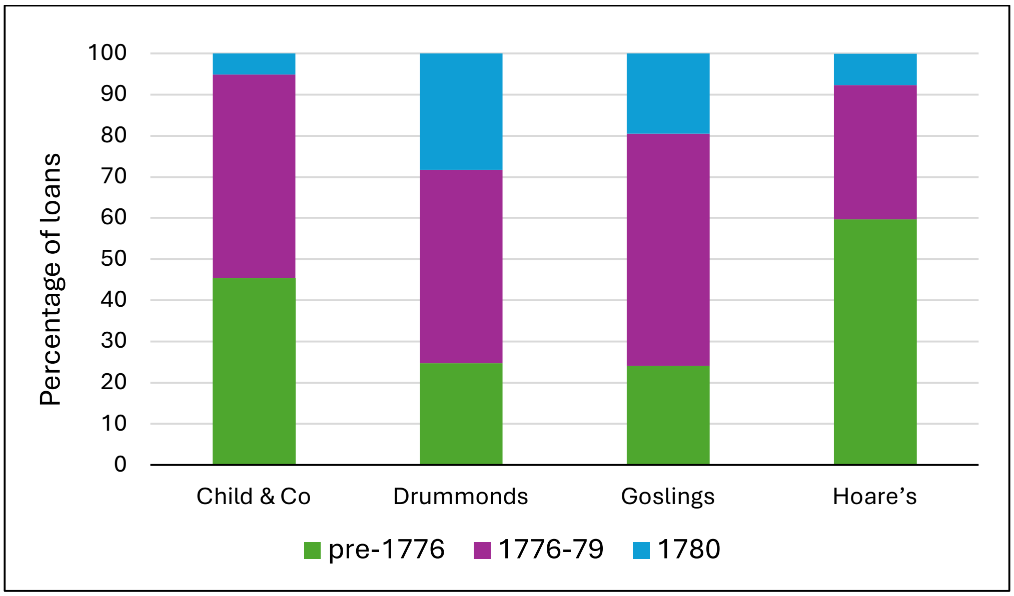


Chart 5.16: Loans by date of original loan, 1780[58]
(N (loans)=97 Child & Co; 336 Drummonds; 133 Goslings; 92 Hoare's)

Not only did clients borrow to varying extents, but they did so in a variety of ways and at different costs. The age of loans current in 1780 varied by bank (Charts 5.16 and 5.17). A quarter of loans current in 1780 at Drummonds had been taken out prior to 1776, representing over a third of the outstanding and new principal. At Child & Co and Hoare's the equivalent proportions were significantly higher, comprising 45% of loans at Child & Co and 59% at Hoare's, and 60% and 61% respectively of the total value, reflecting the greater proportion of mortgages at those two banks.

[56] Henry Holland senior and Edward Payne.
[57] See above, page 220.
[58] For Hoare's 1780 figures also include loans dated January – September 1781.

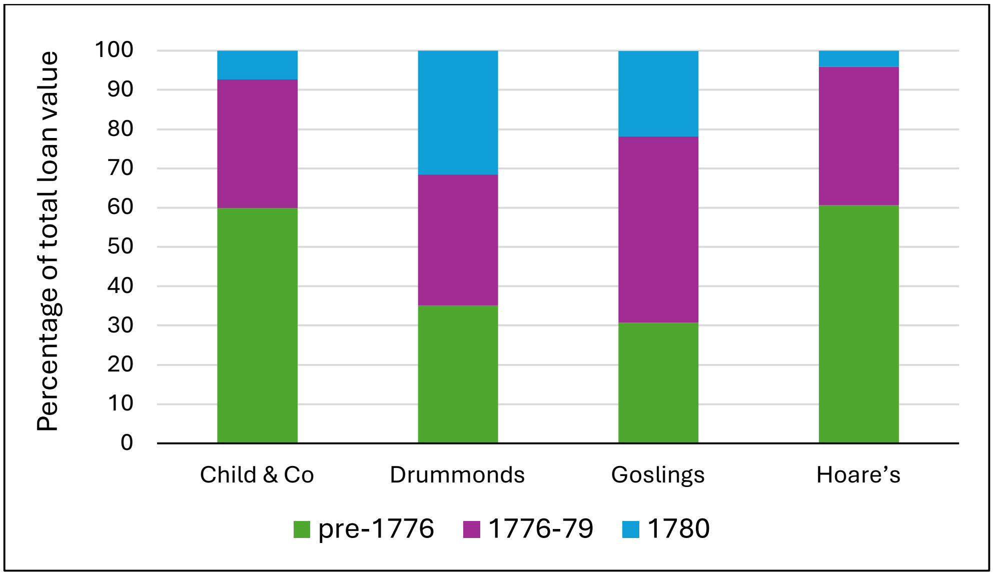


Chart 5.17: Aggregate value of loans by date of original loan, 1780[59]
(N (loans)=97 Child & Co; 336 Drummonds; 133 Goslings; 92 Hoare's)

At Drummonds the average duration, from the date a loan was granted to the date on which it was repaid, of loans outstanding on 1 January 1780 or granted during that year, was 8.5 years. At Goslings the average was almost identical, at 8 years and 3 months. The maximum loan durations were just under 39 years, and 28 years and 3 months, respectively. At Drummonds 38% of loans lasted no more than three years, and the equivalent proportion at Goslings was 30%. Some client loans could be very short term, sometimes for just a few days, and often only for a few months. Mary Delany, for example, whose Goslings account is examined in Chapter 4, only appears to have borrowed briefly, on two occasions. She borrowed £500 on bond on 23 April 1771, which she repaid three months later on 26 July.[60] On the same day that she took out the loan, she also paid £458 10s to 'Mr Chippendale'. Ten years later, on 30 June 1781, she borrowed £40 on a note, which she repaid three and a half months later on 29 October.[61] However, the majority of loans in the 1780 samples were held for over a year and a considerable proportion for over a decade. Gent suggests that at the end of the century at Hoare's there were two categories of mortgage loans: larger long-term loans granted to borrowers of higher status, and smaller short-term loans.[62]

[59] For Hoare's 1780 figures also include loans dated January – September 1781.
[60] BGA 0130-043 ff.253 and 258, and 0130-046 f.290.
[61] BGA 0130-065 f.400.
[62] Gent, pp.122-3.

Another way in which loans varied was in the rate of interest they bore. By 1780, interest was capped at 5% by law, and at Goslings, all but one of its 133 loans were charged at this rate in that year, whereas this only applied to 78% of the Drummonds loans current in 1780 for which the interest rate is known. However, some loans continued to be charged at the rate agreed when they were originally taken out, and at Child & Co, only half of loans were being charged 5% in 1780, with around a quarter each at 4% and 4.5%. One loan granted in 1751 was still being charged 3.5% in 1780.[63] At Hoare's there was an almost even split between loans charged 4% (comprising 48% of loans) and 5% (comprising 46%). In a few cases loan accounts were annotated with a change of interest payable on existing (or expanded) lending. As noted by David Joslin and Leslie Pressnell, the rate of interest varied according to economic and fiscal conditions, particularly as affected by war or peace, and it was not uncommon for both borrowers and lenders to renegotiate rates accordingly.[64]

Rates also varied by security. At Child & Co lending on bonds was mostly at 5% (for 60% of loans) or at 4.5% (28%), whereas the equivalent figures for lending on notes were 50% at 5% and 42% at 4%. Mortgages tended to be charged at 4% (in 47% of cases) or 4.5% (in 35% of cases). At Drummonds, loans charged at rates lower than 5% comprised a small proportion (22%), though a few borrowers appear to have been paying rates as low as 2.5%, and even in 1780 loan(s) were granted at 2.75% and 3%. Only for mortgages was there a relatively even split between 4% and 5%.

Almost all loans were repaid by the borrower, rather than being written off, and with very few exceptions interest was paid in full, whether on a regular basis or on repayment of the loan principal. The level of write-offs at Drummonds in 1780 was significantly lower than in the 1730s, perhaps suggesting a more mature approach to lending born of experience. Of the 253 loans with balances outstanding at the end of 1780, only 16 were written off, mostly on two dates, 12 March 1783 (6 or possibly 7 loans) and 8 June 1804 (8 loans).[65] According to the bank's 'Money Lent' account the outstanding amounts were 'considered as lost', and

---

[63] This loan was granted to the Earl of Oxford's trustees, NWGA CH/203/3, f.45.
[64] Joslin, 'London bankers in wartime'; Leslie S. Pressnell, 'The Rate of Interest in the Eighteenth Century' in Leslie S. Pressnell (ed.), *Studies in the Industrial Revolution Presented to T. S. Ashton* (London, 1960), pp.156-177.
[65] NWGA Money Lent and Interest accounts in customer account ledgers DR/427/ for the period 1780-1815.

charged to one of the bank's interest accounts, which were effectively profit and loss accounts. On each of the two dates the bank reviewed and tidied up its loan book. In June 1804 this was most likely as a result of the death of its longest-serving partner, Robert Drummond, on 19 January 1804, and prior to the signing of a new partnership agreement on 23 November that year.[66]

All of these variations in the characteristics of loans (by bank, by age, by security, and by interest rate), indicate that lending at this time was very much bespoke, and that each bank lent in different ways and to slightly different types of client. Whilst there was a considerable growth in the extent of bank lending from the 1670s to 1780, there were only relatively modest and gradual changes in the ways in which each bank undertook its lending. This suggests that in refining their lending practices, the banks were indeed 'learning to lend', as suggested by Temin and Voth.[67]

The West End banks were a significant, enduring, and growing source of funds for an increasing number of potential borrowers. However, their ability or willingness to lend was affected by other factors, such as available deposits, as noted in section 5.2 above. No doubt they also wished to limit their exposure to risk by restricting the amount they lent to individual clients. As a result, existing and potential bank borrowers often had to look elsewhere for additional funds.[68] The insurance companies also lent to individuals, initially, in the early eighteenth century, mostly of a short-term nature but from the middle of the eighteenth century on mortgage and bond.[69] It is likely that the total borrowing from each, and possibly all, of these providers was eclipsed by peer-to-peer borrowing.[70] Though this is impossible to quantify, the numerous mortgages and bonds in family and estate records

---

[66] The death of Robert Drummond is referred to in Hector Bolitho and Derek Peel, *The Drummonds of Charing Cross* (London, 1967), p.197, and the new partnership agreement is referred to in NWGA DR/161.
[67] Temin and Voth, *Prometheus Shackled*, Chapter 3, pp.39-72.
[68] In the 1730s the loans of the 4 sample banks studied here were granted to 369 borrowers, and although the banks' lending had increased significantly by 1780, they were then still only lending to 658 borrowers.
[69] See footnote 74 below for source information. Lending by insurance companies is also referred to in Arthur H. John, 'Insurance investment and the London money market of the 18th Century', *Economica*, 20 (1953), pp.137-158, and in Peter G. M. Dickson, *The Sun Insurance Office 1710-1960: The History of Two and a Half Centuries of British Insurance* (London, 1960), p.245. Brief reference to Equitable's lending also appears in Maurice E. Ogborn, *Equitable Assurances: The Story of Life Assurance in the Experience of The Equitable Life Assurance Society 1762-1962* (London, 1962), pp.107, 169, 172.
[70] See Chapter 1, section 1.3 for references to literature on peer-to-peer lending.

testify to this. Some peer-to-peer borrowing took the form of annuity loans. Although the full extent of such borrowing is unknown prior to the introduction of the legal requirement to register such loans in 1777, after that date it is clear that in comparison with the lending of individual banks the total volume of loans which were registered in compliance with the Annuity Act was significant.[71] In addition to these sources of credit, Peter Earle notes that some middle-class City residents turned to pawnbrokers and money-lenders, for which there are very sparse surviving records.[72]

Some borrowers from banks also took loans from these other lenders. In 1756, for example, the Earl of Northumberland borrowed £30,000 from the Sun Insurance Office, which was repaid in 1766 or early 1767, and in 1775, as Duke of Northumberland, he borrowed £10,000 on mortgage and £10,000 on bond from Hoare's. Indeed, there were also links between banks and other lenders. The Sun Insurance Office, for example, elected a number of bankers, including John Drummond, as managers and no doubt their expertise was called upon in deciding whether to meet loan requests.[73] In the process, the bankers themselves may also have gained useful intelligence on borrowers, some of whom were their own existing, or potential, clients or borrowers. Chart 5.18 shows the comparative trends in total lending for two banks, two insurance companies, and through annuity loans.

One particular area in which the West End banks studied here had little appetite for lending was in relation to substantial manufacturing or infrastructure enterprises. Very few of their clients were involved in, or required funding for, such operations, though many landed individuals, including borrowers from banks, invested heavily in their estates, in agriculture,

[71] Diane Clements, 'Annuity Loans and Private Credit in Britain, 1750-1813' (unpublished PhD thesis, University of London, 2022).
[72] Peter Earle, *The Making of the English Middle Class: Business, Society and Family Life in London*, 1660-1756 (London, 1989), pp.48-51 and fn.112 (p.352). See also Kenneth Hudson, *Pawnbroking: An Aspect of British Social History* (London, 1982).
[73]John Drummond was appointed an 'acting member or manager' of the Sun Fire Office in 1763. London Metropolitan Archives (LMA) CLC/B/192/B/001/MS11931/005, f.144. Dickson, *The Sun Insurance Office,* p.280.

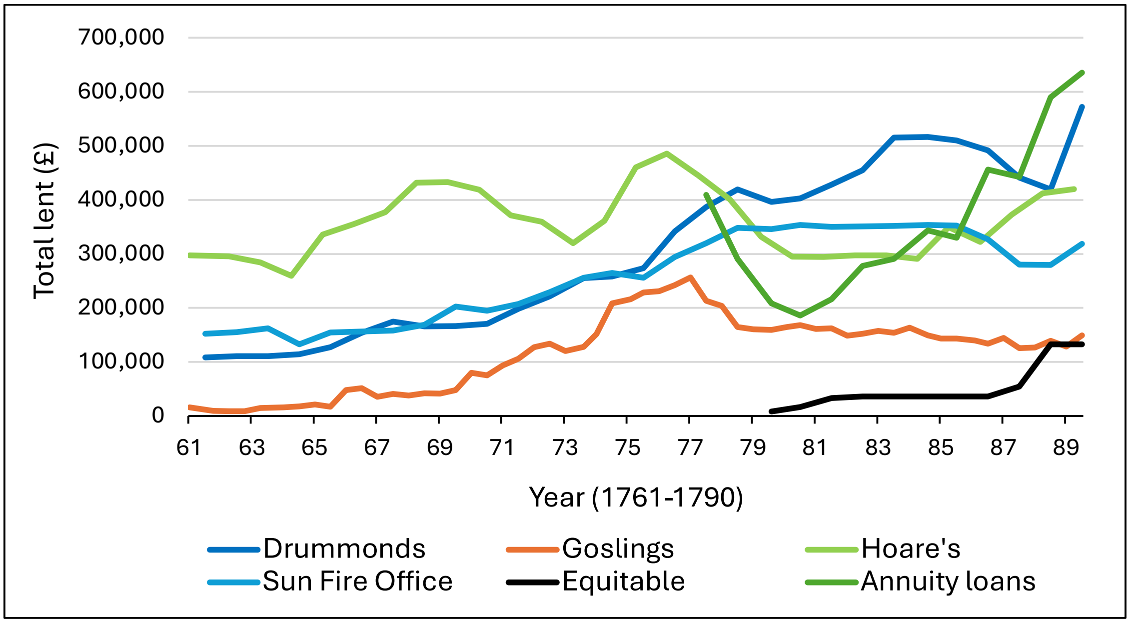


Chart 5.18: Lending from banks, insurance companies and on annuity loans, 1761-1790[74]

mineral extraction, or building.[75] Temin and Voth view the rationing of lending by West End banks as evidence of the 'crowding out' of funds from such investment,[76] but the analysis presented here indicates that they were looking in the wrong place.[77] Even where, exceptionally, loans were made to those involved in such enterprises, they were usually relatively small. However in one instance Child & Co and, to a far lesser extent, Drummonds lent to Francis Egerton, 3rd Duke of Bridgewater, the 'Canal Duke', whose development of coal and canal enterprises was exceptional in scale.[78] These banks were only willing, and able, to meet a part of his borrowing requirements. As shown in Chart 5:19 Bridgewater also

[74] LMA CLC/B/192/B/001/MS11931/005-7, annual balance statements; CLC/B/192/E/017/MS11963/001-4; Institute and Faculty of Actuaries archives EL/2/3/2-3. The figures for annuity loans used in this chart are discussed in Clements, 'Annuity Loans and Private Credit in Britain', pp.97-101, and I am grateful to Diane Clements for supplying her data to me and for her permission to use it here.
[75] Gordon E. Mingay, *English Landed Society in the Eighteenth Century* (London, 1963).
[76] Temin and Voth, *Prometheus Shackled*, particularly Chapter 7, pp.148-175, and their 'Credit rationing and crowding out during the industrial revolution: evidence from Hoare's Bank, 1702-1862', *Explorations in Economic History*, 42 (2005), pp.325-348.
[77] This supports Hoppit and Murphy, who in their reviews of Temin and Voth's monograph give a number of reasons why the evidence presented by Temin and Voth is not appropriate to their argument: *Economic History Review*, 67 (2014), pp.1160-1161, and *Journal of Economic Literature*, 52 (2014), pp.236-237, respectively.
[78] Drummonds supplied 2 loans, for £2,000 and £1,000, both secured on bonds, whereas Child & Co supplied 15 loans in total, for amounts ranging from £1,000 to £15,000.

borrowed substantially on bond from other individuals[79] and from the Sun Insurance Office.[80]

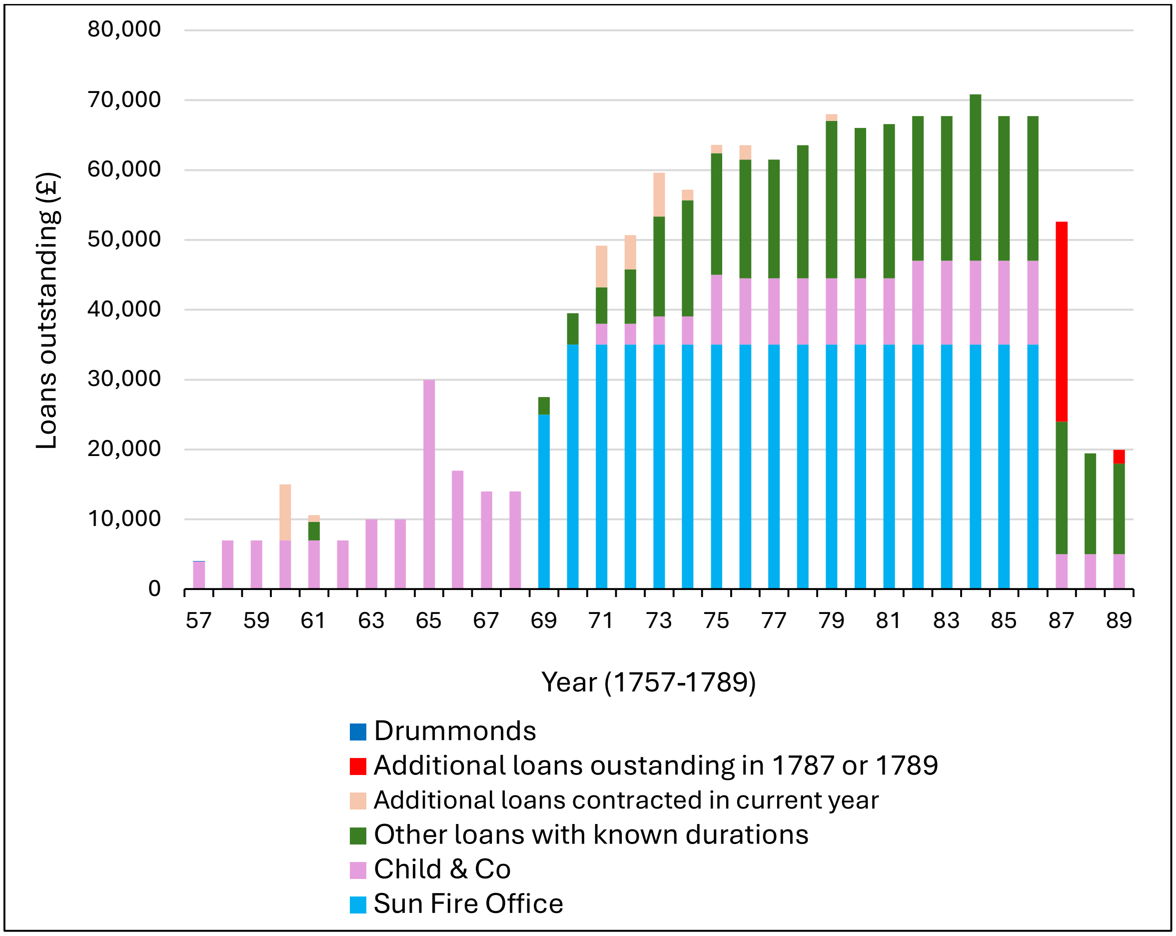


Chart 5.19: Duke of Bridgewater's borrowing, 1757-1789[81]

[79] Various lists survive of bonds against which Bridgewater borrowed including, for example, one dating from around 1770 containing details of 16 bonds to secure a total of £19,610, and another list of 29 bonds in 1786 for loans totalling £47, 515, HALS AH1589 and AH1590. According to Edith Malley, he also borrowed money from his employees and tenants, sometimes in the form of deferred payment of salaries: Edith Malley, 'The Financial Administration of the Bridgewater Estate, 1780 to 1800' (unpublished MA thesis, Victoria University of Manchester, 1929), p.157 (Appendix 1).

[80] In 1769 he borrowed £25,000 on mortgage, increased the following year to £35,000, repaid in 1787. LMA CLC/B/192/E/017/MS11963/003, ff.89 and 173; CLC/B/192/E/009/MS11932/0013, 10 May 1787.

[81] This chart shows borrowing for which evidence survives, but the scale of Bridgewater's enterprise means that it is very unlikely to represent all of his borrowing. The entries for 'additional loans' from individuals give the amount borrowed at the time of borrowing or when listed as outstanding, but the duration of these loans is unknown and so loans shown under these headings will also have been current in other years. This chart is based on the sources listed in footnotes 78-80, and also HALS AH1629-1630.

For the most part banks had regular dealings with, and knowledge of, their borrowers as banking clients, and so lending was usually not the only interaction between banks and their borrowers.[82] This ongoing involvement no doubt helped them offer a wider variety of lending and with a more flexible approach to the payment of interest than was the case, for example, with insurance companies. The flip side of their lending flexibility was that bankers needed to keep a closer eye on their loans. Unlike the insurers, the bankers were reliant on client deposits from which to lend. When they needed to maintain liquidity in the face of falling client account balances, bankers exercised the power to call in loans at relatively short (usually six months') notice.

The detailed statistical analysis of client borrowing presented above has thrown significant new light on borrowing from banks over the period of study. It has shown that borrowers' and bankers' borrowing and lending activity varied greatly. In order to illustrate this variety, the following section of the chapter looks at the borrowing experience of selected individual bank borrowers.

5.4 Borrowing case studies

Three specific examples of borrowing by clients of Drummonds or Goslings, in each case focusing solely on those loans which were current in 1780, illustrate the variety in client borrowing. The three borrowers (Henry Holland, Lancelot Brown and Johann Christian Bach) were all providers of services to those elite and middling men and women who banked with the West End banks. Indeed, by 1780 artists, craftsmen and other purveyors of 'taste' also comprised a significant proportion of banking clients, particularly at Drummonds, in Charing Cross.[83] These three men provided employment and contributed to growing sectors of the economy. Charts 5:20-22 demonstrate how the loans of these men differed in scale and duration.

---

[82] See sections 5.3.2 and 5.3.3 for information on the extent to which borrowers were also banking clients.

[83] Bolitho and Peel, *The Drummonds of Charing Cross*, pp.70-73; The Royal Bank of Scotland, *Drummonds: A History* (Edinburgh, 2002), pp.5, 8.

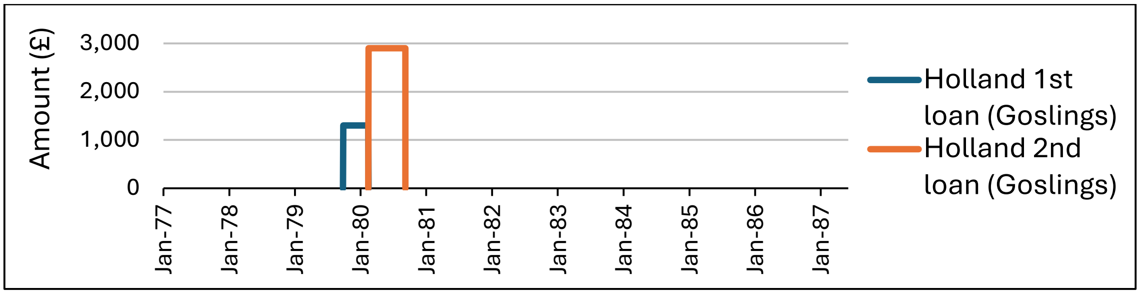


Chart 5.20: Loans of Henry Holland junior current in 1780

In the case of the architect Henry Holland junior (Chart 5.20), the earlier of his two loans, for £1,300, was originally borrowed on bond from Goslings in September 1779 by his father. Henry junior repaid this loan from his own account with the bank on 14 February 1780, when he and his father took out a new loan for £2,900, again secured on bond, the loan being paid into Henry junior's bank account. This loan was repaid in September of the same year.[84] It is possible that Henry junior needed the additional security of a joint bond with his father to obtain the loan, as Henry senior had been banking with Goslings since 1749, whereas Henry junior only opened his account at the bank in 1778.[85] However, the bank would have been familiar with Henry junior, as in 1771 he had designed Claremont House in Surrey for Robert Clive, cousin of one of the bank's partners, George Clive. Indeed, a few years earlier, in 1768 and 1769, Holland had produced specifications for a house in Fulham for Francis Gosling, another bank partner.[86] The notable aspects of the Holland loans are that they were both of short duration, around 6 months, and that the second was, in effect, an extension of the first. Sequential and expanded loans of this type were common at all four of the banks studied.

In contrast, the two loans of the architect and landscape designer Lancelot (Capability) Brown which were current at Drummonds in 1780 were of longer duration and were not sequential (Chart 5.21). Brown had worked partly in partnership with Henry Holland junior from 1771, and indeed Holland had married Brown's daughter Bridget in 1773.[87] Brown had

---

[84] BGA 0130-715 and 718.
[85] Information on account dates kindly supplied by Barclays Group Archives from their electronic index to the customer account ledgers.
[86] David Watkin, 'Holland, Henry (1745-1806), architect', *Oxford Dictionary of National Biography*, 3 October 2013, https://doi.org/10.1093/ref:odnb/13524, accessed 1 May 2024; BGA 0130-1050.
[87] Watkin, 'Holland, Henry'.

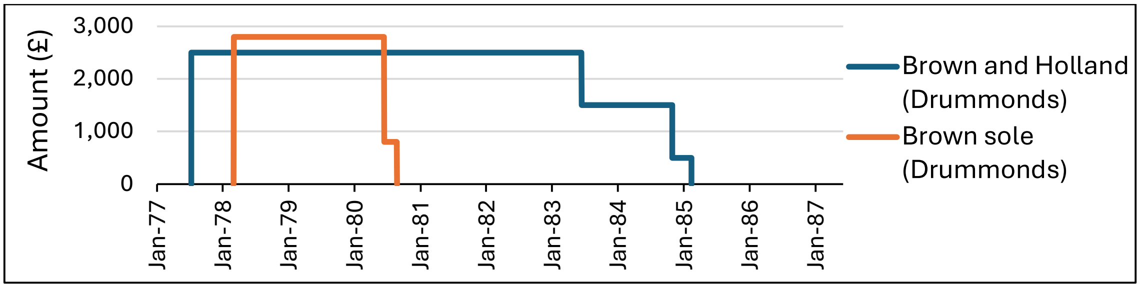


Chart 5.21: Loans of Lancelot Brown current in 1780

been a client at Drummonds since 1753, and the earlier of his two loans current in 1780, for £2,500, had been taken out jointly with Henry Holland in July 1777, secured on their joint bond.[88] As it happens in that year Brown was working on the house and grounds at Cadland in Hampshire of the bank partner Robert Drummond.[89] The second loan, for £2,798-17-10 was taken out by Brown alone in March 1778, and was repaid in two instalments between June and August 1780. The earlier loan was still active on Brown's death in February 1783, and was repaid by his executors in three instalments between June 1783 and February 1785. There is no reference to either of these loans in Brown's bank account at Drummonds. It was not uncommon for borrowers to have multiple loans active at once, and although joint loans by two borrowers were less frequent, they were not rare.

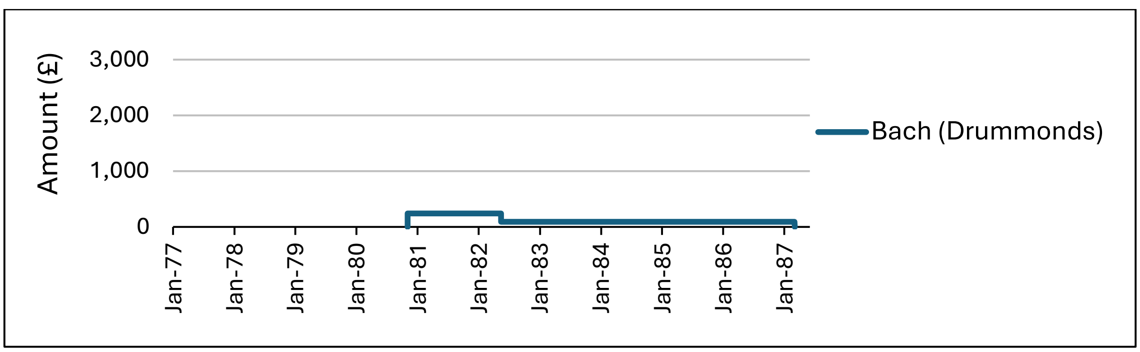


Chart 5.22: Loans of Johann Christian Bach current in 1780

[88] Brown's account is available online via *NatWest Group Heritage Hub* at https://www.natwestgroup.com/heritage/online-collections/lancelot-capability-brown-bank-accounts.html, accessed 12 April 2024. Information on his loans is derived from his bank account and also from the bank's Money Lent account which is contained customer ledgers NWGA DR/427/. Further information on Brown's finances may be found in Roderick Floud, 'Capable entrepreneur? Lancelot Brown and his finances', in *Occasional Papers from The RHS Lindley Library*, 14 (2016), pp.19-41.
[89] Bolitho and Peel, *The Drummonds of Charing Cross*, p.95, and Roderick Floud, *An Economic History of the English Garden* (London, 2019), p.85.

The most striking thing about Johann Christian Bach's loan, when seen against those of Brown and Holland, is that it was of a much lower value (Chart 5.22). Bach took out the loan of £243-18-11 in November 1780, and in this case, unlike Brown's second loan, we know why the amount was so specific. £43-18-11 was the amount by which Bach's bank account was overdrawn, and the loan was used in part to pay off the overdraft and, as it happens, this was the last transaction in his bank account.[90] Bach, often referred to as the London Bach, had been active in the English capital as a performer and composer since the 1760s, and had opened a bank account at Drummonds in 1767.[91] His loan from Drummonds had been secured by bond and with the collateral security of plate deposited at the bank, which his widow ordered to be sold in May 1782 to repay nearly £150 of the debt, but it was to be another 5 years before the remaining balance was repaid.[92] Whilst the value of Bach's loan was small compared to that of Brown and Holland, such an amount was by no means unusual among bank loans of the time, and borrowers' executors frequently had the task of repaying their loans. The use of a loan to replace or repay an overdraft was not unique either: as noted in Chapter 4, in 1769 the substantial overdraft of Lord Edward Bentinck with Child & Co was due to be converted to a loan.[93] There is no evidence to clarify the process by which any of these borrowers obtained their loans, but the following section looks at how borrowers and lenders communicated with other.

5.5 Borrower-banker engagement

This section of the chapter considers the nature of the interaction between borrowers, potential borrowers, and bankers. Evidence from correspondence is used to illustrate how both parties navigated the process of borrowing and lending. It is clear from surviving correspondence that such negotiations were handled by the banks' partners, not only reflecting the risks that any lending posed to a bank but also indicating to borrowers the

---

[90] Information on loans derived from his bank account and the bank's Money Lent account in customer ledgers NWGA DR/427/.

[91] Information on his account dates kindly supplied by NatWest Group Archives from their electronic index to the customer account ledgers.

[92] Further information on Bach's wider debts at the time of his death, and his widow's action to repay them, are provided in Stephen Roe, 'Bach, Johann Christian (1735-1782), composer', *Oxford Dictionary of National Biography*, 23 September 2004, https://doi.org/10.1093/ref:odnb/37137, accessed 1 May 2024, and Stephen Roe, 'Johann Christian Bach and Cecilia Grassi: portrait of a marriage', in Peter Wollny and Stephen Roe, *The Sons of Bach: Essays for Elias N. Kulukundis* (Ann Arbor MI, 2016), pp.134-157.

[93] See section 4.5.

seriousness with which their borrowing was handled. This section also identifies borrowing requests which were refused and what happened when borrowing did not meet the expectations of the borrower or banker. It sheds light on aspects of the borrowing process which are not immediately apparent from the statistical analysis presented earlier in the chapter. The following examples are drawn from the surviving copies of letters sent to clients by Child & Co.[94] Joslin, Gent and Temin and Voth cite very similar examples of correspondence from the archives of Hoare's and Child & Co.[95] This section closes with a short case study highlighting the experience of Edward Gibbon as a borrower at Goslings.

Among the subjects covered in the Child & Co correspondence, four predominate:[96] first, responses to clients' requests for loans; second, requests to clients to pay interest or to make repayments of principal; third, letters to clients calling in loans; and lastly, requests to clients to rectify overdrawn bank balances. The first three of these are considered in turn below; the last is referred to in Chapter 4.

Child & Co received many requests for loans, some of which it was prepared to grant as long as there was appropriate security. One such case was an application in 1763 from Robert Livesey of Manchester, to whom one of the bank's partners, Thomas Devon, wrote 'The shop will accommodate you with the sum w^{ch} you have occasion for & will only desire that instead of Bond we may have a mortgage for our own security. It has always been a standing rule in our house to lend no money on personal Security. This method we hope will have your approbation as we would not be willing to break thro' a Custom which we have hitherto observed'.[97] In this case the offer does not appear to have been taken up according to the bank's loan ledgers.[98]

---

94 NWGA CH/229.
95 Joslin, 'London bankers in wartime', pp.168-9; Temin and Voth, *Prometheus Shackled*, pp.52-57; Gent, pp.132-4.
96 The same is true of the private letter books of Hoare's, for example HB/8/T/2-3 containing copies of letters dated 1758-1784. Many of the surviving eighteenth-century letters from clients to Hoare's also relate to loans or overdrafts, often pleading for more time to repay the principal or interest, HB/8/T/11.
97 NWGA CH/229, 10 May 1763.
98 NWGA CH/203/1.

More common in the surviving correspondence is the straight refusal of loan requests, the bank's letter usually citing difficulties of money supply. A few such letters in 1768 cited demands for money in relation to election expenses as the reason for refusal.[99] In the case of Samuel Egerton Esq, who requested £10,000 or £12,000 'to assist a relation', the bank's partner Robert Dent replied 'the late electioneering business occasioned such a variety of demands for Money that we realy [sic] have been in the course of last Summer often under the disagreeable necessity of refusing many Gentlemen, whom, we at all times wish to oblige'.[100] Similarly, in 1784 the bank's partner Robert Dent wrote to Sir James Norcliffe, 'I am sorry to say the present scarcity of money puts it out of our power to add any further sums to your present Loan, the great Interest made of money Invested in the Public Funds draws all the circulating Cash into them out of the Hands of Bankers'.[101]

There is no evidence to show that women fared any better or worse than men, and Elizabeth Prowse's application to Child & Co met with the same refusal that greeted many men who applied to borrow from the bank in the latter half of 1772, following the collapse of Ayr Bank earlier that year. Elizabeth Prowse, who was not an existing client at Child & Co, had been widowed in 1769, and in 1772 she exchanged her jointure of £400 a year for possession of her husband's family estate at Wicken in Northamptonshire, and possibly her borrowing request was linked to this transaction.[102]

In December of that year, the bank's partner Robert Dent replied to Mrs Prowse, 'Madam, we were favoured with your letter of the 7th Instant and should be very happy to accommodate you with the money you want to complete your purchase, could we make it any way convenient … The variety of applications to us lately to borrow money has put it out of our power for the present to assist many of our friends, whom it would be our wish at all times to oblige. If any application is made to us to recommend a mortgage for nearly the sum you want, we will take care to advise you and refer them to you for the necessary

[99] For election expenses, see Mark Knights, *Trust and Distrust: Corruption in Office in Britain and its Empire, 1600-1850* (Oxford, 2021), pp.381-391.
[100] NWGA CH/229, 20 October 1768.
[101] NWGA CH/229, 14 October 1784.
[102] Briony McDonagh, *Elite Women and the Agricultural Landscape, 1700-1830* (Abingdon, 2018), p.20.

particulars'.[103] Joslin noted that in the 1780s Hoare's assisted in a similar way those it could not lend to directly: 'if it could not meet their needs directly, it sought for lenders on mortgage among its 'Friends' who had investible funds, and so continued to play the role of intermediary in the mortgage market'.[104]

Gent suggests that letters of the type quoted so far in this section are evidence that by the late eighteenth century 'bankers appear to have acted mostly as reluctant lenders … [and] saw the extending of credit as a sellers' market: demand exceeded supply'.[105]

Letters concerning non-payment of interest or repayment of principal were often the consequence of a lapse on the borrower's part, as for instance in the case of Viscount Wenman, to whom Robert Dent wrote 'Mr Child has requested me to give your Lordship the Trouble of this Letter. He observes by His Account that his Lordship has paid him no Interest on the £11500 since the 15 Dec 1772 & consequently finds that above Two Thousand Pounds for Interest will be due to him the ensuing half year in June next. Mr Child, I know, would have great reluctance in taking any measures to obtain this demand that might be disagreeable to your Lordship, & hopes from this Notice, your Lordship will free him from that difficulty, by taking the earliest opportunity to discharge all the Arrears on y^e above Mortgage'.[106]

In other cases the lack of response from a borrower elicited the calling in of a loan, as in the case of Crayle Crayle Esq of Burnham, Buckinghamshire, to whom Robert Dent noted that, 'Some time since I took the liberty to acquaint you that you had omitted the payment of your Int^t due on the £1000 lent on Mortgage, & which you then promised should be paid very soon. We now find it necessary to call in the princ^l & desire you will look on this as notice of the paym^t of it with all Int^t due thereon at the expiration of Six months from this time'.[107] This letter appears to have had no effect, and Dent wrote again six months later, more forcibly this time: 'On the 30^th Apr. last we gave you notice that we expected the Prin^l

[103] NWGA CH/229, 12 December 1772.
[104] Joslin, 'London private bankers', p.176.
[105] Gent, pp.132-4. Gent quotes from similar letters written by Child & Co and Hoare's to clients in the 1790s.
[106] NWGA CH/229, 15 March 1777.
[107] NWGA CH/229, 30 April 1768.

& Int. due to us on your Bond should be discharged the 30th Oct^{r} last. As you have paid no regard to that or any former [notice] which we gave you relative to y^{e} Arrears of Interest due to us, we think it necessary to acquaint you that our Attorney has orders to put the Bond in suit if not discharged in a few days'.[108] An annotation noted that the letter had been delivered by John Lawes Esq, and it served its purpose as the arrears of interest were paid two weeks later on 23 November, and the principal (£1,000) was repaid the following March.[109]

It appears that sometimes the bank simply needed to call in a loan to replenish its own balance sheet. In July 1762, for instance, Thomas Devon wrote to Thomas Corbett Esq of Cheshire that, 'the 13 March last we debited your account £105 for 12/ms Interest due to us the 6 Jany last on £2100 which we at different times lent you on your notes of Hand. The present scarcity of money obliges us to take this opportunity of giving you notice to pay off the Principall'.[110] The letter did not have an immediate effect as the principal and interest were not repaid until 27 April 1764.[111]

The examples above show not only how bankers retained control of client borrowing, but also indicate how personal such dealings were. Managing loans sometimes required some effort on the part of bankers. It was the bank's partners rather than clerks who wrote such carefully crafted letters, dealing with intimate and sometimes awkward matters which demanded their discretion and authority. On the whole, if not always immediately, such correspondence resulted in the required course of action on the part of their clients. Just as bankers learned to lend, so too the borrowers and potential borrowers to whom they wrote no doubt learned how to borrow.

The correspondence of Goslings client Edward Gibbon with his friends and associates offers a further insight into the relationship between a borrower and his banker. As noted in Chapter 4, in 1766 Gibbon and his father borrowed £15,000 on the security of the family's

[108] NWGA CH/229, 10 November 1768.
[109] NWGA profit and loss ledger CH/203/2, f.54.
[110] NWGA CH/229, 15 July 1762.
[111] NWGA CH/203/1, f.79.

estate at Lenborough, Buckinghamshire and on shares in the New River Company which had originally been purchased by Gibbon's grandfather. Together Edward Gibbon and his father also borrowed a further £3,200 on bond on 17 May 1768.[112] By the time of his father's death in 1770 the family finances were in a troubled state, and Gibbon had some difficulty keeping up payments on the loan. On 4 February 1771 Gibbon wrote to James Scott, that 'with regard to the Goslings I have paid them a full year's interest to last November. Seven hundred and forty-seven Pounds is a severe pull, and I told Clive [George Clive, one of the bank's partners] in a jocose manner but with great truth, that if he was tired of being my Landlord, I was most heartily so of being his tenant'.[113]

Gibbon decided that he had to dispose of the property at Lenborough in Buckinghamshire in order be able to afford to retain the family's main estate, in Hampshire. However, the sale process was by no means straightforward. By 1772 Goslings were putting pressure on Gibbon to dispose of the estate and pay off the mortgage as on 15 October Gibbon wrote to his close friend John Baker Holroyd, later Lord Sheffield, 'Whatever is done about the sale must be *done quickly*, and on that account I fear not so well. The Goslings are impatient. I know not how to ask them for another year'.

An offer had been made for the estate, but progress was slow, and Gibbon was anxious that any attempt by his bank to rush the transaction would leave him worse off. Gibbon wrote again to Holroyd on 21 October 1772, 'I tell my Fleet Street friends that if it will be very inconvenient to them to allow me another year, or even to stay the Winter, I must endeavour to get their Mortgage transferred for a twelfmonth to some other Person, which cannot be done without trouble and expence.'

On 15 November Gibbon wrote to Holroyd 'I am tired of being a Landlord at 2¾ and as Tenant at 4½ per cent [the rate at which he was paying interest to Goslings]. I told you of my letter to Fleet Street several weeks ago … requesting, if *necessary*, another year. I have had

---

[112] The loans are recorded in the bank's balance books (BGA 0130-0715, 0718 and 0722-4).
[113] This letter and those referred to below appear in Rowland E Prothero (ed.), *Private Letters of Edward Gibbon* (1753-1794), vol.1 (London, 1896) accessed via by Project Gutenberg https://www.gutenberg.org/files/42578/42578-h/42578-h.htm, accessed 24 April 2023.

no answer: silence I suppose gives consent'. In October 1775 the sale transaction was abandoned.[114] There then appears to have been a hiatus in the attempt to sell the estate, but in due course the bank reapplied pressure.

On 30 March 1778 Gibbon wrote to Holroyd 'What can I say about Fleet Street? … I did flatter myself that … they would have allowed me the chance of another summer to dispose of Lenborough which would ease me at once of principal and interest. I beg you would make that earnest request to them, I mean to Clive, and manage it with all the zeal and dexterity of your friendship. Let me know, whether I can second it by any steps of politeness and propriety.'

The sale in December 1778 of his New River shares for £7,000, a sale forced on him by the bank, enabled him to repay £5,200 of his debts to the bank (£2,200 for his two bonds and £3,000 of the £15,000 mortgage) along with the combined accrued interest at 4.5% on the mortgage and earlier bond and 5% on the more recent bond (totalling £1,774). Thereafter Gibbon resumed the regular repayment of interest, now increased by the bank to 5%, on the remaining mortgage (£12,000), and later on a further £300 which he had borrowed on bond on 20 December 1780. Only in December 1783 was a sale of the estate finally agreed, but even then the transaction was still not concluded, and his mortgage with Goslings repaid, until January 1785. The difficulties Gibbon and Goslings faced in attempting to settle his debt show that there was often much more to the borrowing relationship than might be evident from the bank's accounting records. Gibbon was a financially literate client with relatively complex monetary affairs, but he found it difficult to hold his own in his dealings as a borrower with Goslings. He often felt that his bankers were playing the stronger hand, but despite that he continued banking with them for the remainder of his life.

[114] Letter to Mrs Gibbon, 24 October 1775.

5.6 Conclusion

Client borrowing from banks changed in nature over the period of this study. If the analysis of loans with Robert Blanchard in the 1670s was typical of borrowing from West End banks at that time, then it would appear that a significant proportion of those goldsmith-bankers' clients were borrowers. By the 1780s the proportion of clients who borrowed from the West End banks was much lower, though the sums borrowed were sometimes much higher and the loan durations often longer.

The variety in the sums borrowed, securities employed, rates of interest charged, and patterns of repayment undertaken in the 1780s indicates that loans were provided on a bespoke basis. Indeed, the most personal negotiation which occurred between clients and their bankers was that involved in the provision of loans. The banks were able to lend in this way because in most cases they already knew the borrower through an existing banking relationship. That relationship enabled them to maintain contact with, and knowledge about, the borrower. This also meant that in most cases clients were able and willing to meet the terms of their borrowing, if on occasion they had to be prompted to do so. For clients, their bank was not only a convenient source of credit but also often provided them with considerable flexibility in the repayment of their loan principal and interest. At the same time, banks were not always able to satisfy their clients' borrowing requests, or had to call in existing loans, and the total amount that bankers were willing to lend individual clients was limited, mostly by the resources available to them in the form of the clients' bank balances. Some bank clients, and particularly those with significant requirements, therefore also had to look elsewhere to meet their borrowing needs. Borrowing formed a key part of the culture of banking, though it was one where bankers exercised greater control.

Chapter 6 - Client saving and investing

6.1 Introduction

This chapter focuses on clients who had money to spare and who wished to save or invest it in order to earn income. It provides a more complete overview of the nature of client saving and investment through the West End banks, and over a longer timescale, than has hitherto been attempted.

The chapter employs a variety of different registers, both in scale and time. The scale of analysis ranges from individual savers and investors to sample groups of investors at individual banks, and investors across all of the sample banks. The chapter primarily focuses on saving and investing activity at specific points in time, but also looks at investment by individuals over the course of their banking relationships.

The chapter begins with the detailed analysis of client saving and investment during the three sample periods (the 1670s, 1730s and 1780s), arranged in two parts. The first (6.2.1) looks at client saving in the 1670s. At this time most client investment took the form of depositing money at interest. The second (6.2.2) compares investment behaviour in the 1730s and 1780s, and considers how clients engaged with the market in public debt and invested in lottery tickets and other stocks. These two sections establish and compare - for each bank and at each point in time - the identity, including gender and social status, of bank investors and savers; the scale and longevity of their activity; the forms that their investment took; and the income they received. Section 6.2.2 also outlines the processes by which clients invested in securities. It is clear that while banks assisted clients to invest, they did not offer advice.

Section 6.3 comprises a detailed case study of client investment at Drummonds in 1780, which demonstrates that client investment activity varied by gender, categories of stock employed, and the amounts invested. The analysis shows how most investors put their money into one or more of the more popular securities in order to earn a guaranteed income. There then follows a set of case studies (section 6.4), demonstrating the variety and range of investment activity of individual clients, and how that could change over the course of a client's lifetime.

The chapter continues (6.5) with a general review of the changes over time in the identity of bank savers and investors and the forms of their investment, and how distinctive banks were, individually and collectively, in the overall investment market. It is argued that during the eighteenth century the West End banks provided added value for clients who wished to invest, acting as mediators to remove barriers to entry into financial markets. Such clients thereby utilised the familiar (their bank accounts and their bankers) to access the unfamiliar (the investment markets), rather than attempt to negotiate the markets themselves. This section also reflects on bankers' motivation in assisting clients to invest. It argues that bankers earned little or no income from such activity, but that they did so in order to build and cement relationships with clients. Such services were but one part of a package of client benefits that helped to stimulate the emergence of the culture of banking in which clients availed themselves of a suite of banking services, as and when they required them.

6.2 Client saving and investing

This, the largest, section of the chapter comprises in turn a detailed analysis of client saving and investment during the three sample periods: the 1670s, 1730s and 1780s. Activity in the 1730s and 1780s periods is considered together. Information on client saving and investing is mostly recorded within client bank accounts, which are the source for the following analysis.[1] For simplicity the account datasets are referred to as 1672, 1730 and 1780, though they cover slightly different periods for each bank.[2]

[1] Some separate records concerning client investments during the eighteenth century survive, and have been consulted, for Hoare's, but there are no equivalent extant archives for the other banks studied: Hoare's Bank Archives (HBA) HB/8/H/ relating to investment in stock and HB/8/G/ relating to lotteries.
[2] See Chapter 1, Table 1.1.

6.2.1 Client saving in the 1670s[3]

In the mid seventeenth century the options available to those with money to invest were largely confined to the purchase of land, lending money to other individuals, participation in joint trading ventures, lending to corporations or taking a stake in the chartered trading companies. Access to these income sources was not available to all, and was often dependent on having the right connections, and in some cases the opportunities to trade were infrequent.[4]

For a short period, in the 1660s and 1670s, it was also possible to earn interest on money deposited with bankers. The following analysis of such saving in the early 1670s is based on Edward Backwell's ledger covering the year to March 1672, and focuses on those client accounts which contain deposits at interest.[5] The clients of Robert Blanchard, whose activity has been examined in other chapters, are not included here as Blanchard did not offer them interest on deposits. In categorising Backwell's accounts, any account with Backwell which included reference to a deposit at interest, or receipt of interest, has been classified as a deposit at interest account, even though in some cases these accounts also involved other types of activity. Deposits of money at interest were subject to a withdrawal notice period, unlike demand deposits which could be withdrawn without notice and on which no interest was payable.[6]

As noted in Chapter 3, in 1672 just over half (51%) of Backwell's accounts were used by clients to deposit money in order to receive interest.[7] A relatively small proportion of Backwell's clients (2.5%) invested directly in various forms of government debt, and these tended to be very wealthy clients with complex financial affairs. Most of these investments

[3] No attempt has been made in this or subsequent sections to establish the marital status of female clients and its impact on banking activity. See also Chapter 3, footnote 13.

[4] Anne L. Murphy, *The Origins of English Financial Markets: Investment and Speculation before the South Sea Bubble* (Cambridge, 2009), p.16; Richard Grassby, *The Business Community of Seventeenth-Century England* (Cambridge, 1995), pp.409-410; Michael Wagner, *The English Chartered Trading Companies, 1688-1763: Guns, Money and Lawyers* (Abingdon, 2018).

[5] NatWest Group Archives (NWGA) EB/1/9.

[6] The terms used by clients in referring to monies deposited with bankers are discussed in Mabel Winter, *Banking, Projecting and Politicking in Early Modern England: The Rise and Fall of Thompson and Company, 1671-1678* (Cham, Switzerland, 2022), pp.134-138.

[7] See Chapter 3, Table 3.1.

were in orders on the customs, hearth money and the Queen's portion. Despite the treasury's attempts to widen public investment in government debt in the 1660s, most individuals who wished to obtain a fixed income preferred instead to deposit capital with goldsmith-bankers such as Backwell.

When a deposit was made with Backwell in order to earn interest the client's account usually specified an interest rate and often a notice period. Interest was also sometimes paid on money deposited 'by note' or 'at consideration' where no specific reference was made to the interest rate.[8] However, interest was not paid on other identically described deposits, and indeed most deposits described in the ledger as being 'by note' did not earn interest.[9] This means that Backwell must have relied on other records, no longer extant, to record on which of those deposits he would pay interest. With only the evidence contained in the ledgers now available it is therefore not straightforward, and sometimes impossible, to separately identify interest-bearing deposits from non-interest-bearing deposits within the same account. For this reason the figures calculated in this analysis are based on all of the transactions in an account in which there is one or more stated deposit at interest or in which interest was received on a deposit. This has the effect that the total figures for turnover (£658,901) and balances (£263,065 brought forward in March 1671 and £277,414 carried forward in March 1672) of 'deposit at interest' accounts will, to a degree, exceed the total amount of deposits on which interest was earned.[10] This is unlikely to be significant in most cases, and the majority of accounts classified in this study as 'deposit at interest' accounts were used solely to deposit funds and receive back the interest and principal.

In the 1672 ledger only one case has been found where the specified deposit interest rate was not 6%, the maximum permitted under the usury laws.[11] Even where a rate was not specified (mostly cases where interest was paid on deposits 'by note' or 'at consideration') it

[8] For example, John Kemp received interest on three deposits, one 'By him at interest', another 'By him at interest 10 da[ys] notice' and a third 'By money at consideration'. On the same ledger folio, Dame Sarah Corbett was paid interest on sums deposited 'At so much 6 p[er] Cent 14 da[ys]' and 'By note', NWGA EB/1/9, f.318.
[9] Among hundreds of examples is the deposit 'By note' of £16 on 4 August 1671 in the account of John Oneby in NWGA EB/1/9, f.425.
[10] See Chapter 3, Table 3.1, for comparative figures for other types of accounts.
[11] The account of Sir Joseph Ash of Twickenham includes a deposit on 8 June 1671 of £542 5s 'By him at Interest £5 p[er] Cent 20 da[ys]', NWGA EB/1/9 f.248.

would appear from casual inspection that the rate normally paid was 6%, though the rate paid on such deposits has not been analysed in detail. Henry Roseveare identified just three deposits on which the rate was 5% during the same period, the remainder being at 6% (the rates were much more variable in earlier years).[12] In 1666 it would appear that Samuel Pepys received 7% on money deposited with Robert Vyner. As noted in Chapter 3, Pepys recorded in his diary on 30 March 1666 that 'contrary to expectation, received 35*l* for the use of 2000*l* [for] a quarter of a year, where it hath produced me this profit … and demandable to two days' warning, as this hath been'.[13]

On the whole these bank accounts containing deposits at interest tended to be very simple. The credits were mostly deposits at interest, sometimes mixed with non-interest-bearing deposits, the debits mostly comprising withdrawals (often followed by re-deposits) of the original deposited sums along with the interest earned.[14] For that reason the average number of transactions (6) for these accounts is half that of Backwell's accounts as a whole (12.5), and the average balances brought forward (£281) and carried forward (£297) and turnover (£705) were relatively modest compared to those of other types of account. Two thirds of these accounts had turnover of less than £500. A similar proportion (63%) of accounts brought forward a balance of no more than £100 and just over half (52%) carried forward a balance below that threshold. Apart from a few notable exceptions, most of those who deposited at interest did so with sums which, when compared to other Backwell clients' business, were relatively modest, though in real terms the monetary sums were not insignificant. For Backwell, such accounts supplied him with funds to lend, mostly to the Crown, and to support his other business ventures. For his clients with funds to deposit, Backwell provided easy access to a regular and fixed income. Many probably assumed he was also able to provide them with a safe haven for their funds, though their hopes were dashed by the Stop of the Exchequer.

---

[12] Henry G. Roseveare, 'The Advancement of the King's Credit, 1660-1672' (unpublished PhD thesis, University of Cambridge, 1962), Appendix VIII, Table 2; and Henry Roseveare, *The Financial Revolution, 1660-1760* (Harlow, 1991), p.20.

[13] Robert Latham and William Matthews, *The Diary of Samuel Pepys*, vol. 7 (London, 1972), 30 March 1666.

[14] For example, Dr Nathaniel Holmes who on 24 July 1671 withdrew an earlier deposit of £225 with the outstanding interest due to him of £3 7s 6d, and on the same day deposited £250 at 6% with 20 days' notice. NWGA EB/1/9 f.212.

Backwell's fellow goldsmith-bankers located in the City acted in a similar manner, using interest-paying deposits to fund lending to the Crown. The extent to which they did so is also demonstrated in the records of the assignment to the goldsmith-bankers' clients of the debts the bankers were owed by the Crown at the time of the Stop.[15]

The accounts of female clients accounted for 18% of Backwell's deposit at interest accounts whereas women held 10.6% of all client accounts with Backwell and comprised 11.6% of his clients. Of the 183 accounts held by female clients, 168 (87%) involved the deposit of money at interest. Although women were more likely than men to save in this way, the average turnover of women's accounts including deposits at interest (£343) was 43.5% of that of male clients (£789). The difference is also apparent in the distribution of turnover within deposit at interest accounts (Chart 6.1). The turnover of such accounts held by male clients was higher than those of female depositors at all levels of activity, though the numbers were closest for turnover up to £100. When turnover within each band is examined as a

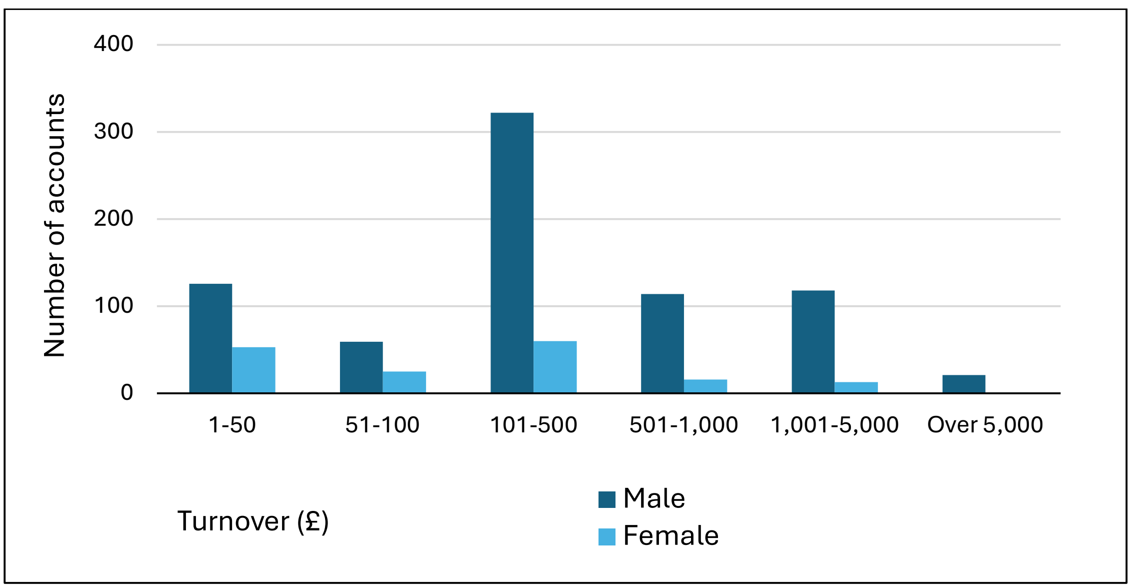


Chart 6.1: Distribution of turnover within Backwell's male and female deposit at interest accounts, 1672
(N (accounts)=760 male; 168 female)

[15] Roseveare, 'The Advancement of the King's Credit', particularly pp.236-245 and Appendices VII and VIII; Bruce G. Carruthers, *City of Capital: Politics and Markets in the English Financial Revolution* (Princeton NJ, 1999), pp.63-67; Roseveare, *The Financial Revolution*, p.22; Ling-Fan Li, 'The Stop of the Exchequer and the secondary market for English sovereign debt, 1677-1705', *Journal of Economic History*, 79 (2019), pp.176-200.

proportion of total male or total female turnover within deposit at interest accounts (Chart 6.2), the concentration of female deposits in the three lowest value bands is evident.

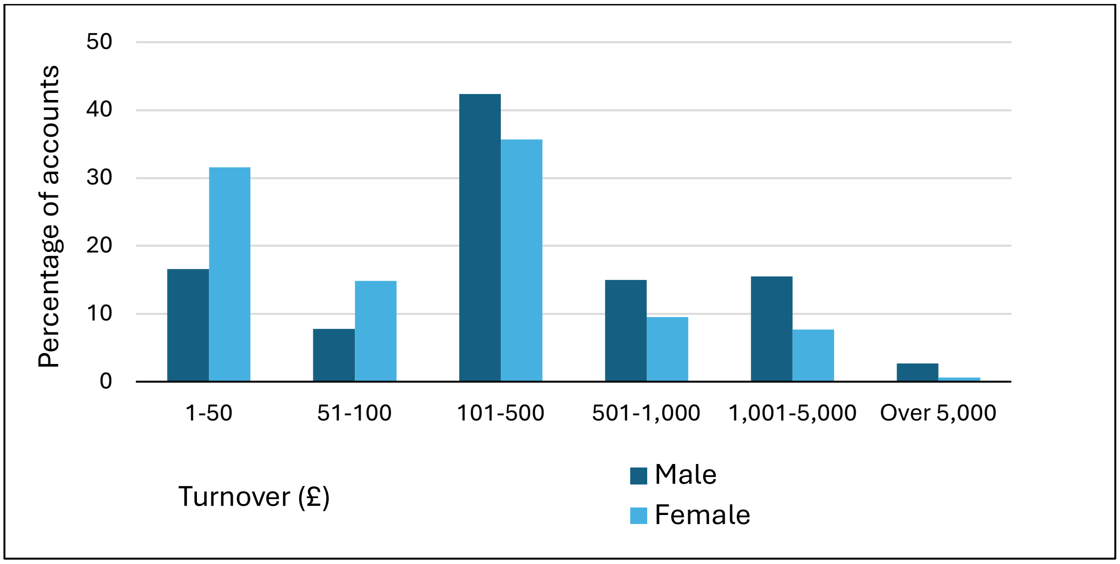


Chart 6.2: Distribution of turnover within Backwell's male and female deposit at interest accounts as a proportion of total turnover, 1672 (N (accounts)=760 male; 168 female)

As noted in Chapter 2, the status of the majority of clients is not recorded in Backwell's ledger, and this is also the case for 63.4% of those who deposited money at interest. 10.1% of male depositors were recorded as knights or baronets, 1.3% as peers, and 13.8% as Esquire. If it is assumed that those without recorded titles were most likely have been described as Mr or Gent, then they comprised 68.0% of male depositors.[16] These proportions are similar to those of Backwell's entire male clientele. No indication of status of given for the majority (61.3%) of female depositors, though 29.2% of women who deposited were described as Mistress, 7.7% as Dame and just 1.2% as wives of peers. Of the 20.2 % of women for whom marital status is recorded, a third were spinsters and two thirds were widows. These figures are close to those for female clients as a whole.

Deposits at interest were not only provided by the goldsmith-bankers located around Cornhill and Lombard Street. The scriveners Clayton & Morris offered the same service. They

[16] See Appendix 4 for further discussion of this categorization.

recorded clients' 'at interest' accounts separately to the same clients' current accounts.[17] The merchants and bankers Thompson & Co also provided interest on deposits.[18] After the Stop of the Exchequer goldsmith-bankers could no longer access the income from lending to the Crown which had enabled them to offer interest on client deposits.[19] However, some City bankers possibly did for a while continue to offer interest, as suggested by Frank Melton in his summary of the 1676 pamphlet *The Mystery of the New Fashioned Goldsmiths*, which he characterises as 'a diatribe written to expose the irregular ways in which the goldsmith-bankers speculated with their clients' deposits'.[20] Melton notes the pamphleteer's assertion, and 'exposure' of the 'mystery' or 'concealed scandal', that goldsmith-bankers turned to a range of speculative and risky short-term investments in order to fund the payment of interest on deposits. The position among the West End banks is less clear, and records only survive for three firms, though it is likely that most did not offer interest.[21] There is no evidence that Robert Blanchard or his partner and successor Francis Child, offered interest on deposits at any date. Peter Temin and Hans-Joachim Voth note that Hoare's provided interest on notice deposits in the late seventeenth century but that this largely ceased when the bank moved from Cheapside to Fleet Street in 1690.[22] However, overall, for a short period in the 1660s and early 1670s, deposits at interest provided a means by which hundreds of individuals were able to earn the maximum interest permitted under usury regulations.[23]

---

[17] These accounts first appear in their ledger covering 1672-1675 (LMA CLC/B/050/A/001/MS06428/002). For example, Henry Penton had two accounts in that ledger, on ff.225 and 294, the latter of which was an 'at interest' account. See also Frank T. Melton, *Sir Robert Clayton and the Origins of English Deposit Banking* (Cambridge, 1986), p.121.
[18] Winter, pp.69, 75, 88, 99.
[19] However, some of the next generation of goldsmith-bankers did for a while offer interest.
[20] Melton, *Sir Robert Clayton*, pp.211-2, and also pp.18, 20 and 32-3. A transcript of the text of the pamphlet is provided in *The Quarterly Journal of Economics*, 2 (1888), pp.251-262.
[21] In addition to Robert Blanchard and Richard Hoare, a few records survive for the goldsmith-banker Thomas Fowle. The evidence of the latter's pocket book covering the years 1674-1692 indicates that in that period 'interest was not paid on credit balances'; David M. Mitchell, '"Mr. Fowle pray pay the washwoman": the trade of a London goldsmith-banker, 1660-1692', *Business and Economic History*, 23 (1994), pp.27-39 (p.35).
[22] Peter Temin and Hans-Joachim Voth, *Prometheus Shackled: Goldsmith Banks and England's Financial Revolution after 1700* (Oxford, 2013), p.69, quoting Henry P. R. Hoare, *Hoare's Bank. A Record 1673-1932* (London, 1932), p.16.
[23] Li notes that in 1677 2,349 bank creditors were recorded in the bankers' assignment books. This figure may exclude a small number of creditors who were able to settle directly with their bankers before 1677 (see footnote 24 below), and it will include some clients whose credit balances were not deposits at interest. However, it provides a rough approximation of the number of depositors. Li, p.182 (Table 1).

After 1677 it is likely that the majority of clients of the banks affected by the Stop accepted assignments of part of the Crown's debt to the bankers in the form of annuities.[24] These assignments were granted in proportion to their share of each bank's client deposits at the time of the Stop. Whilst the payment of these annuities was for a time very sporadic, a secondary market quickly developed in which the annuities were traded, providing another means of investment for those with funds to spare.[25]

Some bankers also assisted individuals who wished to earn income from lending money to other individuals. Such loan brokerage formed a substantial part of the business of Clayton & Morris, but other banks, Hoare's for instance, also operated on a small scale in this way.[26] Some of the goldsmith-bankers later also acted as receivers in lotteries and acted as agents for the receipt of investments in government loans, such as the tontine loan of 1693 and the annuity loans of 1708-10.[27]

6.2.2 Client investing in the 1730s and 1780s

The principal options in the eighteenth century for those wishing to put spare capital to use were to purchase land, invest in lottery tickets, government debt or other stocks and shares, or to lend to other private individuals. Between the 1730s and 1780s the range of stocks increased. By 1780 there were also more options to invest in local transport schemes or capital projects, for instance through tontines, and annuity loans provided additional opportunities, but otherwise the choices available to clients were similar.[28] The two periods are therefore considered together in this section.

[24] The lack of surviving records for most of the goldsmith-bankers affected by the Stop means that it is not possible to determine the relative numbers of creditors and assignees. However, Roseveare considered that almost all creditors had to wait, willingly or otherwise, until 1677 for the debts owed to them to be addressed. However, he gives two examples where clients appear to have been able to obtain part of their 1672 balance before they accepted an assignment relating to the remaining balance. Roseveare, 'The Advancement of the King's Credit', pp.36-37.

[25] Half of the principal of the bankers' debt was redeemable by the government, and was converted to 5% government stock in 1717, then exchanged for South Sea Stock in 1720. Li, p.181, and Peter G. M. Dickson, *The Financial Revolution in England: A Study in the Development of Public Credit, 1688-1756* (London, 1967, reprinted with new introduction: Aldershot, 1993), p.44.

[26] For Clayton & Morris, see Melton, *Sir Robert Clayton*. For loan brokerage by Hoare's, see Frank T. Melton, 'Deposit banking in London, 1700-1790', *Business History*, 28 (1986), pp.40-50 (pp.46-47).

[27] Dickson, *The Financial Revolution*, pp.45 and 76.

[28] See, for example, John R. Ward, *The Finance of Canal Building in Eighteenth-Century England* (Oxford, 1974); David R. Green, 'Tontines, annuities and civic improvements in Georgian Britain', *Urban History*, 46 (2019), pp.649-694. For annuity loans, see also chapter 5, section 5.3.3.

By the 1730s interest was not paid on deposits at any of the West End banks studied here. Melton quotes from two depositions made by the City bankers Thomas Snow and Thomas Martin in 1722 in relation to an Exchequer case. They were asked to describe the business of a banker and to state whether promissory notes were given to customers who deposited funds with bankers, and whether interest was payable on such notes. The case related to a claim that interest should have been paid on a promissory note given for a customer's deposit that the bankers James Colebrooke and James Ruck, and possibly also their predecessors, had held for the past twenty years.[29] Whilst Martin's and Snow's depositions were written in support of fellow bankers, they nevertheless make it clear that the payment of interest was rare.

As noted in Chapter 5, the West End banks also acted to a varying extent as loan brokers, linking potential borrowers with available lenders among their clientele. In 1780 more accounts contain references to client borrowing from, or lending to, third parties, than had been the case in the 1730s. This might suggest that this was becoming more common, or possibly that the banks were more involved in these loans, but the total numbers are not large. The account entries for all of these loans specify the amount of loan principal and the rate of interest. The fact that these details were recorded in the accounts suggests that the bank might have arranged and administered such loans. Rev Charles Briscoe, whose stock investment is discussed later in this chapter, was one bank client who lent on bond in this way. His account with Hoare's includes entries for the repayment on 26 September 1728 by George Parker of the principal and interest of a loan of £1,600. Just over a week later, on 4 October 1728, Briscoe lent £1,000 to Thomas and Phillippa Walton, which was repaid on 14 October 1729.[30] In 1736 and 1738 his account was credited with just over £877 for the repayment of principal and interest on three bonds.

[29] Melton suggests that the case related to a deposit with Martin, but it would not make sense for Martin to make a deposition if that were the case. Melton, *Sir Robert Clayton*, pp.212-5, and also referred to in Temin and Voth, *Prometheus Shackled*, p.42. The depositions are in The National Archives E 133.145/65.
[30] HBA Customer ledger 29 (1728-30), f.363.

In 1778, when Thomas Brock wished to postpone repayment of his £4,500 mortgage with Hoare's, the bank suggested that the mortgage might be transferred to another lender.[31] In refusing the borrowing request, referred to in Chapter 5, made by Elizabeth Prowse to Child & Co in 1772, one of the bank's partners, Robert Dent, replied 'If any application is made to us to recommend a mortgage for nearly the sum you want, we will take care to advise you and refer them to you for the necessary particulars'.[32] As noted in the earlier chapter, Joslin commented that Hoare's provided a similar service to borrowers and potential investors.[33]

In their own lending banks might assist clients who wished to invest in other ways, whether in land, through mortgages, or in business ventures, as was illustrated in Chapter 5 in relation to borrowing by the 3rd Duke of Bridgewater. However, the rapid and repeated rise in the level of the national debt arising from the expenses of successive bouts of warfare meant that the size of the market in that debt mushroomed. As a result, the most common form of investment which can be identified in client bank accounts is that in lottery tickets and government debt, along with that in other stocks or shares. The remainder of this section focuses on such investment.

Many clients whose investments appear in their accounts undertook such investment through their bank, which bought and sold securities and collected dividends on their behalf, debiting or crediting the clients' bank accounts accordingly. No doubt using their bank to invest was attractive to clients who did not wish, were not able, or lacked the confidence, to invest and collect dividends directly. Such investment, usually undertaken by bank partners, was carried out in the name of clients, and was conducted by means of letters or powers of attorney which were granted to them by clients. Sometimes bankers also invested in their capacity as executors or trustees, usually jointly with others acting in the same capacity, and in their joint names. However, it cannot be inferred from the

---

[31] HBA HB/8/T/3 f.2, letter to Thomas Brock, 6 March 1778. The letter is also quoted, though mistakenly as a letter relating to debts of the 3rd Duke of Chandos and with an incorrect date of 19 February 1778, in Temin and Voth, *Prometheus Shackled*, p.53.
[32] NWGA CH/229, letter dated 12 December 1772.
[33] David M. Joslin, 'London private bankers, 1720-1785', *Economic History Review*, 7 (1954), pp.167-186 (p.176).

existence of investment transactions in a client's account that such business was undertaken on their behalf by their bankers. Indeed, direct investment and the use by bank clients of attorneys other than bankers was not unusual.[34]

When operating as attorneys bankers appear with very few exceptions to have simply executed their clients' instructions. Virtually all of the client investment instructions to bankers contained in correspondence held by bank archives and within family or personal collections takes the form of requests to buy or sell particular amounts of stock or to spend or raise a specified sum, and usually completed transactions were confirmed in writing by bankers to their clients.[35] Sometimes such instructions were supplemented with a condition that the sale or purchase was only to take place when the stock price rose above, or fell below, a particular level.[36] Only rarely was bankers' own judgement or investment experience called upon.[37] There is no evidence of any common or widespread client expectation that bankers would offer, or might be paid for, investment advice. However, Laurence suggests that they did offer some advice and that bankers' own preferences determined which stocks they were prepared to deal in on behalf of clients.[38] She considers that exchange of information between bankers and those clients with the most active banking business might have influenced clients' investment strategies.[39]

Bankers appear to have traded for clients at no extra cost beyond the legal brokerage fee of 0.125% (one eighth of one percent) of the nominal value of the stock purchased or sold, and

---

[34] See the client case studies in section 6.4 for examples of various methods of investment.

[35] For example when the Earl of Thanet wrote on 28 March 1745 to the Hoare's partner 'Mr [Christohper] Arnold Banker in Fleetsteet', to acknowledge receipt of Arnold's letter confirming the purchase on Thanet's behalf of £2,000 Old South Sea Annuities, he continued 'I desire you w[oul]d buy me £500 more in the Old Annuities for the opening, or in the new Annuities, w[hi]ch ever will come cheapest to markett'. The letter was annotated that £500 Old South Sea Annuities were purchased for £541-17-6 including brokerage: HBA HB/8/T/11.

[36] Such was the case with the instruction sent by Henry Rooke of Bath to Messrs Hoare & Co on 3 December 1776: 'Be pleas'd to sell on my Account Fifty India Bonds of One Hundred Pounds each if they are now at a Premium of Forty six Shillings or upwards': HBA HB/8/T/11.

[37] A possible example of such discretion is provided in the case study of Rev Charles Briscoe, below.

[38] Anne Laurence, 'Women, banks and the securities market in early eighteenth-century England', in Anne Laurence, Josephine Maltby and Janette Rutterford (eds.), *Women and their Money 1700–1950: Essays on Women and Finance* (London: Routledge, 2009), pp.46-58 (p.49); Anne Laurence, 'The emergence of a private clientele for banks in the early eighteenth century: Hoare's Bank and some women customers', *Economic History Review*, 61 (2008), pp.565-586 (pp.582 and 584).

[39] Anne Laurence, 'Women investors, "That nasty South Sea affair" and the rage to speculate in early eighteenth century England', *Accounting, Business and Financial History*, 16 (2006), pp.245–264.

a charge for the preparation of a power of attorney.[40] Bankers appear mostly to have collected dividends on clients' investments without charging a fee for the services, though at Goslings there are a number of references to an 'allowance' paid to the bank for receiving dividends.[41] Nevertheless, the transfer of stock and collection of dividends would have involved some cost to banks in staff time.

The process by which clients invested in lottery tickets was similar, though not identical, to that used for investment in government debt. In order to purchase lottery tickets clients sent simple instructions to banks indicating how many tickets they required, and the banks appear to have been able to fulfil all of their requests. Often individuals purchased lottery tickets on behalf of, or for later sale to, others. For example, the MP and former Turkey merchant Thomas Pelham Esq of Stanmer, Sussex, who wrote to Hoare's to request that of the 40 tickets the bank had obtained for him in the 1731 lottery, 15 were to be delivered to Daniel Neale and 10 to Richard Lardner, whilst the remaining 15 were to be sent to him.[42] Harris notes others who bought tickets on behalf of third parties, particularly Thomas Winnington who did so over many years, thereby extending the reach of the lottery through his networks.[43] These purchases only appear in the accounts of the original purchasers, rather than those to whom the tickets were later allocated. In 1711 a system of lists of subscribers was introduced, by which a limited number of individuals, including some private bankers, subscribed in bulk for tickets which were then re-sold.[44] Clients who purchased lottery tickets do not appear to have made any payments of fees to the banks or to lottery agents, though Harris notes that in 1731 the goldsmith-banker John Ewer paid brokerage on tickets purchased for a client.[45] On occasion payments appear in client

[40] The brokerage fee was fixed in 1697: Natasha Glaisyer, 'Calculating credibility: print culture, trust and economic figures in early eighteenth-century England', *Economic History Review*, 60 (2007), pp.685–711 (p.698). The price for preparing a power of attorney increased over the course of the century. In 1768, for example, Drummonds was charging clients 4 shillings for each power: NWGA DR/427/56, f.492.
[41] Some such payments are credited in Goslings' profit and loss accounts, for example a credit of 2 Guineas on 20 January 1769 is marked 'Robt Lowe 1 yrs Allow[anc]e for rec[eivin]g Divds'.
[42] HBA HB/8/T/11, letter dated 7 September 1731.
[43] Bob Harris, *Gambling in Britain in the Long Eighteenth Century* (Cambridge, 2022), p.142, and Bob Harris, 'Lottery adventuring in Britain, c.1710-1760', *English Historical Review*, 133 (2018), pp.284-322 (p.298).
[44] Harris, *Gambling*, 134-140. At Goslings, where stock and lottery transactions were recorded in more detail than at the other banks, there are frequent references to such lists.
[45] Harris, 'Lottery adventuring', p.295.

accounts for searching for, or examining, lottery tickets, to determine whether a ticket had won a prize.[46]

The focus in the remainder of this section is on the extent and nature of clients' investment. The analysis is based on transactions in bank accounts relating to purchases or sales of investments, or receipts of dividends or interest, including lottery tickets. For simplicity these accounts will sometimes be referred to below as 'investment accounts' but many of these accounts also contained other, non-investment, transactions. These accounts containing investments are drawn from the same sets of accounts analysed in Chapter 4.

In the 1730s the extent to which clients used their bank accounts to pay for purchases, receive proceeds of sales and collect dividends from investments (excluding lottery tickets) was very variable: 44.0% of the accounts at Goslings contain reference to such investments, and 27.7% of accounts at Hoare's, but at Drummonds only 6.6% of accounts contain investment entries (Table 6.1).[47] In around a quarter of investment accounts the only credit entries in the accounts were those relating to investments (25.0% at Drummonds, 25.6% at Goslings and 31.1% at Hoare's).[48]

13.8% of accounts in the Drummonds sample involved the purchase, sale or receipt of prizes or blanks from lottery tickets, and an even higher proportion did so at Goslings (17.1%). At Hoare's, however, only 2.2% of accounts for clients with surnames A-C contain any reference to lottery tickets. However, this figure is not directly comparable with those for the other two banks. The sample period used for Hoare's ends a few months before the issue of the 1731 lottery tickets on 2 September 1731, whereas this date falls within the period used for the Drummonds and Goslings. Bob Harris established that in total Hoare's purchased 396

[46] An example is included in the Rev Charles Briscoe case study below.
[47] The figure for Hoare's is similar to that given by Laurence, 'The emergence of a private clientele', p.570 (Table 1). Her samples of Hoare's accounts show that the percentage of customers with stock or lottery transactions varied between 25% and 30% at selected dates 1714-1729. Laurence also provides further information on the number, type and value of client transactions in the same years.
[48] For all of the banks there were also other accounts where the majority of credit transactions or turnover were for investment transactions or dividends.

Account activity	Drummonds			Goslings			Hoare's			
1730 **Hoare's accounts for clients A-C only**										
	No.	%	Average turnover (£)	No.	%	Average turnover (£)	No. (A-C)	No. (total est.)	%	Average turnover (£)
All accounts	305	100	1,699	339	100	1,099	268	1,072	100	866
Stock and share transactions	20	6.6	5,971	150	44.2	1,891	74	296	27.7	1,614
Lottery tickets	42	13.8	3,161	58	17.1	2,438	6	24	2.2	3,941
1780 **Accounts for clients A-C only**										
	No.	%	Average turnover (£)	No.	%	Average turnover (£)	No.		%	Average turnover (£)
All accounts	535	100	2,007	248	100	2,301	409		100	2,232
Stock and share transactions	141	26.4	3,066	122	49.2	2,471	218		53.3	2,523
Lottery tickets	29	5.4	4,871	17	6.9	1,837	28		6.8	4,985

Table 6.1: Account activity, by number of accounts and average turnover, 1730 and 1780[49]

tickets in the 1731 lottery for 99 clients (10.8% of all clients).[50] He also calculated that over the period 1711 to 1755, the bank purchased 13,592 tickets in 10 separate lotteries for 883 individuals, though many of these individuals will have purchased tickets in multiple years, so the total number of clients will be lower.[51]

[49] See Appendix 7 for information on accounts excluded in the calculation of these turnover averages. Where a total estimate is provided in brackets for Hoare's clients in 1730 in this and subsequent tables, this is very tentative, and calculated by multiplying the sample figure by 4 (the sample contains just under a quarter of total accounts).
[50] See Chapter 2, footnote 105 concerning the total number of clients.
[51] Bob Harris, *Gambling*, p.143.

Account activity	Accounts of male clients				Accounts of female clients			
	Drummonds	Goslings	Hoare's		Drummonds	Goslings	Hoare's	
1730 **Hoare's accounts for clients A-C only**								
			A-C	Total (est.)			A-C	Total (est.)
All accounts	286	291	233	932	19	48	35	140
Stock and share entries	19	126	62	248	1	24	12	48
Lottery tickets	39	52	6	24	3	6	0	0
1780 **Accounts for clients A-C only**								
All accounts	457	206	300		78	42	109	
Stock and share entries	101	92	144		40	30	74	
Lottery tickets	25	15	18		4	2	10	

Table 6.2: Account activity by number of accounts and gender, 1730 and 1780[52]

It is clear that in 1780 a greater proportion of accounts featured investment transactions. The prevalence of investment was still lowest at Drummonds (26.4%), though much greater than in 1730, and had risen considerably at Goslings (to 49.1%) and even more at Hoare's (to 53.3%). In 1780 accounts in which the only credit transactions were those relating to investments represented a greater share of investment accounts at Drummonds (30.5%) and Goslings (36.1%) than in 1730. The share at Hoare's had fallen slightly to 28.4%.

Although all three banks were still dealing in lottery tickets on behalf of their clients, the proportions had dropped considerably at Drummonds and Goslings, and the extent of such activity was similar at all three banks (from 5.4% to 6.9%). This probably reflects a change in

[52] The figures for the numbers of accounts containing stock and share and lottery entries at Hoare's in 1730 exclude the stock account of bank partner Christopher Arnold.

the ways in which lottery tickets were acquired: following the licensing of lottery offices in 1779, an increased share of tickets were sold through them.[53]

There are also variations by gender (Table 6.2).[54] In the 1730s, at Goslings and Hoare's a slightly higher proportion of women invested (47.9% and 34.3% respectively) than men (43.3% and 27.0%). At Drummonds, where a much smaller proportion of all accounts contained investment transactions, there was little difference between the accounts of men (6.7%) and women (5.3%). Fifty years later, the proportion of women's accounts involving investments (51.3% at Drummonds, 71.4% at Goslings and 67.9% at Hoare's) was significantly higher than among men (22.1%, 44.7% and 48.0%). It is clear that female clients found their banks approachable, and that they were comfortable asking their bankers to undertake investment on their behalf. Those women, and also other female clients who invested and received dividends directly or through other attorneys, clearly found it convenient and useful to manage their investments through their bank accounts.

The proportion of investment accounts in which investment transactions were the only credit entries was far higher in 1730 among female clients at Goslings (62.5%) and Hoare's (41.7%) than among men (29.4% and 29.0% respectively). At Drummonds the equivalent figure for male clients was 26.3%, but there was only one account of a female client containing investment transactions (which also contained other credit entries). Goslings client Mrs Frances Perris provides a typical example of female client whose only account credits involved investments. Over the 12 months commencing 25 March 1731 her account was credited only with dividends on her investments in South Sea Annuities, South Sea

---

[53] Harris, *Gambling*, p.150, and see also Bob Harris, 'Selling the lottery in Britain, c.1694-1826' in Ric Berman and William Gibson (eds.), *The Lantern of History: Essays in Honour of Jeremy Black* (Goring Heath, 2020), pp.86-110.

[54] This table will not catch cases where trustees or male relatives invested on behalf of female clients, and where such investments appear only in the investors' accounts, and so the figures for investment by female clients might be slight underestimates. As noted in the case study of Mary Delany (section 6.4 below), in some cases investments registered in the names of trustees might still appear in the bank account of a female client. It is also possible that investments recorded in some women's accounts, and held in their names, related to men on whose behalf they transacted, as might have been the case with Mary Barwell's investment on behalf of her brother, at least some of which was in her own name: Amy M. Froide, *Silent Partners: Women as Public Investors During Britain's Financial Revolution, 1690-1750* (Oxford, 2016), pp.107-117. For the application of coverture to female investment see Froide, pp.94-101, and Anne Laurence, 'Women and finance in eighteenth century England' in Anne Laurence, Josephine Maltby and Janette Rutterford, (eds.), *Women and their Money 1700–1950: Essays on Women and Finance* (London, 2009), pp.30-32.

Bonds, South Sea Stock and East India Stock, totalling £465.[55] By 1780 there was still a difference between the accounts of men and women in the proportions of investment accounts where investment transactions comprised all of the credit entries, but the gap had narrowed. At Goslings this was the case for 50.0% of the accounts of women, and 31.5% of those of men, at Hoare's 33.8% and 25.7%, and at Drummonds 40.0% and 31.5%.

	Drummonds		**Goslings**		**Hoare's**	
	All	**Accounts incl investments**	**All**	**Accounts incl investments**	**All**	**Accounts incl investments**
Accounts of male clients						
Peer	9.8	5.0	2.5	1.9	6.3	5.6
Kt/Bt	3.9	10.0	5	3.2	6.6	4.2
Esq	30.5	30.0	26.4	29.9	32.7	41.7
Mr	24.2	5.0	39.9	34.4	30.5	20.8
Dr	2.6	5.0	1.1	2.5	3.7	5.6
Military	16.1	25.0	0.6	0.6	1.1	1.4
Clergy	0	0	1.9	1.9	2.6	5.6
Other	1.3	0	0.8	3.2	0	0
Not specified	5.2	15.0	7.2	5.1	3.7	0
Accounts of female clients						
Wife of peer	2	0	0	0	1.5	0
Lady	0.3	5.0	1.1	1.9	1.8	1.4
Mrs	3.9	0	12.9	15.3	8.8	13.9
Miss	0	0	0.3	0	0	0
Not specified	0	0	0.3	0	0.7	0
Total	99.8	100	100	99.9	100	100.2

Table 6.3: Status of holders of all accounts and those containing investments, as percentages of each group of accounts, 1730[56]

[55] BGA, 0130-13, f.166.

[56] The accounts of investors are those containing transactions in stocks and shares rather than lottery tickets.

The picture for accounts containing lottery transactions was more mixed. In the 1730s, a greater proportion of women's accounts contained such transactions at Drummonds and Hoare's (15.8% and 9.2%) compared to those of men (13.6% and 6.0%).[57] At Goslings the reverse was the case (17.9% of male accounts compared with 12.5% of those of women). In 1780 the proportion of all accounts containing lottery transactions was far smaller, and there were only minor differences between the sexes.

Laurence suggests, based on her analysis of a group of individual banking client case studies and a sample of female investors at Hoare's between 1714 and 1723, that 'women's [investment] behaviour did not differ markedly from men's', and that 'amongst women, there was a range of different strategies'.[58] She states that 'we see no obvious preference for dividends over trading, or for bonds and annuities over stock'. However, her six case studies are chosen from among women with particularly active bank accounts whose attitudes to investment might have been relatively rare. She notes that even these women 'were much more wary of trading on the stock market' after the South Sea Bubble. The evidence presented here shows that, with the exception of the scale of their investment, men and women did indeed demonstrate a similar behaviour. Laurence argues that 'there are no easy associations between gender and ideas of risk or safe investment' on the basis that women might be as open to risky trading as men. This view is supported by Amy Froide, who provides numerous examples of the variety of investment strategies adopted by women between 1690 and 1750.[59] However, in the case of the bank clients studied in this thesis, the truth of Laurence's statement lies in the fact that, with a very small number of exceptions, both women and men participated in the market with the same aim, to generate income rather than trading gains.

Table 6.1 indicates that, and as also noted in Chapter 4, at all banks in the 1730s, accounts containing investment or lottery transactions had a higher average turnover than all accounts in the samples. This was particularly marked at Drummonds. This no doubt reflects

[57] As noted above, the figures for Hoare's cover a slightly earlier period and are therefore not fully comparable with the other banks.
[58] Laurence, 'Women investors', pp.260-261.
[59] Froide, *Silent Partners*.

the fact that many of those who invested were among the wealthier bank clients. However, by 1780 this pattern was less marked, suggesting that the value of investment transactions were decreasing relative to other account activity.

	Drummonds		**Goslings**		**Hoare's**	
	All	**Accounts incl investments**	**All**	**Accounts incl investments**	**All**	**Accounts incl investments**
Accounts of male clients						
Peer	8.2	9.9	23.8	0.8	3.7	1.4
Kt/Bt	3.8	5.7	4.8	2.5	5.1	4.1
Esq	23.2	28.4	41.1	41.0	30.6	26.6
Mr	32.9	9.9	23.8	14.7	15.9	14.2
Military	6.4	5.7	1.6	0.8	2.9	4.1
Clergy	3.7	6.4	7.3	9.0	11.0	11.9
Other (incl Hon and Dr)	2.6	2.1	2.0	3.3	2.2	2.3
Not specified	4.7	5.0	1.6	3.3	2.0	1.4
Accounts of female clients						
Wife of peer	2.1	4.2	0.8	0	1.5	0.9
Lady (incl Dame)	0.9	2.1	1.6	1.6	3.7	4.1
Mrs	7.9	12.1	10.5	15.6	20.2	27.5
Miss	3.2	6.4	3.2	5.7	0.2	0.5
Other (= Hon)	0.6	2.1	0	0	0.7	0.9
Not specified	0	0	0.8	1.6	0.2	0
Total	100.1	100.0	99.9	99.9	99.9	99.9

Table 6.4: Status of holders of all accounts and those containing investments, as percentages of each group of accounts, 1780

The status of investors at each bank in 1730 mostly matches that of clients as a whole (Table 6.3), but with a few notable exceptions.[60] For example, clients described as Esq at Goslings represent a larger share of investors (41.7%) than account holders in general (32.7%), but those described as Mr make up a lower share (20.8% compared with 30.5%). At Drummonds, accounts of knights and baronets (10.0%) and military clients, including army agents (25.0%), feature more highly among investors than account holders (3.9% and 16.1%), but those described as Mr are far less prominent as investors (5.0% compared with 24.2%). Among women those described as Lady (but not wives of peers) accounted for 5.0% of investors (and all female investors), but only 0.3% of account holders.

In 1780 (Table 6.4) there is again a broad similarity between the status of investors and account holders, but again some clear exceptions. At Goslings, peers represented 23.8% of accounts, but only 0.8% of investors, and at Drummonds those described as Mr comprised 32.9% of account holders but only 9.9% of investors. At all three banks those described as Mrs are more prominent as investors than among account holders.

For the most part clients appear to have used banks to invest in a range of the most popular stocks, bonds and annuities (Table 6.5). In 1730 the following stocks were most favoured by bank clients: South Sea Bonds, Annuities and Stock, Bank Stock and India Bonds.[61] In 1780 all of these securities, apart from South Sea Bonds, continued to be popular choices, but 3% consols by then dominated, with frequent investment in India Stock and a range of other government annuities and bills.

[60] Information on status is derived from the formal title, epithet or rank recorded with clients' names in the headings of their accounts in the bank ledgers. For the use of Mrs to denote social, rather than marital, status see Amy L. Erickson, 'Mistresses and marriage: or, a short history of the Mrs', *History Workshop Journal*, 78 (2014), pp.39-57.

[61] These figures, based on activity within limited time frames, will not pick up variations over time in individual clients' holdings, nor whether such trends might have reflected changes in yield expectations. The client case studies later in this chapter demonstrate some of the variations over time in client investment, but it is not the intention of this study to examine how clients adapted their investment activity to changing investment conditions.

Stock	1730			1780		
	Drummonds	Goslings	Hoare's A-C only	Drummonds	Goslings	Hoare's
3% consols				60	58	105
3% annuities	0	3	2	0	0	3
Reduced 3% annuities				15	17	65
3.5% annuities/consols	0	1	0	2	3	4
4% annuities/consols				13	24	53
Short annuities p.a.				5	1	14
Long Annuities p.a.	0	26	7	15	22	26
Omnium				12	1	4
Bank Stock	1	29	12	15	20	30
India Bonds	6	15	14	13	10	36
India Stock	1	15	5	12	13	10
India Annuities	0	0	0	2	5	2
South Sea Stock	6	63	13	5	3	12
Old South Sea Annuities	1	80	32	12	14	38
New South Sea Annuities	0	0	0	12	13	16
South Sea Bonds	5	31	16	0	0	0
Tontine p.a. (survivorship)	0	4	0	0	1	0
Navy Bills	1	1	0	15	4	18
Victualling Bills	0	0	0	4	4	5
Exchequer Bills	0	0	0	18	3	9
Irish Tontine (Debentures)	0	0	0	2	2	5
London Assurance shares	0	1	0	0	1	5
Ayr Bank Bonds	0	0	0	7	0	2
Sun Fire Office shares	0	0	0	1	0	4
Other	4	6	3	5	6	7

Table 6.5: Investment types, 1730 and 1780[62]

[62] 'Other' includes all investments which appear in a maximum of two accounts per bank. Where there are more than two accounts in one of the two years, figures for both years are shown. The investments categorised as 'other' include, but are not limited to, the following. 1730: Orphans Stock, Corn Debentures, Corporation Notes, York Buildings Warrants, Nevis Bonds, shares in the Charity Corporation and Royal Exchange Assurance. 1780: City Bonds, City of Dublin tontine, Million Bank, Marylebone Paving Bonds, Mines Royal Bonds, Orphans Stock, Mercers Bonds and Mersey, Thames and River Lea Navigation bonds.

In the 1730s the range of investments by Goslings' clients was greater than at Drummonds or Hoare's. This tends to suggest that the bank was in some way encouraging investment, or at least making it easier for clients to invest than at the other banks. In 1780, when the overall range of investments was much greater, there was much less of a difference, compared with 1730, in types of client investment between the banks.

In 1730 the proportion of client investment accounts which contained only a single stock varied between 53.0% (at Goslings) and 75.0% at Drummonds (Table 6.6). Those accounts with two stocks accounted for 20.0% of investment accounts with investments at Drummonds, 23.5% at Goslings and 21.6% at Hoare's, and those with three stocks 5.0%, 12.8% and 6.8% respectively. The figures for multiple holdings were slightly higher than Ann Carlos, Erin Fletcher and Larry Neal identified for investors in six different stocks between 1719 and 1723 (they found that 79.0% of investors owned one stock, 14.2% owned two stocks, and 5.3% owned three stocks).[63] Multiple holdings were particularly notable at Goslings (47.0%), and again this tends to suggest that the bank was offering some encouragement to its clients to invest and spread their investment across different stocks. In 1780 the proportion of clients who held multiple investments was higher, though broadly the same across all three banks (44.7% at Drummonds, 50.0% at Goslings and 50.0% at Hoare's), with a small number of clients who had extensive portfolios.

The analysis of client investment in the 1730s and 1780s has shown that there were noticeable differences in client behaviour between banks, and that female bank clients were more likely than men to invest. In reviewing investment by clients of Hoare's between 1718 and 1725, Laurence suggests that among clients with less active bank accounts the higher and growing proportion of women who invested might reflect the fact that more male clients invested independently of the bank, or that the bank 'made a point of providing brokerage services for women customers'.[64] It is not clear how proactive clients were in

---

[63] Ann M. Carlos, Erin Fletcher and Larry Neal, 'Share portfolios in the early years of financial capitalism: London, 1690–1730', *Economic History Review*, 68 (2015), pp.574-599. However, by looking only at a small group of stocks, their findings are necessarily more restricted, and the evidence shown here demonstrates that bank accounts might be a useful complementary source for studying investment portfolio diversity.

[64] Laurence, 'Women, banks and the securities market', p.50. Laurence also provides further information on scale of lottery and stock transactions and income over the same period, and in 'Women investors' she provides additional detail and commentary on transactions in 1714, 1719 and 1723.

seeking out the bank which most suited their financial needs, or whether they just took advantage of whatever particular services their bank offered them. For instance, were those clients who wished to invest more likely to choose Goslings than Drummonds, or was it just that Goslings more heavily promoted investment to its existing clients?

Number of investments	**Drummonds**		**Goslings**		**Hoare's (incl total estimate for 1730)**		
1730							
	No.	%	No.	%	No. A-C	No. (est)	%
1	15	75.0	79	53.0	50	200	67.6
2	4	20.0	35	23.5	16	64	21.6
3	1	5.0	19	12.8	5	20	6.8
4	0	0	11	7.4	3	12	4.1
5	0	0	4	2.7	0	0	0
6	0	0	1	0.7	0	0	0
Total	**20**	**100**	**149**	**100.1**	**74**	**296**	**100.1**
1780							
1	78	55.3	61	50.0	109		50.0
2	34	24.1	32	26.2	41		18.8
3	15	10.6	16	13.1	26		11.9
4	6	4.3	8	6.6	20		9.2
5	3	2.1	3	2.5	11		5.0
6	3	2.1	0	0	8		3.7
7	1	0.7	1	0.8	3		1.4
8	0	0	0	0	0		0
9	1	0.7	1	0.8	0		0
Total	**141**	99.9	**122**	**100.0**	**218**		**100.0**

Table 6.6: Number of different investments per client account, 1730 and 1780

The more detailed analysis of client investment at Drummonds which follows in section 6.3 shows that there was also considerable variation of investment activity between clients of the same bank. However, in 1730 and 1780 most clients at all three banks placed their money in public debt or other stock as a way of saving to generate income, rather than as a way of investing to generate a capital gain.

As noted in Chapter 5, the banks themselves invested in stock both for capital gains and income. The total amounts invested and the types of investment at each bank varied considerably. Each of the banks had its own particular investment preferences, but they all regularly shifted the balance of their investments. Peter Dickson provides a summary of investment by Child & Co from 1689 onwards, noting also that bankers such as Francis Child and Henry Hoare were among the larger holders of Bank Stock in 1723-4.[65] Bankers were also an important group of subscribers to South Sea Stock in 1711 and Navy and Victualling Bills and ordnance and transport debentures in 1749.[66] In the mid-1760s Sir Francis Gosling was one of the most active speculators in India stock, regularly trading stock.[67]

At Child & Co the surviving profit and loss accounts show that between 1756 and the early 1780s the bank held a range of investments, mostly in government and other stock and annuities and in India Bonds.[68] In 1780 its main holding was of India Bonds with smaller amounts invested in India Annuities, South Sea Stock, Long Annuities and Million Bank stock. The partners at Goslings were by the late 1740s putting their money into a similar mix of investments, and from the late 1750s onwards in Bridge Bonds, Mercers Company Bonds and Navy and Exchequer Bills. In the 1770s they reduced the extent and range of their investments, focusing on Long Annuities, Life Annuities, India Bonds, Mercers Company Bonds and Navy Bills, and by 1780 no longer held India Bonds.

The Hoare's balance sheets indicate that from June 1721 until June 1729 the bank held a changing mix of India Stock, South Sea Stock, Bank Stock, South Sea Annuities.[69] The bank then only occasionally invested until June 1747, after which it mostly held a similar range of

---

[65] Dickson, *The Financial Revolution*, pp.280, 437-442. Dickson also notes investment by Sir Francis Child and Samuel Child in the periods 1700-13 and 1740-52 respectively, pp.442-444.
[66] Ibid., pp.449-450.
[67] Huw V. Bowen, 'Investment and empire in the later eighteenth century: East India stockholding, 1756-1791', *Economic History Review*, 42 (1989), pp.186-206, particularly 196-7. In addition, Lord Clive, cousin of Goslings partner George Clive, was among a few who 'engrossed large amounts of stock in the hope of later selling it a profit'. See also Huw V. Bowen, 'Lord Clive and speculation in East India Company stock, 1766', *Historical Journal*, 30 (1987), pp.905-920.
[68] Dickson, *The Financial Revolution*, p.441, and Laurence 'The emergence of a private clientele', p.584, note that Child & Co invested far more in India Bonds that in South Sea Bonds between the 1720s and 1750s.
[69] Hoare's profitable trading in South Sea Stock during the Bubble period is considered in Temin and Voth, *Prometheus Shackled*, Chapter 5, pp.95-124; Peter Temin and Hans-Joachim Voth, 'Riding the South Sea Bubble', *American Economic Review*, 94 (2004), pp.1654-68, and by Anne Laurence in 'The emergence of a private clientele' and 'Women investors'.

holdings to the other two banks. However, the balance sheet for September 1769 indicates the start of a marked and sudden shift in investment strategy, with a changing mix thereafter (until 1788, when there was a further change) of Exchequer, Navy and Victualling Bills, India Bonds and Tea Warrants. In September 1780, for example, the only entries for investments in the bank's balance sheet were Exchequer, Navy and Victualling Bills. At Drummonds, where no balance sheets survive to enable the easy tracking over time of investment behaviour, the bank's stock account in 1780 is dominated by transactions in Exchequer and Navy Bills, though there are also dealings in smaller amounts of Ordnance Imprests and Omnium.

With one or two exceptions, the patterns of client investment do not match those of the banks themselves. For instance, all of the banks reduced the diversity of their portfolios in the late 1770s, but in aggregate their clients continued to hold a wider range of investments. This supports the contention here that banks were not providing investment advice or guidance to their clients.

6.3 Case study – investors at Drummonds in 1780

Having summarised the nature of investment by clients at each of the sample banks in 1730 and 1780, this section looks in greater detail at client activity at a single bank, Drummonds, at one point in time, 1780. By this time clients at the three banks were investing in a mostly

No of investment types	**Male**	**Female**	**All**
1	54	24	78
2	23	11	34
3	14	1	15
4	4	2	6
5	2	1	3
6	2	1	3
7	1	0	1
8	0	0	0
9	1	0	1
Total	**101**	**40**	**141**

Table 6.7: Number of investments per client at Drummonds, 1780

similar range of stocks. Investment at Drummonds can therefore be taken as broadly representative of client investment in general. Table 6.7 shows that whilst the majority of Drummonds clients in 1780 invested in a single type of security, male clients were more likely to invest in multiple securities.

Although, as noted above (Table 6.5), these clients invested in a wide range of securities, the majority of their money was placed in a handful of the most traded securities. At Drummonds, as at the other banks, 3% consols were by far the most popular, and clients' aggregate nominal holding at the start of the year amounted to £265,560. The other common securities at Drummonds were Bank Stock (£73,233), 3% Reduced Annuities (£48,849), Old South Sea Annuities (£37,482), New South Sea Annuities (£32,794) and India Stock (£22,267) (Table 6.9). The greatest aggregate income received by clients during 1780 was £8,154 from 3% consols, followed by £3,977 from Bank Stock. In addition to the income figures shown in Table 6.8, the bank's clients also received income from per annum annuities (£2,729), and from Exchequer orders and Exchequer, Navy and Victualling Bills (£2,793).

Stock	**Rate (%)**	**No. accs**	**Holding 1 Jan 1780 (nominal) (£)**	**Holding 31 Dec 1780 (nominal) (£)**	**Dividend/Interest received (£)**
3% Consols	3	61	265,560	**286,753**	8,154
Bank Stock	5.5	15	73,233	**73,533**	3,977
3% Reduced Annuities	3	15	48,849	**51,274**	1,514
Old South Sea Annuities	3	12	37,482	**35,482**	1,098
New South Sea Annuities	3	12	32,794	**32,794**	983
Omnium (paid up)		12	0	35,009	0
India Stock	8	12	22,267	23,267	1,781
Other	Various	50	63,388	64,888	2,824
Total		**189**	**543,573**	**603,000**	**20,331**

Table 6.8: Most popular holdings of investments by Drummonds clients, 1780[70]

[70] Clients also invested in per annum annuities, for which the total annual value at the start and end of the year was £2,965 and £2,881, and also in Exchequer orders and Exchequer, Navy and Victualling Bills for which the total nominal value held in 1780 is not known.

Most clients were cautious investors, and the majority of their aggregate income was generated by investments with yields of around 5%. Table 6.9 shows the yields that would have applied to the majority of the most popular stocks held by Drummonds clients if they had been purchased just after 1 January 1780 or on or just before 31 December 1780. However, the actual yield a particular client achieved would depend on the stock price on the date when they originally bought stock. It is clear that at 1780 prices there was relatively little spread of yields between the different investments. The table also indicates the nominal and market values of aggregate client holdings of stock at the start and end of the year.

Stock	**Holding at 1 Jan 1780**			**Holding at 31 Dec 1780**		
	Nominal value (£)	**Market value (£)**	**Yield (%)**	**Nominal value (£)**	**Market value (£)**	**Yield (%)**
3% Consols	265,560	**164,315**	4.85	286,753	**172,769**	4.98
3% Reduced Annuities	48,849	**29,859**	4.91	51,274	**29,739**	5.17
Old South Sea Annuities	37,482	**22,770**	4.94	35,482	**20,136**	5.29
New South Sea Annuities	32,794	**19,635**	5.01	32,794	**19,225**	5.12
South Sea Stock	13,617	**9,736**	4.90	13,617	**9,464**	5.04
Bank Stock	73,233	**81,289**	4.95	73,533	**79,967**	5.06
India Stock	22,267	**32,398**	5.50	23,267	**35,424**	5.25
Totals	**493,802**	**360,003**		**516,720**	**366,724**	

Table 6.9: Market and nominal values and yields for stocks with the largest aggregate client holdings at Drummonds (and where market prices are available), 1780[71]

At the start of 1780 female clients in the sample had higher average nominal holdings than male clients (Table 6.10). Although men's and women's average holdings of the most popular government security, 3% consols, were similar (women held £1,865 and men held £1,879), as were their holdings of India Bonds (£126 and £121), women had higher average holdings

[71] Market value taken from the closing prices stated in *Course of the Exchange* for 3 January and 31 December 1780. Where there no price was given for those days, the price on the closest day after 3 January and before 31 December has been used. Yield calculated as 100/price multiplied by the interest or dividend rate.

of Bank Stock (£842 compared to £400 for men), Old South Sea Annuities (£411 against £219), New South Sea Annuities (£435 against £158) and South Sea Stock (£131 against £84). However, they had smaller holdings of India Stock (£16 against £211). Their holdings of per annum annuities are also similar (£17 per annum against £23 per annum), but their holdings of Exchequer, Navy and Victualling Bills were negligible compared to male clients. The average amount of dividend or interest received in 1780 by men and women was remarkably similar (£170 for women, £183 for men).

Stock	**Male clients**				**Female clients**			
	No.	**Holding 1 Jan**	**Holding 31 Dec**	**Divd/ Int**	**No.**	**Holding 1 Jan**	**Holding 31 Dec**	**Divd/ Int**
3% Consols	38	182,643	199,344	5,693	23	83,017	87,409	2,461
Bank Stock	10	41,233	41,233	2,217	5	32,000	32,300	1,760
3% Reduced Ann.	12	39,287	41,712	1,242	3	9,562	9,562	272
Old South Sea Ann.	7	21,851	19,851	628	5	15,631	15,631	470
New South Sea Ann.	7	16,278	16,278	488	5	16,516	16,516	495
Omnium (paid up)	12	0	33,009	0	0	0	0	0
India Stock	11	21,667	22,667	1,733	1	600	600	48
Other	36	51,088	53,888	2,371	14	12,200	13,000	453
Sub totals		**374,047**	**427,982**	**14,372**		**169,526**	**175,018**	**5,959**

Table 6.10: Largest holdings of investments by Drummonds clients by gender, 1780

The bank accounts of investors show a similar level of activity to those of accounts as a whole (both had an average of 41 transactions in 1780), but they tended to have higher balances brought and carried forward (£318 and £345 against £242 and £308) and, as noted earlier, higher turnover (£4,354 against £3,422).

The above analysis has indicated that clients who invested via Drummonds did not all do so in the same manner, yet as a group some aspects of their account activity was distinct from that of the bank's clientele as a whole and that of borrowers. This supports the view that the banks' clienteles comprised a number of separate groups, each with different banking patterns.

6.4 Case studies – individual investors[72]

The variety of client investment behaviour, demonstrated in the previous section for clients of one bank in one year, is further explored in this section. Here the chronological register shifts to chart the investment experience of specific clients over the entire period of their respective banking relationships, demonstrating how client activity not only varied between investors, but also could change over time for individual clients.

Rev Charles Briscoe

As noted in Chapter 4, Charles Briscoe instructed his bankers, Hoare's, to purchase and sell investments and buy lottery tickets. As shown in Chart 6.3, he invested through his bank account in five different securities: South Sea Annuities, South Sea Bonds and three issues of 3% annuities.[73] His investments were confined to the years 1728-1733 and 1738-1747, and he held individual stocks for between two and six and a half years each. His return to investment in public debt in June and July 1738 came shortly after his bank account was credited with the substantial sum of £2,160 from an Elizabeth Wiseman in May of that year. From that time onwards he mostly purchased stocks in one or two transactions, and then sold them in multiple successive transactions for smaller amounts, as he needed the money. In effect he used his investments as a form of savings, to draw upon as required.

Between the two periods that he held stock he invested both in lottery tickets, as he did also in 1731 and 1743, and in loans to other individuals, as also in 1728-9. As noted in Chapter 4, most clergy had far less active bank accounts than Briscoe, and the extent and variety of his investment in stocks, loans and lottery tickets was also greater than for most of his peers. It seems likely that the investment transactions and income entered in his bank account represent most of his participation in the public funds as all but two of the stock balances indicated by his dividends can be matched to his purchases and sales of stock. There is only one instance where the balance of a stock holding jumps without a corresponding stock

[72] See Appendix 3 for details of the bank ledgers containing the accounts of the clients featured in these case studies.

[73] Excluding the sale between March and July 1724, following his father's death in February of that year, of £1,300 South Sea Bonds which his father had purchased in December 1722.

purchase.[74] On two dates he received dividends on £1,265 3% annuities for which there is no record in his account of the purchase of the stock.[75] Over the period of his bank account he received £650 in dividends or interest on his stock investments. He also made a net trading profit of around £930.[76]

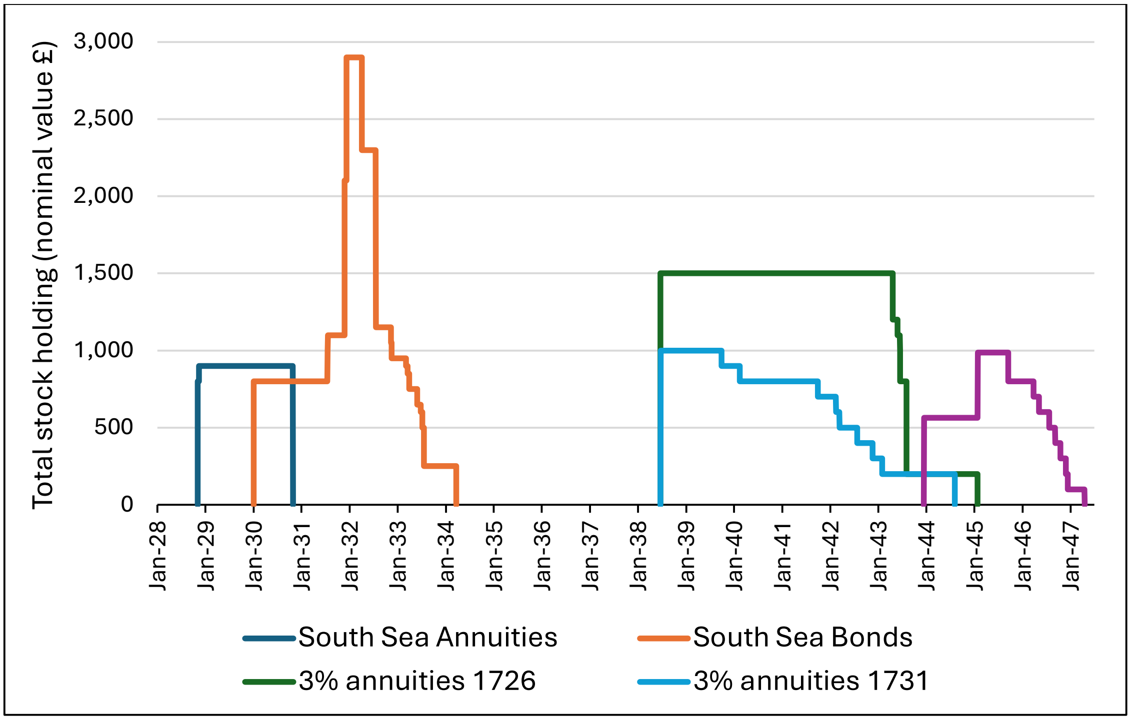


Chart 6.3: Stock holdings of Rev Charles Briscoe, 1728-1747[77]

The survival of correspondence between Briscoe and Hoare's allows a glimpse into the process of investment by a bank client. Briscoe invested in lottery tickets over a number of years. When he wrote to 'Mr Hoare at The Golden=Bottle In Fleett=Streett' on 28 September 1731 requesting a statement of his bank account, he also expressed his 'desire likewise, to

[74] It is known from the dividends credited to his account that on 20 August 1744 his holding of 3% annuities (1743) was £562 10s, but by the time he received his next dividend in January 1745 the balance had risen to £985 10s; the purchase of the additional £423 of stock does not appear in his account, but is recorded as taking place on 2 May 1744 in the stock ledger. Bank of England Archive (BEA) AC27/148 p.689.
[75] He received dividends on £1,265 'new' (1731) 3% annuities on 24 May 1731 and 4 August 1731.
[76] Total proceeds (£8,559) less total costs (£7,631) of all stock, excluding the £1,265 3%s annuities on which he received dividends in 1731 for which the purchase date and price is not known. The profit estimate is calculated using an assumed cost of £371 for the unidentified purchase of £423 3% annuities in 1744 or 1745, based on the price (87.75) when he next traded in the stock in September 1745. The figure for dividends includes those received on 3% annuities in 1731.
[77] Excludes the £1,265 3% annuities on which Briscoe received dividends in 1731.

receive inclos[e]d the very Ticketts Themselves, you have secured for mee'.[78] Briscoe obviously kept a close eye on his transactions as on 14 November 1731 he wrote to 'Mr Hoare', 'give mee leave, Sir, to hint, there has some Small Error crept into the Acct you last was pleasd to send mee' in relation to price he had paid for the 20 tickets the bank had purchased for him.[79] A correcting credit entry of £1 appeared in his account on 19 November 1731.[80]

On 11 January 1734 Briscoe purchased 25 lottery tickets (for a total of £100). His account was debited on 27 May in the same year with a fee of 2s 6d for examining his tickets, and on 19 July he wrote to the bank 'I desire you, to receive, for mee, at The Bank, the money due, on the Late Lottery, to mee – viz, according to your advice 540£. The Time pre-notifyd for payment thereof being expird'. On 20 July the account was accordingly credited with 4 prizes of £10 and one prize of £500.[81] On 18 September 1736 he paid a first instalment only (£40) on 40 tickets.[82] Seven years later, between April and September 1743, he spent £450 (in four instalments) on 45 tickets in the 1743 lottery.[83] With regard to this purchase, on 28 April 1743 Daniel Race, cashier of the Bank of England, was requested to deliver receipts to Robert Johnson, a clerk at Hoare's, for the first payment on the tickets.[84]

Briscoe mostly simply instructed Hoare's to buy certain numbers of lottery tickets or buy or sell stated amounts of stock. On 28 October 1732, for example, he wrote to Mr Hoare, 'I desire you to sell 600£ of My Lottery=Stock', and on 3 March 1733 'I desire you, to sell now one 50£ S: S: Bond: Whereof, you will then have left, 900£ [in bonds,] in your Custody, belonging to, Sir, your most Humble Servant Charles Briscoe'.[85]

---

[78] HBA HB/8/T/11, incoming letters from customers, agents, etc, 1712-1956. According to his bank account, 20 lottery tickets were purchased on 11 September: HBA Customer ledger 32 (1730-32), f.15.
[79] HBA HB/8/M/13/15, vouchers of Rev Charles Briscoe, 1725-36. All other correspondence of Briscoe referred to in this section is from the same set of papers, unless stated otherwise.
[80] HBA Customer ledger 32 (1730-32), f.15. Many bank ledgers contain a very small number of errors on the part of the bank in calculating or recording transactions in clients' accounts in ledgers, as also noted by Temin and Voth, *Prometheus Shackled*, p.138**.**
[81] HBA Customer ledger 33 (1732-35), f.411.
[82] HBA Customer ledger 35 (1735-36), f.297.
[83] HBA Customer ledger 43 (1743-44), f.280.
[84] HBA HB/4/D/18. Similar requests were made on the same day for receipts for the first payment for the purchase of £562 10s 3% annuities (1743) and £400 3% annuities (1743).
[85] Entries appear in his bank account for the sale of the 3% annuities (lottery stock) on 3 November 1732 and the South Sea Bond on 6 March 1733: HBA Customer ledgers 32 (1730-32), ff.15, and 33 (1732-35), f.411.

However, on occasion, he appears to have left the final decision to his bankers. On 22 October 1730 Briscoe wrote ‘I am apt to think, that selling out my SS: Annuitys, now, may not bee improper. I can, I believe, at this juncture, gett 5 per cent Land: security, for such a sum’. He mused on whether to retain the Annuities until the dividends were paid (‘about the 7th of the next month’) or whether to sell out immediately, ‘but am inclined to think, the present time, prudence will advize’. It would seem that the bank considered a sale the best option, as his bank account records the sale of £900 of South Sea Annuities a few days later, on 27 October.[86]

In November the following year, when planning to invest £1,000 in South Sea Bonds, which ‘are best, in my opinion’, and the same amount in ‘Lottery= Benefits, and Blanks’, he was unsure concerning the latter. He wrote ‘I have a notion, that buying some Lottery prizes, and Blanks, may not bee, improper for mee, at this juncture … [though] at this distance I may want the advice, of A Friend, upon the spott’. He could not decide ‘whether Benefitts, are more beneficiall purchase, than Blanks, you will easily see, Sir, and, no doubt, act accordingly’, trusting the bank to make the best choice. The letter is annotated with a note detailing the purchase details for ‘11 ticketts of 20’ and 111 blanks along with £1000 South Sea Bonds.[87]

Although more extensive than most clerics’ investment activity, Briscoe’s experience illustrates how many clients used their bankers to access the market for government debt. It also indicates that on occasion banks could have some agency in relation to client investment, even if that did not amount to investment advice.

Edward Gibbon

The investment experience of Edward Gibbon sheds a light on a client who was clearly an informed investor. On occasion he invested directly, often he did so through his bank including via a trusted friend, and sometimes separately on the advice of that friend. This case study also illustrates the complexities involved in using investments as loan security.

---

[86] HBA Customer ledger 32 (1730-32), f.15.

[87] HBA HB/8/M/13/15, letter dated 21 November 1731. The transaction also appeared in his bank account on 23 November, HBA Customer ledger 32 (1730-32), f.15.

Shortly after opening his account with Goslings, Gibbon inherited from his father two investments: a share in the New River Company and a share in the Swansea copper smelting business of John Lockwood & Co, in which his grandfather had been a partner.[88] The former then provided Gibbon with an income of almost £250 a year, and was used as collateral security for a mortgage, and from the copper share he earned around £100 a year (Chart 6.4). As discussed in Chapter 5, from the early 1770s Goslings were keen for him to pay off part of his mortgage by disposing of them.[89] Gibbon was very reluctant to let go of the New River share, 'for which' he wrote on 15 October 1772 to his close friend John Baker Holroyd, later Lord Sheffield (1735-1821), 'I know they have a hankering. It is a most delicious bit of Property, and I should be sorry to part with it for such a price as one commonly gets by a forced sale'.[90] On 21 October Gibbon told Holroyd 'The Gosling's impatience will I fear hurry us very unpleasantly. Their proposal of *the New River* share would not follow in any respect. It brings in at least £260 pr. annum, yearly encreasing, and must, I should think, as freehold be worth thirty years' purchase; call it £8000. The average (for it varies prodigiously) of *the Copper share* is under £100. I cannot think it would sell for more than £1500. When that was done, instead of a surplus of Money, I should find myself possessed of two Landed Estates, with at least £7000 mortgage on one of them, and for a time totally disabled from buying a house or forming any plans of life … So that scheme will never answer'. In December 1778, in order to reduce his debts to Goslings he was finally forced by them to sell the New River shares, for £7,000.[91] He was sorely disappointed to lose the shares, and even a decade later, on 13 June 1789, he lamented to Holroyd, by then Lord Sheffield, 'How often have I regretted my dear New-river share which the Goslings so rudely tore from me. I should not be unwilling to repurchase it for the same money'.

---

[88] Robert T. Jenkins, 'Morris, Robert (died 1768), industrialist' in *Dictionary of Welsh Biography*, https://biography.wales/article/s-MORR-ROB-1768, accessed 5 May 2024.
[89] The mortgage was partly secured on the New River share.
[90] This letter and those referred to below appear in Rowland E Prothero (ed.), *Private Letters of Edward Gibbon* (1753-1794), 2 vols. (London, 1896): online edition by Project Gutenberg https://www.gutenberg.org/files/42578/42578-h/42578-h.htm (volume 1) and https://www.gutenberg.org/files/42632/42632-h/42632-h.htm (volume 2), accessed 24 April 2023. The letters will simply be referred to by date only hereafter – the correspondence appears in the volumes in chronological order (volume 1 contains transcripts of letters dated 30 July 1753 to 16 June 1781 and volume 2 letters dated 3 July 1782 – 7 January 1794).
[91] £7,000 was paid into his account on 12 December 1778 by Richard Benyon, in part of the purchase of the share for £7,500 and conveyed by Robert Gosling and George Clive.

As noted in Chapter 4, for much of the time that he held a bank account with Goslings, Gibbon benefitted from, and often relied upon, the advice and assistance of Sheffield. In September 1783 Gibbon moved to Lausanne, where he remained for most of the remainder of his life, and whilst abroad, Lord Sheffield had power of attorney to transact business with Goslings.[92] On 14 November 1783, when Gibbon still owed Goslings over £12,000, he wrote to Sheffield 'It will be advisable to have the odd hundred in Gosling's shop and to pay the thousand to Messrs. Darrel [his cousins], Winchester Street, who will vest it for me in the three per cent'. It is clear that Gibbon wished Holroyd to invest through Darrel rather than through the bank. Gibbon was also well aware of the state of the financial market in London, and in this letter Gibbon continued 'We must take advantage of this stupendous fall of the Stocks, which amazes and frightens many poor souls here who apprehend that poor old England is on the brink of ruin'.

A month later, on 20 December, with his Hampshire estate sold and the prospect of his debts being cleared, Gibbon wrote 'Something must be done in the way of annuity, and the French funds which are very fashionable in this country are wonderfully tempting to a poor man by the high interest, but I am aware of their slippery foundation, and you may be assured that I shall do nothing of that kind without full and mature and even cautious investigation'. Nevertheless, on 24 January 1784 he wrote to Sheffield 'Perhaps you will abuse my prudence and patriotism, when I inform you, that I have already vested a part (30,000 Livres, about £1300) in the new loan of the King of France. I get eight per cent. on the joint lives of Deyverdun and myself, beside thirty tickets in a very advantageous Lottery, of which the highest prize is an annuity of 40,000 Livres (£1700) a year'. In this case Gibbon had invested on his own account, and Goslings were not involved except in accepting a draft on the French banker de Lessert, though that was in itself not straightforward and left Gibbon 'not very favourably disposed to the Goslings'.[93]

By 1788 Gibbon's finances were in a more stable state and he began to invest in British stock. In August of that year, he purchased via Goslings £400 of India Bonds, which he held

[92] In a letter to Sheffield, dated 15 May 1790, Gibbon referred to 'the power, which I have never revoked, over all my cash at the Goslings'.
[93] Letter to Sheffield dated 11 May 1784.

until the following summer (Chart 6.5). In September 1789, having received a sum of £2,800, Gibbon wrote to Sheffield 'according to my present arrangement I shall want no more than eleven hundred pounds of the £2000 [sic], and I suppose you will direct Gosling to lay out the remainder in East India bonds, that it may not lie quite dead'.[94] Gibbon's account was accordingly debited on 7 November 1789 with £1694 11s 6d for the purchase of £1,600 India Bonds which paid out at 4% per annum.

Shortly, afterwards on 15 December, Gibbon reflected 'In the course of my life I have often known, and sometimes felt, the difficulty of getting money, but I now find myself involved in a much more singular distress, the difficulty of placing it'. He continued 'I perfectly agree with you, that it is bad management to purchase in the funds when they do not yield four per cent'. He wrote again on 27 January 1790, 'While the stocks are so very high as not to yield four per cent., might it not be expedient to trust it in two or three loans in good personal bond security at four and a half? Would not the Goslings for the consideration of the half per cent. bind themselves to answer for the interest and principal. In their business they have always a command of money, and if the security be such as I ought to accept, the risk for themselves must be very inconsiderable'. Gibbons' musings reflect the variety of options open to those wishing to earn income, and also show that a client such as Gibbon was aware that banks might act as brokers in arranging and monitoring peer-to-peer lending.

Gibbon sometimes took up Sheffield's own investment suggestions. In October 1790 for example he invested £2,000 in the Ouse Navigation: the potentially navigable Ouse passed through Sheffield's land at Sheffield Place in Sussex. Sheffield also arranged an annuity and the placing of some of Gibbon's money in a mortgage on land in Yorkshire. Gibbon told Sheffield on 31 May 1791 that he did not want to leave more money than necessary in 'Goslings reservoir … as that reservoir is unproductive', and indeed in previous correspondence he had contrasted the lack of interest paid on balances at Goslings with the situation on the continent. On 12 March 1785, for example, he had noted to Sheffield that 'a banker of credit and substance at Lausanne allows me 4 per Cent. for all the money I leave

[94] Letter dated 25 September 1789.

on his hands'. In April 1792 he reflected, in slight annoyance with Sheffield that too much money had been left in the bank: 'In sober truth I am out of humor to think of all the dinners that the Goslings have given at my expence. Had the money been placed in the three per Cents last May, besides the annual interest, it would now have gained by the rise of stock nearly twenty per Cent … your prejudice against the funds, in which I am often tempted to joyn, makes you a little blind to their encreasing value in the hands of our virtuous and excellent minister'.[95]

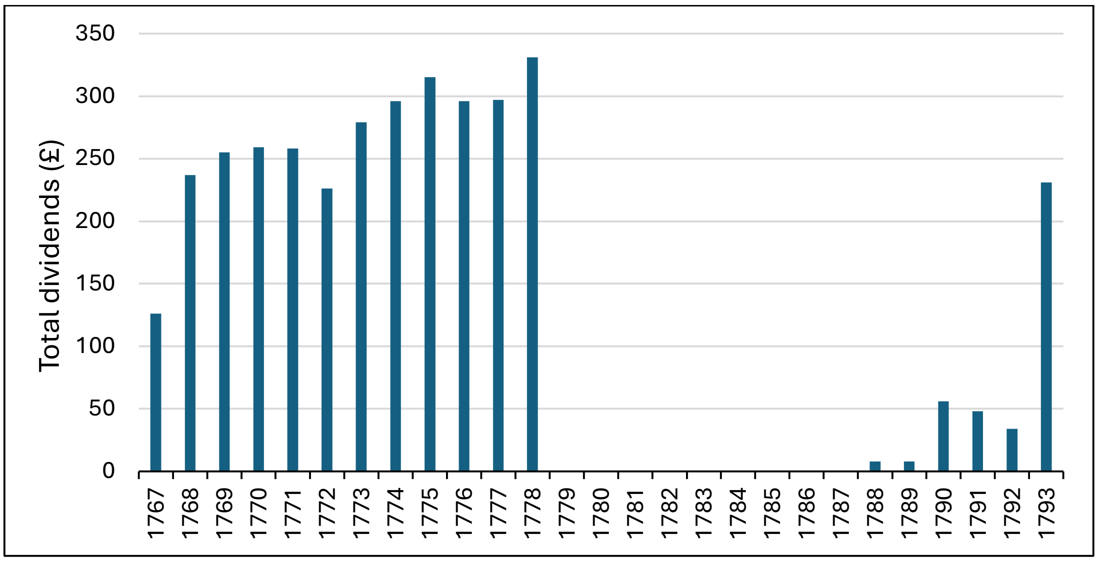


Chart 6.4: Total investment dividends credited to the bank account of Edward Gibbon, 1767-1793[96]

A few weeks later, on 20 April 1792, Gibbon's bank account contains a payment of £3,121 6s 7d to Ransom & Co. The entry must relate to Sheffield's investment on Gibbon's behalf in £3,000 of Lord Barrymore's debentures. As explained in a letter from Sheffield, written sometime between May and July, 'Hammersley's Banking House [also known as Ransom & Co] has advanced £40,000 on Lord Barrymore's Estate in Ireland (£10,000 per annum at least); they have 6 per cent., and have raised the money by Debentures'. The income from them started to appear in Gibbon's account the following May.

[95] Letter dated 4 April 1792.
[96] Excludes income received from share in the firm Lockwood & Co and income from private loans.

Gibbon's investment activity demonstrates how a reasonably informed investor might make use of his bankers at times to invest and to receive dividends, whilst at other times acting directly or through a third party. In common with most bank clients Gibbon's strategy was to maximise his income, and he does not appear to have traded for capital gains.

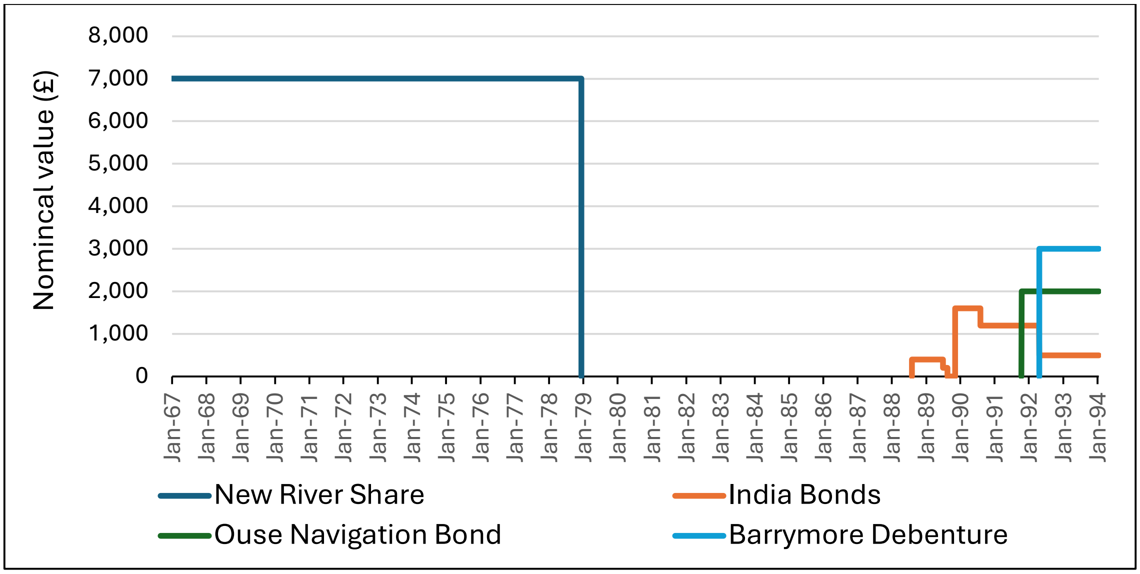


Chart 6.5: Investments recorded in the bank account of Edward Gibbon, 1767-1793

Mary Delany

Mary Delany provides a case study of a female client who invested in a limited number of stocks, primarily for income, and who also occasionally purchased lottery tickets. She is reasonably typical of many female clients' investment experience.

Between 1750 and 1755 Delany invested first, and relatively briefly, in Old South Sea Annuities, with a maximum nominal holding of £1,050 (Chart 6.6). Her purchases of this stock cost her more (£1,049) than she received in sale proceeds (£993), in other words a capital loss of £56, though she earned £151 in dividends (£35 p.a.) over the period of her

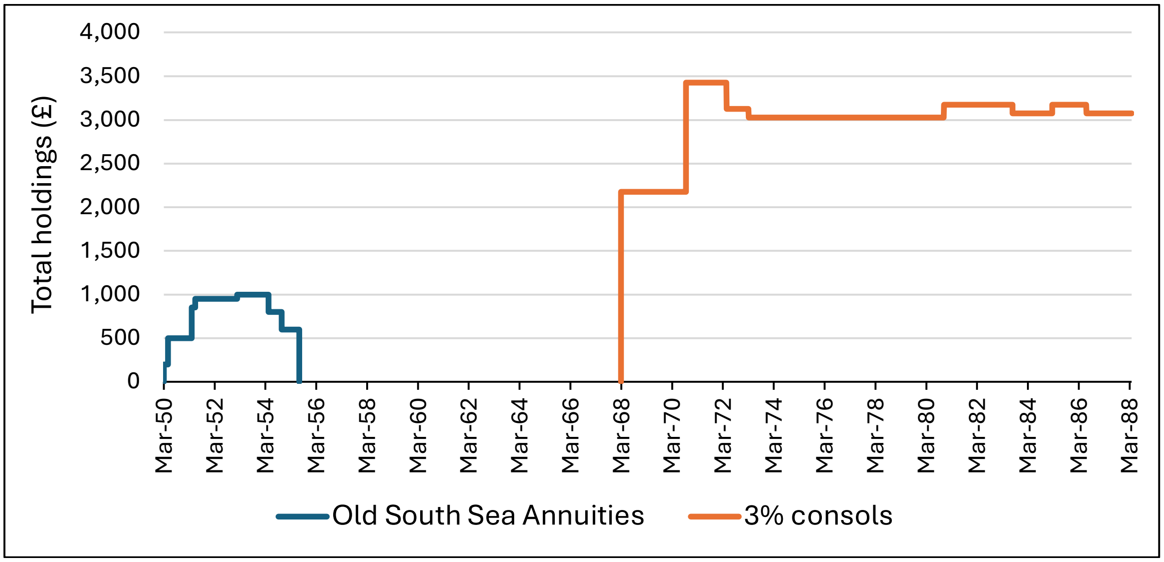


Chart 6.6: Stock holdings recorded in the bank account of Mary Delany, 1750-1788

holding (Chart 6.7). From just before her husband's death until her own death she also held 3% consols.[97] Though purchases and sales of the consols appear in her bank account, as noted in her account these were held in the names of her brother Bernard Granville and nephew Court Dewes, on whose behalf Robert Gosling and his partner George Clive acted as attorney. The £2,000 she spent on the first tranche of the consols was funded by a mortgage.[98] Her nominal holding for most of the period amounted to £3,176. Again, she made a net capital loss, in this case of £330: her purchases cost a total of £3,148 and her sales, including a notional value of her holding on the date of her death, produced £2,818. However, over the time that she held consols she earned £1,798 in dividends (£95 p.a.). Her focus was on dividend income rather than trading profit.

[97] £2,176 3s 4d in consols were acquired on 14 March 1768, in the names of Granville and Dewes. Her husband died on 6 May. Even though the payments for, and proceeds of, the stock appear in her bank account, the entries in the stock ledgers contain no reference to Mary Delany. BEA AC27/1433 and 1452.

[98] Two sums (£100 and £1,900) were credited to her account by the banker Hugh Hammersley on 15 December 1767 and 8 March 1768 respectively, the latter marked 'on delivery of Deeds for Her House in Spring Gardens'.

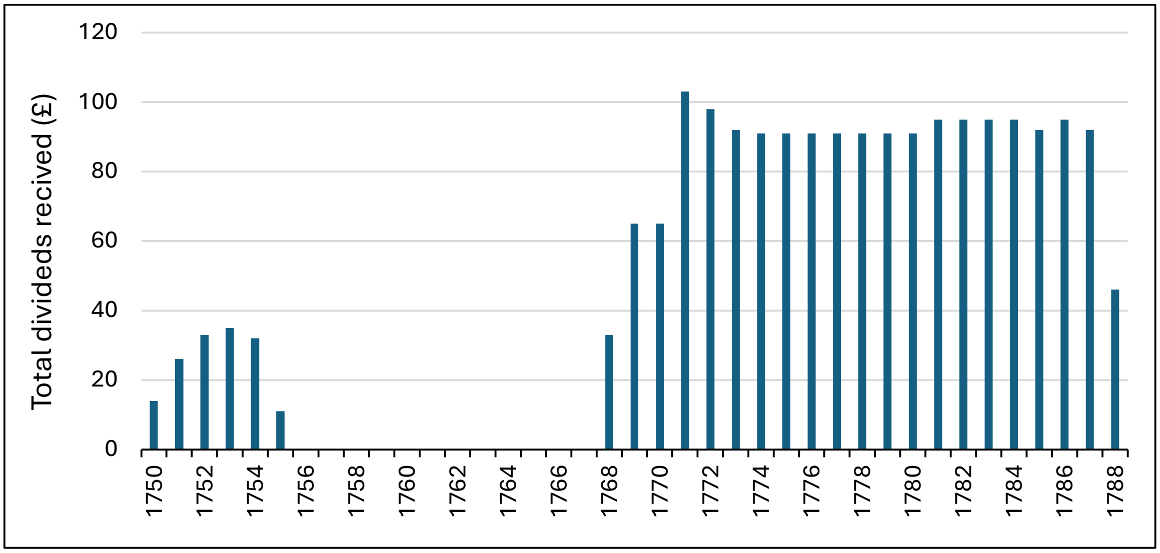


Chart 6.7: Dividends credited to the bank account of Mary Delany, 1750-1788

Delany only occasionally purchased lottery tickets: she paid for two tickets on 13 August 1767, a single ticket on 27 July 1772.

6.5 Conclusion

The opportunities that banks offered to clients to save or invest changed substantially between 1672 and 1780. Whilst in the late seventeenth century, client investment through banks mostly took the form of depositing money in order to earn interest, during the following decades the focus shifted mostly to investment in lottery tickets and in government debt and other securities. It is clear that demand among bank clients to invest was substantial, even though by 1780 those who invested via their banks formed a very small fraction of the investing public as a whole.

Whilst such investment by clients potentially left banks with less of their clients' money in their own hands to put to productive use, bankers appear to have undertaken whatever investment clients requested. Indeed, bankers spent some time in meeting such demand, often signing transfers in person at the Bank of England or elsewhere under power of attorney for their clients. However, whilst bankers invested, often considerably - on their own account individually and for their banking businesses - they appear mostly to have avoided offering investment advice to, or making decisions on behalf of, their clients. In doing so they protected their standing with their clients from the risk of being tainted either by negative outcomes that might result from such advice or by a close association with a market that was still at times viewed with suspicion. By maintaining a separation between transacting client requests and their own active participation in the markets, bankers were able to retain the trust of their clients.

Earlier studies have noted how some bank clients, particularly women, used their bankers to invest, mostly in government debt.[99] The impact of the financial revolution in providing such investment opportunities is clearly shown in the considerable degree to which bank clients participated in financial markets. Many clients preferred to do so though their banker, rather than approach the impersonal market directly, hoping thereby to avoid danger, for instance of losing money by being duped. As with lending and borrowing, both bankers and clients were learning how to invest, partly through negotiating events such as the South Sea Bubble. In providing this service bankers enabled investment by clients who were unable, often through distance, or lack of confidence, to do so directly, and by those for whom it was simply more convenient or comfortable to ask their bankers to act on their behalf. At the same time bankers wished to attract suitable clients, ones whose sober approach to investment would not endanger their own reputations.

Helping clients to put their money to productive use was a key component of the culture of banking. It was one in which bankers and their clients chose to follow a mutually beneficial and conservative path.

[99] For example, Anne Laurence, 'The emergence of a private clientele'.

Chapter 7: Conclusion

This thesis has sought to determine the extent to which client banking, between the 1670s and 1780s, was characterised by, and dependent upon, personal relationships between clients and bankers. It has also charted how many clients used banks, who they were, and the forms, magnitude and longevity of their banking engagement.

This study has revealed that by 1780 banking among the elite and wealthier middling sort was commonplace, and that personal relationships underpinned much of that activity. The nature of that engagement, the range of services that bankers provided for their clients, and the convenience afforded through banking with London's West End banks, were such that a 'culture of banking' had by then emerged.

In arriving at this conclusion, the thesis has set out to provide a new perspective on banking and personal finance during the late seventeenth and eighteenth centuries by taking a bottom-up approach, focusing on the financial activity of banking clients. As noted in Chapter 1, some recent studies of personal financial activity during the period have shifted the attention from the suppliers of financial services to the agency and demand of individuals as clients or users of services. This thesis has followed their lead. At the same time, it has sought to look at banking from both sides of the counter, to establish how client demand and bank supply influenced the development of banking in the capital between 1672 and 1780.

The manner in which individuals engaged with banks is presented here for the first time both in detail and in breadth, covering a broad timeframe and a range of banks. The thesis focuses on personal clients, mostly of London's West End banks, as it is only for those banks that there is sufficient extant source material to study the banking activity of different bank clienteles, and to do so over an extended timescale. By taking such a long view it has been possible to demonstrate the nature and pace of development of banking in London. Though the banks studied were located in the capital, many of their clients lived elsewhere, and therefore the findings of this thesis have a wider relevance.

Between the 1670s and the 1730s banking was in a state of flux, as those offering banking services experimented with different business models. The Stop of the Exchequer in 1672 led to a re-setting of the banking landscape in London as some of the largest banking operations were forced to the wall. After 1672 most banks were no longer able to offer interest on client deposits, a service which had been very popular, particularly among female clients, in the years leading up to the Stop, as demonstrated in Chapter 6. From that point there developed a distinction between London's City and West End banks. The business of many of those early bankers was short-lived, as is apparent from the volatility in the numbers of banks in the capital outlined in Chapter 2. Only gradually did deposit banking of the type offered by goldsmith-bankers prove to be successful and enduring. Clients too were working out whether and how to use banks. For many, as demonstrated by the experience of Samuel Pepys in Chapter 3, banking activity was sporadic or spread across a number of different banks.

From the 1730s a more stable banking system emerged. Not all banking businesses were successful and enduring but, as demonstrated in Chapter 2, the trend between then and the 1780s was for a significant increase in their number and longevity. This emerging stability was founded on the provision of banking services that fulfilled clients' needs and aspirations. The analysis of client banking activity in the 1730s presented in Chapter 4 indicates that by this point the years of experimentation were largely over. Most West End banks were by now offering a similar package of services to their clienteles. They had developed a banking model which met the needs and expectations of a significant number of the elite and wealthier middling sort. There was a reciprocal relationship between the success and increasing number of banks, and a growth in the number of their clients. It is estimated in Chapter 2 that in 1780 London's banks together might have held around 55,000 accounts of personal clients, and that the total number of their clients would have been of a similar magnitude. A comparison of numbers of male clients of higher social status with comparable estimates for the population at large supports the contention that by that date the majority of utilised the services of banks.

Another indicator of the success of the bankers' business model was that their increasing clienteles made greater use of the banks' services. Clients undertook more banking business, and often across a wider range of services. This is apparent in the results of the detailed analyses of client banking in the round presented in Chapter 4, borrowing in Chapter 5, and saving and investing in Chapter 6. It is also apparent in the study of the activity of the individual clients who are featured in those chapters as case studies. The West End banks had mixed clienteles, including many who were in business and who engaged with banks to meet a variety of personal and professional needs. As bankers successfully met many of their clients' needs, those clients were also developing longer-term connections with banks, and from the 1730s those connections often also extended to their families, often across multiple generations.

There were many variations between clients in the ways in which they used their banks. Some of these differences were influenced by client gender or status. Some clients used their banks infrequently, some regularly but on a small scale, whilst others were very active users of a range of services. Banks were not the only providers or mediators of financial services, and many individuals, including bank clients, would also have conducted financial business outside the banking system studied in this thesis. Clients came to banks with different expectations and demands. For many clients the convenience and security of a bank account, and associated means of payment, such as cheques, was the main appeal. For others it was the ability to access a range of services through a known and trusted banker. Between them, clients brought different benefits to banks, whether through deposits which bankers could put to work, or through loans which contributed income through interest charges.

Many clients required at times the personal attention of their banker, particularly when they wished to borrow, but on other occasions those same clients were content for a banker's clerk to attend to more routine business. There were some clients who made so few demands of their bank that there was no place for personal interaction or communication. However, many clients, and still probably the majority in 1780, depended on regular contact with their banker, whether in person or through the post. The words of Andrew Berkeley Drummond, who in 1788 joined the partnership of the family bank in Charing Cross, express this perfectly. When it was his turn, nearly a quarter of a century later, to offer advice to a newly appointed partner, he drew on his long banking experience: 'What is deposited with you is not Yours – No. It is the property of the confiding Friend who places his reliance on you'.[1]

The increasingly long-standing personal relationships between clients and bankers underpinned client loyalty, which in turn engendered stability in the banking system as a whole. Banks were not always able to fulfil all of their clients' needs and expectations, and this was particularly true when clients wished to borrow, as outlined in Chapter 5. Nevertheless, the range and flexibility of bank lending was only made possible through bankers' existing familiarity with their banking clients. It also took many forms, as demonstrated through the case studies. Client borrowing was very much dependent on personal relationships between clients and bankers, even if on occasion they became strained, as shown in the banking experience of Edward Gibbon.

Many clients valued the convenience afforded by being able to avail themselves of a range of services through their bank as a single point of access. This was particularly true of those who wished to save and earn interest or dividend income through participation in public debt and other stocks or shares. As shown in Chapter 6, client investment had become widespread by the 1780s, and most clients who invested generally did so cautiously, and in order to earn income. They often required the involvement, though not the advice, of bank clerks and partners. Many valued being able to access the impersonal market through the personal mediation of their familiar bank partner or bank clerk.

As noted in the Introduction, the form of banking that had emerged in London by the 1730s has been described by Temin and Voth as 'boring banking'.[2] However, although thereafter there were less frequent bank failures, shocks to the banking system such as the 1772 Ayr Bank crisis showed how bankers needed to maintain a close eye on their business practices and consider carefully the risks as well as the opportunities presented to them. Indeed, it is

[1] NatWest Group Archives DR/157, letter from Andrew Berkeley Drummond to Henry Drummond of Albury, 27 February 1812.
[2] Peter Temin and Hans-Joachim Voth, *Prometheus Shackled: Goldsmith Banks and England's Financial Revolution after 1700* (Oxford, 2013), pp.125-147.

unlikely that bankers could have rested on their laurels to the extent that they would have viewed their operations as 'boring'.

It is suggested that from the standpoint of most of their clients, the form of banking that had emerged by the 1730s might better be described as 'convenient' or even 'convenience' banking, as banks mostly eased the way in which clients undertook their financial activity. This convenience, allied with clients' ability to access a suite of banking services as and when required, and underpinned by long-standing and often personal relationships between clients and bankers, was what characterised the 'culture of banking' that was a feature of Georgian London. This thesis has demonstrated that such a culture was evident among the clienteles of the West End banks. It is also very likely to have been familiar to those who banked with the City banks, though with a different emphasis.

In the course of preparing this thesis it has become apparent that there is a need for further work in a number of areas. There is scope to investigate in more detail the nature of the transition that occurred in banking between 1672 and 1730. This period has already attracted considerable academic interest, but this has mostly been restricted to just one bank, Hoare's. There is much that could still be done to reveal changes in client banking, and the development of banking services, across a range of banks. It is also still unclear whether, and if so how, the hundreds of customers of the goldsmith-bankers affected by the Stop of the Exchequer continued banking thereafter. It is well documented that many of their depositors accepted assignments of their portion of the Crown debt due to their bankers, but it might be possible to establish for some of those clients whether they also began banking with others after 1672. In particular, it would be interesting to discover the extent to which there was a migration of some elite and middling clients to the emerging West End banks, or whether the latter attracted a mostly new clientele.

The methodology employed in this thesis, considering the nature and development of banking from both sides of the counter, could also be extended to other under-researched aspects of banking history. Banking with London's West End banks after 1780 would benefit from this approach, and would illuminate the impact on clients and bankers of both the French Revolutionary Wars and the rapid expansion in the number of provincial banks in the decades around the turn of the century.[3] Indeed, the surviving customer ledgers of some of those ‘country banks’ could be examined in a similar manner to establish how the ‘culture of banking’ was experienced outside the capital.[4] In addition there is a need to consider the banking activity of the significant number of individuals who, and as noted in passing in this thesis, chose in the eighteenth century and beyond to maintain an account with the Bank of England. Their identity, and the scope and nature of their banking activity, are so far uncharted.

The evidence contained in clients’ banking accounts also offers the opportunity to understand more about how individuals’ attitudes to money, and their ability to use it to their advantage, changed over time. There is more that could be done to establish how banking relationships helped clients to develop financial literacy and self-discipline and to plan for the future. Additionally, bank accounts uniquely provide in a single source evidence of individuals’ multiple investments, both in public and private debt. Such source material is much more difficult and time-consuming to gather from the registers of individual stocks and annuities.[5] This thesis has presented for the first time both a broad and detailed consideration of such activity, but only for two sample years in the eighteenth century. There is considerable scope to track trends in investment preferences, portfolio diversity, trading frequency and longevity of holdings.

[3] There has been some useful work on banking in this period, but no detailed consideration of clients’ banking activity. See, for example, John A. Gent, ‘Abundance and Scarcity: Classical Theories of Money, Bank Balance Sheets and Business Models, and the British Restriction of 1797-1818’ (unpublished PhD thesis, London School of Economics and Political Science, 2016).
[4] For example, the customer account ledgers of the Manchester firm Benjamin Heywood, Sons & Co, later Heywood Brothers & Co, 1791-1800, or those of Walkers, Eyre & Stanley of Sheffield and Rotherham, 1792-1804, all held by NatWest Group Archives.
[5] For an existing survey of multiple stock holdings, see Ann M. Carlos, Erin Fletcher and Larry Neal, ‘Share portfolios in the early years of financial capitalism: London, 1690-1730’, *Economic History Review*, 68 (2015), pp.574-599.

Bibliography

PRIMARY SOURCES

Manuscript primary sources

Where multiple items from a record series have been consulted, the information below includes the reference number and date spans of the items used. Individual records within those series are referenced in the footnotes to the thesis text.

Bank of England Archives, London (BEA)

Stock Ledgers:

AC27/131 Stock ledger index, 3% Annuities 1731 A-Z, 1731-39

AC27/134 Stock ledger, 3% Annuities 1731 A-K, 1731-39

AC27/143 Stock ledger index, 3% Annuities 1743 A-H, 1743-53

AC27/148 Stock ledger, 3% Annuities 1743 A-D, 1744-53

AC27/490 Stock ledger index, Bank Stock A-H, 1775-83

AC27/1425 Stok ledger index, 3% Consols D-G, 1764-69

AC27/1433 Stock ledger, 3% Consols F-G, 1764-69

AC27/1425 Stok ledger index, 3% Consols D-H, 1769-76

AC27/1452 Stock ledger, 3% Consols F-G, 1769-76

AC27/4369 Stock ledger index, Long Annuities & Consolidated Long Annuities A-K, 1771-81

AC27/6097 Stock ledger, New South Sea Annuities 3, A-B, 1776-93

AC27/6514 Stock ledger, Old South Sea Annuities A-B, 1776-86

AC27/6515 Stock ledger, Old South Sea Annuities C-F, 1776-86

Drawing Account Ledgers:

C98/64-66 Drawing account ledger indexes A-F, G-M, N-Z, 1730-32

C98/149-151 Drawing account ledger indexes A-F, G-M, N-Z, 1780-82

Barclays Group Archives, Manchester (BGA)

Goslings

0130-011 - 130-014 Customer account ledgers, 1727-36

0130-019 - 0130-080 Customer account ledgers, 1742-89

(selected ledgers containing the account of Mary Delany: see Appendix 3 for full list)

0130-037 - 0130-101 Customer account ledgers 1765-95

(selected ledgers containing the account of Edward Gibbon: see Appendix 3 for full list)

0130-061 - 0130-064 Customer account ledgers 1779-81

[And extracts from electronic indexes to 0130-011 - 0130-064 for selected dates]

0130-715 and 0130-718 - 0130-724 Balance books, 1742-1816

0130-663 - 0130-667 Profit and loss ledgers, 1727-85

0130-1050 Family papers relating to Sir Francis Gosling, 1713-95, including contract and specifications for the building of a house at Fulham by Henry Holland, 1768-69

1977-003 Customer papers and vouchers for accounts, 1708-1888

Biddulph and Cocks

0230-044 Current accounts petty ledger C, 1772-75

0230-053 Current accounts ledger, 1772-73

British Library, London (BL)

IOR/L/AG/14/5/20 East India Company stock ledger A-K, 1774-83

IOR/L/AG/14/5/21 East India Company stock ledger L-Z, 1774-83

IOR/L/AG/14/5/265 East India Company 3% Annuities ledger A-G, 1778-91

IOR/L/AG/14/5/266 East India Company 3% Annuities ledger H-Q, 1778-91

IOR/L/AG/14/5/267 East India Company 3% Annuities ledger R-Z, 1778-91

Gerald Coke Handel Collection, London

Accession 7603 Letter from Edward Holdsworth to Charles Jennens, 1732

Hertfordshire Archives and Local Studies, Hertford (HALS)

AH1390 and AH1391 Receipts to Sir Richard Lyttelton, 1774 and 1776

AH1467-1492 Drummonds pass books of the 3rd Duke of Bridgewater, 1770-1803

AH1495-1566 letters from Drummonds to the Duke of Bridgewater, confirming receipt of cash and bills to be credited to his account, 1795-1803

AH1589 List of bonds of the Duke of Bridgewater, c.1770

AH1590 List of mortgages and bonds of the Duke of Bridgewater, 1786

AH1629-1630 Instructions from Thomas Gilbert and the Duke of Bridgewater to Child & Co concerning the payment of interest on bonds, 1788

AH1798 Coachman's expenses for the Duke of Bridgewater, 1781–82

Hoare's Bank Archives, London (HBA)

Customer account ledgers, 1673-1703

Ledgers A, C and D (1)

Customer ledgers 1 (transcript), 4 and 5

Customer account ledgers consulted for the 1730-31 dataset

Ledgers 27-32

Ledgers H-L

Customer account ledgers consulted for the account of Rev Charles Briscoe, 1723-47

Ledgers 25-46

Customer account ledgers consulted for the 1780-81 dataset

ledgers 97-100

Ledgers 1-11

Ledger G

Little ledger

Records consulted to track lending, client balances and bank income

HB/5/A/4-8 Private ledgers, 1725-83

HB/5/C/1/1-6 Balance ledgers, 1718-73

HB/5/C/2/1 Michaelmas papers, 1770-1883
HB/5/H/2, 5 Money lent ledgers, 1718-43 and 1773-83

Correspondence
HB/8/M/13/15 Letters and vouchers received from Rev Charles Briscoe, 1715-36
HB/8/T/2-3 Private letter books, 1758-84
HB/8/T/11 Incoming correspondence (part), 1712-1803

Records relating to client investments including lottery tickets
HB/4/D/18 Notes to Daniel Race, cashier of the Bank of England concerning purchase of annuities and lottery tickets, 1743
HB/8/G/1-3 Books and receipts relating to lottery tickets, c.1706-39
HB/8/H/2-7, 10-11 Stock books, 1717-76

Other records
HB/5/E/1 Daily cash book, 1677-81
HB/5/F/60 Private ledger of Richard Hoare, 1677-85 (transcript)
HB/1/1 Goldsmiths work book, 1684-87
HB/1/2 Debt book (goldsmiths ledger), 1690-1702
HB/1/5 Miscellaneous record book, 1696-1730

HB/10/A/2/41 Amicable/Hand in Hand insurance policy, 1788
HB/10/A/3/10 Bargain and sale of property in Fleet Street, including a plan of the bank premises, 1783

Institute and Faculty of Actuaries archives, London
EL/2/3/2-3, Equitable Assurance, accounts books, 1776-99

London Metropolitan Archives, London (LMA)

CLC/509/MS5107/001 Sir William Turner, ledger containing client accounts, 1662-74

CLC/B/050/A/001/MS06428/001 Clayton & Morris, ledger containing client accounts, 1669-72

CLC/B/050/A/001/MS06428/002 Clayton & Morris, ledger containing client accounts, 1672-75

CLC/B/192/B/001/MS11931/005-007 Sun Insurance Office, General Committee minute books 1749-97

CLC/B/192/E/009/MS11932/008-009, 0013 Sun Insurance Office, Committee of Management minute books, 1765-1773, 1784-88

CLC/B/192/E/017/MS11963/001-004, Sun Insurance Office, office ledgers 1728-1810

CLC/B/192/F/001/MS11936/326/502380-1 The Sun Fire Office policies of Henry Hugh Hoare and Charles Hoare, 1785

London School of Economics and Political Science Library, Archives and Special Collections, London

Clayton Papers (c.1553-1823), boxes 3 and 4

NatWest Group Archives, Edinburgh (NWGA)

Edward Backwell:

EB/1/1-9 Customer account ledgers, 1663-72

[with extracts from electronic indexes to EB/1/1-9]

Robert Blanchard, later Child & Co:

CH/194/1-15 Customer account ledgers, 1663-1733

CH/203/1-6 Profit and loss and loan ledgers, 1756-98

[with extracts from electronic indexes to CH/194/ and CH/203/]

CH/200 Journal including loans, 1700-40

CH/206/2-3 Balance books, 1677-1834

CH/229 Private letter book, 1762-1835

Lefevre, Curries, James and Yallowley:

CU/104 Abstract book, 1786

Cornewall, Staples and Watts:

DIM/110 customer account ledger L-Z, 1774-75

[with a transcript of account names in DIM/110]

Drummonds:

DR/65 Pass book of Viscount Fairford, 1786-90

DR/87 Pass book of Mrs Mary Fisher, 1794-1802

DR/157 Letter from Andrew Berkeley Drummond to Henry Drummond of Albury, 1812

DR/161 Memorandum re share in the partnership of Drummonds, 1804

DR/426/1-2 Plate ledgers, 1716-37

DR/427/1-253 Customer account ledgers (selected), 1717-1815

[with extracts from electronic indexes to DR/426/ and DR/427/]

DR/400 Bundle of loose items including bills, notes, customer instructions, 1757-69

The Record Office for Leicestershire, Leicester and Rutland, Leicester (ROLLR)

DE107/150 Statement of account of Joseph Hill Esq and John Vernon Esq with Child & Co, 1785-92

10D72/262 Confirmation of the balance of Joseph Bunney's account with Child & Co, 1778

DG39/961 Letter from Child & Co to Francis Fortescue Turvile Esq, confirming specific account transactions, 1785

The National Archives, Kew

E 133.145/65 Court of Exchequer, depositions of John Snow and Thomas Martin, 1722

Published primary sources

Anon, *The Little London Directory of 1677* (London, 1863)

Anon, *The Mystery of the New Fashioned Goldsmiths* (London, 1676) (accessed via 'The Mystery of the New Fashioned Goldsmiths', *The Quarterly Journal of Economics*, 2 (1888), pp.251-262)

Colquhoun, Patrick, *A Treatise on Indigence* (London, 1806)

Course of the Exchange (London, 1780 and 1781)

Mortimer, Thomas, *Every Man His Own Broker*: *or, A Guide to Exchange-Alley* (London, 1761)

Postlethwayt, Malachy, *Universal Dictionary of Trade and Commerce* (London, 1755)

The Royal Kalendar; or Complete and Correct Annual Register for England, Scotland, Ireland, and America, for the Year 1780 (London, 1780), accessed online at https://babel.hathitrust.org/cgi/pt?id=uc1.b0000076828&seq=71 (accessed 23 September 2023)

Edited primary sources

Llanover, Lady (ed.), *The Autobiography and Correspondence of Mary Granville, Mary Delany: with Interesting Reminiscences of King George the Third and Queen Charlotte*, 3 vols (London, 1861)

Prothero, Rowland E. (ed.), *Private Letters of Edward Gibbon* (1753-1794), 2 vols. (London, 1896): online edition by Project Gutenberg accessed at https://www.gutenberg.org/files/42578/42578-h/42578-h.htm (volume 1) and https://www.gutenberg.org/files/42632/42632-h/42632-h.htm (volume 2) (accessed 24 April 2023)

Digital primary sources

British History Online: www.british-history.ac.uk

Eighteenth Century Collections Online (ECCO): www.gale.com/intl/primary-sources/eighteenth-century-collections-online

Tim Hitchcock, Robert Shoemaker, Sharon Howard and Jamie McLaughlin, et al., *London Lives, 1690-1800*: www.londonlives.org (version 2.0, March 2018)

SECONDARY SOURCES

Printed secondary sources

Anon, 'The Dunkirke affaire', *Three Banks Review*, 30 (1956), pp.40-50

Anon, 'Ships and ships' husbands', *Three Banks Review*, 28 (1955), pp.38-48

Anderson, Bruce L., 'The attorney and the early capital market in Lancashire' in Harris, John R. (ed.), *Liverpool and Merseyside: Essays in the Economic and Social History of the Port and its Hinterland* (London, 1969), pp.50-77

Andrew, Donna T. and McGowen, Randall, *The Perreaus and Mrs. Rudd: Forgery and Betrayal in Eighteenth-Century London* (Berkeley CA, 2001)

Archer, Ian W., 'Social networks in Restoration London: the evidence from Samuel Pepys's diary', in Shepard, Alexandra and Withington, Phil (eds.), *Communities in Early Modern England: Networks, Place, Rhetoric* (Manchester, 2000), pp.76-94

Babington, Amanda and Chrissochoidis, Ilias, ‘Musical references in the Jennens-Holdsworth correspondence (1729-46)’, *Royal Musical Association Research Chronicle*, 45 (2014), pp.76-129

Bagehot, Walter, *Lombard Street: A Description of the Money Market* (London, 1873)

Barczewski, Stephanie, *Country Houses and the British Empire, 1700-1930* (Manchester, 2014)

Beckett, John V., *The Aristocracy in England 1660-1914* (Oxford, 1986)

Berry, Helen, ‘Polite consumption: shopping in eighteenth-century England’, *Transactions of the Royal Historical Society*, 12 (2002), pp.375-394

Black, Iain S., ‘Private banking in London’s West End, 1750-1830’, *London Journal*, 28 (2003), pp.29-59

Bolitho, Hector and Peel, Derek, *The Drummonds of Charing Cross* (London, 1967)

Booker, John, *Temples of Mammon: The Architecture of Banking* (Edinburgh, 1990)

Bowen, Huw V., ‘Lord Clive and speculation in East India Company stock, 1766’, *Historical Journal*, 30 (1987), pp.905-920

Bowen, Huw V., ‘Investment and empire in the later eighteenth century: East India stockholding, 1756-1791’, *Economic History Review*, 42 (1989), pp.186-206

Bowen, Huw V. and Cottrell, Philip L., ‘Banking and the evolution of the British economy, 1694-1878’, in Teichova, Alice, Hentenryk, Ginette K.-V. and Ziegler, Dieter (eds.), *Banking, Trade and Industry: Europe, America and Asia from the Thirteenth to the Twentieth Century* (Cambridge, 1997), pp.89-112

Brewer, John, *The Sinews of Power: War and the English State, 1688-1783* (London, 1989)

Brewer, John and Porter, Roy (eds.), *Consumption and the World of Goods* (London, 1992)

Broadberry, Stephen, Campbell, Bruce M. S., Klein, Alexander, Overton, Mark and Van Leeuwen, Bas, *British Economic Growth, 1270-1870* (Cambridge, 2015)

Brown, David and Williamson, Tom, *Lancelot Brown and the Capability Men: Landscape Revolution in Eighteenth-Century England* (London, 2016)

Bryant, Arthur, *Samuel Pepys: The Years of Peril,* 2nd edition (London, 1948)

Burden, Michael J., *Impresario and Diva: Regina Mingotti's Years at London's King's Theatre*, Royal Musical Association Monograph 22 (Farnham, 2013)

Cannon, John, *Aristocratic Century: The Peerage of Eighteenth-Century England* (Cambridge, 1984)

Capern, Amanda L., McDonagh, Briony and Aston, Jennifer (eds.), *Women and the Land, 1500-1900* (Woodbridge, 2019)

Carlos, Ann M., Fletcher, Erin, and Neal, Larry, 'Share portfolios in the early years of financial capitalism: London, 1690–1730', *Economic History Review*, 68 (2015), pp.574-599

Carlos, Ann M., Key, Jennifer and Dupree, Jill L., 'Learning and the creation of stock-market institutions: evidence from the Royal African and Hudson's Bay Companies, 1670-1700', *Journal of Economic History*, 58 (1998), pp.318-344

Carlos, Ann M., Maguire, Karen, and Neal, Larry, 'Financial acumen, women speculators, and the Royal African Company during the South Sea Bubble', *Accounting, Business & Financial History*, 16 (2006), pp.219-243

Carlos, Ann M. and Neal, Larry, ‘Women investors in early capital markets, 1720-1725’, *Financial History Review*, 11 (2004), pp.197-224

Carlos, Ann M. and Neal, Larry, ‘The micro-foundations of the early London capital market: Bank of England shareholders during and after the South Sea Bubble, 1720-1725’, *Economic History Review*, 59 (2006), pp.498-538

Carruthers, Bruce G., *City of Capital: Politics and Markets in the English Financial Revolution* (Princeton NJ, 1999)

Cassis, Youssef and Cottrell, Philip L., *Private Banking in Europe: Rise, Retreat, Resurgence* (Oxford, 2015)

Clapham, John H., *The Bank of England: A History*, 2 vols. (London, 1944)

Clark, Geoffrey W., ‘Life insurance in the society and culture of London, 1700-1775’, *Urban History*, 24 (1997), pp.17-36

Clark, Geoffrey W., *Betting on Lives: The Culture of Life Insurance in England, 1695-1775* (Manchester, 1999)

Clark, Dorothy K., ‘Edward Backwell as royal agent’, *Economic History Review*, 9 (1928-9), pp.45-55

Clark, Dorothy K., ‘A Restoration goldsmith-banking house: the Vine on Lombard Street’ in *Essays in Modern English History in Honor of Wilbur Cortez Abbott* (Cambridge MA, 1941), pp.3-47

Clements, Diane, ‘The ‘consequence of an advertisement’: intermediation in the eighteenth-century credit market’, *Historical Research* (2024), advance article accessed online at https://doi.org/10.1093/hisres/htae004 (accessed 23 March 2024)

Clifford, Helen, *Silver in London: The Parker and Wakelin Partnership 1760-1776* (New Haven CT, 2004)

Coleman, Donald C., ‘London scriveners and the estate market in the later seventeenth century’, *Economic History Review*, 4 (1951), pp.221-230

Collins, Aidan, ‘Bankrupt traders in the Court of Chancery, 1706–1750’, *Eighteenth-Century Studies*, 55 (2021), pp.65-82

Collins, Aidan, ‘Narratives of bankruptcy, failure, and decline in the Court of Chancery, 1678-1750’, *Cultural and Social History*, 19 (2022), pp.1-17

Corfield, Penelope J., ‘Class by name and number in eighteenth-century Britain’, *History*, 72 (1987), pp.38-61

Corfield, Penelope J., *Power and the Professions in Britain 1700-1850* (London, 1995)

Cottrell, Philip L., *The Ionian Bank: An Imperial Institution, 1839-64* (Athens, Greece, 2007)

Dashwood, Rita J. and Lipsedge, Karen (eds.), *Journal for Eighteenth-Century Studies*, special issue on ‘Women and property in the long eighteenth century’, 44 (2021)

Dias, Rosie, ‘“A world of pictures”; Pall Mall and the topography of display, 1780-99’ in Ogborn, Miles and Withers, Charles W. J., *Georgian Geographies: Essays on Space, Place and Landscape in the Eighteenth Century* (Manchester, 2004), pp.92-113

Dickson, Peter G. M., *The Sun Insurance Office 1710-1960: The History of Two and a Half Centuries of British Insurance* (London, 1960)

Dickson, Peter G. M., *The Financial Revolution in England: A Study in the Development of Public Credit, 1688-1756* (London, 1967, reprinted with new introduction: Aldershot, 1993)

Donington, Katie, *The Bonds of Family: Slavery, Commerce and Culture in the British Atlantic World* (Manchester, 2020)

Earle, Peter, *The Making of the English Middle Class: Business, Society and Family Life in London*, 1660-1756 (London, 1989)

Erickson, Amy L., *Women and Property in Early Modern England* (London, 1993)

Erickson, Amy L., 'Mistresses and marriage: or, a short history of the Mrs', *History Workshop Journal*, 78 (2014), pp.39-57

Falk, Bernard, *The Bridgewater Millions: A Candid Family History* (London, 1942)

Finn, Margot C., *The Character of Credit: Personal Debt in English Culture, 1740-1914* (Cambridge, 2003)

Finn, Margot C. and Smith, Kate (eds.), *The East India Company at Home, 1757-1857* (London, 2018)

Floud, Roderick, 'Capable entrepreneur? Lancelot Brown and his finances', in *Occasional Papers from the RHS Lindley Library*, 14 (2016), pp.19-41

Floud, Roderick, *An Economic History of the English Garden* (London, 2019)

Froide, Amy M., *Silent Partners: Women as Public Investors during Britain's Financial Revolution, 1690-1750* (Oxford, 2016)

Gauci, Perry, *Emporium of the World: The Merchants of London 1660-1800* (London, 2007)

Gauci, Perry, 'The London private banker: status, culture and commerce in eighteenth-century society', *Silver Studies: The Journal of the Silver Society,* 36 (2020), pp.22-30

Gilbart, James W., *The Principles and Practice of Banking* (London, 1871)

Glaisyer, Natasha, *The Culture of Commerce in England, 1660-1720* (Woodbridge, 2006)

Glaisyer, Natasha, 'Calculating credibility: print culture, trust and economic figures in early eighteenth-century England', *Economic History Review*, 60 (2007), pp.685–711

Goodspeed, Tyler B., *Legislating Instability: Adam Smith, Free Banking, and the Financial Crisis of 1772* (Cambridge MA, 2016)

Grassby, Richard, *The Business Community of Seventeenth-Century England* (Cambridge, 1995)

Grassby, Richard, *Kinship and Capitalism: Marriage, Family, and Business in the English-Speaking World, 1580-1740* (Cambridge, 2001)

Green, Georgina, *Sir Charles Raymond of Valentines and the East India Company* (Hainault, 2015)

Green, David R., 'Tontines, annuities and civic improvements in Georgian Britain', *Urban History*, 46 (2019), pp.649-694

Grose, Clyde L., 'The Dunkirk money, 1662', *Journal of Modern History*, 5 (1922), pp.1-18

Habakkuk, H. John, *Marriage, Debt and the Estates System: English Landownership 1650-1950* (Oxford, 1994)

Haggerty, Sheryllynne, *Merely for Money'? Business Culture in the British Atlantic, 1750-1815* (Liverpool, 2012)

Harris, Bob, 'Lottery adventuring in Britain, c.1710-1760', *English Historical Review*, 133 (2018), pp.284-322

Harris, Bob, ‘Fantasy, speculation, and the British state lottery in the eighteenth century’, in Chalus, Elaine and Gauci, Perry (eds.), *Revisiting the Polite and Commercial People: Essays in Georgian Politics, Society, and Culture in Honour of Professor Paul Langford* (Oxford, 2019), pp.119-135

Harris, Bob, ‘Selling the lottery in Britain, c.1694-1826’ in Berman, Ric and Gibson, William (eds.), *The Lantern of History: Essays in Honour of Jeremy Black* (Goring Heath, 2020), pp.86-110

Harris, Bob, *Gambling in Britain in the Long Eighteenth Century* (Cambridge, 2022)

Harris, Ellen T., ‘Courting gentility: Handel at the Bank of England’, *Music & Letters*, 91 (2010), pp.357-375

Heal, Ambrose, *The London Goldsmiths 1200-1800* (Cambridge, 1935)

Hoare, Henry P. R., *Hoare’s Bank: A Record* (London, 1932)

Hoffman, Philip T., Postel-Vinay, Gilles and Rosenthal, Jean-Laurent, *Dark Matter Credit: The Development of Peer-to-Peer Lending and Banking in France* (Princeton NJ, 2019)

Holden, J. Milnes, *The History of Negotiable Instruments in English Law* (London, 1955)

Holmes, Geoffrey, *Augustan England: Professions, State and Society, 1680-1730* (London, 1982)

Hoppit, Julian, *Risk and Failure in English Business 1700-1800* (Cambridge, 1987)

Hoppit, Julian, ‘Attitudes to credit in Britain, 1680-1790’, *Historical Journal,* 33 (1990), pp.305-322

Hoppit, Julian, 'The myths of the South Sea Bubble, *Transactions of the Royal Historical Society*, 12 (2002), pp.141-165

Hoppit, Julian, review of Temin, Peter and Voth, Hans-Joachim, *Prometheus Shackled: Goldsmith Banks and England's Financial Revolution after 1700* (2013), *Economic History Review*, 67 (2014), pp.1160-1161

Horsefield, J. Keith, *British Monetary Experiments 1650-1710* (London, 1960)

Horsefield, J. Keith, 'The beginnings of paper money in England', *Journal of European Economic History*, 6 (1977), pp.117-132

Horsefield, J. Keith, 'The "Stop of the Exchequer" Revisited', *Economic History Review*, 35 (1982), pp.511-528

Hudson, Kenneth, *Pawnbroking: An Aspect of British Social History* (London, 1982)

Hunt, Margaret R., *The Middling Sort: Commerce, Gender and the Family in England, 1680-1780* (Berkeley CA, 1996)

Hutchings, Victoria, *Messrs Hoare Bankers: A History of the Hoare Banking Dynasty* (London, 2005)

Jackson, J. G. C., 'The history of methods of exposition of double-entry book-keeping in England' in Littleton, Ananias C., and Yamey, Basil S. (eds.), *Studies in the History of Accounting* (London, 1956), pp.288-312

John, Arthur H., 'Insurance investment and the London money market of the 18th century', *Economica*, 20 (1953), pp.137-158

Joslin, David M., 'London private bankers, 1720-1785', *Economic History Review*, 7 (1954), pp.167-186

Joslin, David M., ‘London bankers in wartime, 1739-1784’ in Leslie S. Pressnell (ed.), *Studies in the Industrial Revolution Presented to T. S. Ashton* (London, 1960), pp.156-177

Judges, A. V., ‘The origins of English banking’, *History*, 16 (1931), pp.138-145

Kelch, Ray A., *Newcastle – a Duke Without Money: Thomas Pelham-Holles, 1693-1768* (London, 1974)

Kelsall, Frank and Walker, Timothy, *Nicholas Barbon: Developing London, 1667-1698* (London, 2022)

Knights, Mark, *Trust and Distrust: Corruption in Office in Britain and its Empire, 1600-1850* (Oxford, 2021)

Kosmetatos, Paul, *The 1772-73 British Credit Crisis* (Cham, Switzerland, 2018)

Langford, Paul*, A Polite and Commercial People: England 1727-1783* (Oxford, 1989)

Latham, Robert and Matthews, William, *The Diary of Samuel Pepys*, 9 vols (London, 1970-6)

Laurence, Anne, ‘Women investors, “That nasty South Sea affair” and the rage to speculate in early eighteenth century England’, *Accounting, Business and Financial History*, 16 (2006), pp.245–264

Laurence, Anne, ‘The emergence of a private clientele for banks in the early eighteenth century: Hoare’s Bank and some women customers’, *Economic History Review*, 61 (2008), pp.565-586

Laurence, Anne, ‘Women and finance in eighteenth century England’ in Laurence, Anne, Maltby, Josephine and Rutterford, Janette (eds.), *Women and Their Money 1700–1950: Essays on Women and Finance* (London, 2009), pp.30-32

Laurence, Anne, 'Women, banks and the securities market in early eighteenth-century England', in Laurence, Anne, Maltby, Josephine and Rutterford, Janette (eds.), *Women and Their Money 1700–1950: Essays on Women and Finance* (London, 2009), pp.46-58

Li, Ling-Fan, 'The Stop of the Exchequer and the secondary market for English sovereign debt, 1677-1705', *Journal of Economic History*, 79 (2019), pp.176-200

Loveman, Kate, *Samuel Pepys and his Books: Reading, Newsgathering and Sociability, 1660-1703* (Oxford, 2015)

Mathias, Peter, 'The social structure in the eighteenth century: A calculation by Joseph Massie', *Economic History Review*, 10 (1957), pp. 30-45

McDonagh, Briony, *Elite Women and the Agricultural Landscape, 1700-1830* (Abingdon, 2018)

McKendrick, Neil, 'Commercialization and politics', in McKendrick, Neil, Brewer, John and Plumb, John H., *The Birth of a Consumer Society: The Commercialization of Eighteenth-Century England* (Bloomington IN, 1982), pp.197-264

McKendrick, Neil, Brewer, John and Plumb, John H., *The Birth of a Consumer Society: The Commercialization of Eighteenth-Century England* (Bloomington IN, 1982)

Melton, Frank T., 'Robert and Sir Francis Gosling: eighteenth-century bankers and stationers' in Myers, Robin and Harris, Michael (eds.), *Economics of the British Booktrade 1605-1939* (Cambridge, 1985), pp.60-77

Melton, Frank T., *Sir Robert Clayton and the Origins of English Deposit Banking* (Cambridge, 1986)

Melton, Frank T., 'Deposit banking in London, 1700-1790', *Business History*, 28 (1986), pp.40-50

Michie, Ranald C., *The London Stock Exchange: A History* (Oxford, 1999)

Michie, Ranald C., *British Banking: Continuity and Change from 1694 to the Present* (Oxford, 2016), pp.16-69

Mingay, Gordon E., *English Landed Society in the Eighteenth Century* (London, 1963)

Mitchell, David M., '"Mr. Fowle pray pay the washwoman": the trade of a London goldsmith-banker, 1660-1692', *Business and Economic History*, 23 (1994), pp.27-39

Mitchell, David M., 'Innovation and the transfer of skill in the goldsmiths' trade in Restoration London' in Mitchell, David M. (ed.), *Goldsmiths, Silversmiths and Bankers: Innovation and the Transfer of Skill, 1550-1750* (Stroud, 1995)

Mitchell, David M., ''"To Alderman Backwells for the candlesticks for Mr Coventry": the manufacture and sale of plate and jewellery at the Unicorn, Lombard Street, 1663-72', *Silver Society Journal*, 12 (2000), pp.111-124

Mitchell, David M., *Silversmiths in Elizabethan and Stuart London: Their Lives and Their Marks* (Woodbridge, 2017)

Mitchell, David M., *The Wider Goldsmiths' Trade in Elizabethan and Stuart London* (London, 2024)

Muldrew, Craig, *The Economy of Obligation: The Culture of Credit and Social Relations in Early Modern England* (Basingstoke, 1998)

Murphy, Anne L., 'Lotteries in the 1690s: investment or gamble?', *Financial History Review*, 12 (2005), pp.227-246

Murphy, Anne L., *The Origins of English Financial Markets: Investment and Speculation before the South Sea Bubble* (Cambridge, 2009)

Murphy, Anne L., review of Temin, Peter and Voth, Hans-Joachim, *Prometheus Shackled: Goldsmith Banks and England's Financial Revolution after 1700* (2013), *Journal of Economic Literature*, 52 (2014), pp.236-237

Murphy, Anne L., *Virtuous Bankers: A Day in the Life of the Eighteenth-Century Bank of England* (Princeton NJ, 2023)

Neal, Larry, *The Rise of Financial Capitalism: International Capital Markets in the Age of Reason* (Cambridge, 1990)

Neal, Larry and Quinn, Stephen, 'Networks of information, markets, and institutions in the rise of London as a financial centre, 1660-1720', *Financial History Review*, 8 (2001), pp.7-26

Ogborn, Maurice E., *Equitable Assurances: The Story of Life Assurance in the Experience of The Equitable Life Assurance Society 1762-1962* (London, 1962)

Orbell, John and Turton, Alison*, British Banking: A Guide to Historical Records* (Aldershot, 2001)

Paul, Tawny, *The Poverty of Disaster: Debt and Insecurity in Eighteenth-Century Britain* (Cambridge, 2019)

Pincus, Steve and Wolfram, Alice, 'A proactive state? The Land Bank, investment and party politics in the 1690s' in Gauci, Perry (ed.), *Regulating the British Economy, 1660-1850* (Farnham, 2011), pp.41-62

Port, Michael H., 'West End palaces: the aristocratic town house in London, 1730-1830'*, London Journal,* 20 (1995), pp.17-46

Porter*,* Roy, *London: A Social History* (London, 1996)

Postle, Martin, ‘Arthur Pond, Doddington and the patronage of the Delavals’, *Art and the Country House*, https://doi.org/10.17658/ACH/DNE509 (accessed 26 April 2023)

Pressnell, Leslie S., *Country Banking in the Industrial Revolution* (Oxford, 1956)

Pressnell, Leslie S., ‘The rate of interest in the eighteenth century’ in Pressnell, L. S. (ed.), *Studies in the Industrial Revolution Presented to T. S. Ashton* (London, 1960), pp.156-177

Prest, Wilfrid (ed.), *The Professions in Early Modern England* (London, 1987)

Price, Frederick G. Hilton, *Temple Bar, or Some Account of 'ye Marygold', No. 1 Fleet Street* (London, 1875)

Price, Frederick G. Hilton, ‘Some notes of the early goldsmiths and bankers’, *Transactions of the London & Middlesex Archaeological Society*, 9 (1881), pp.225-281

Price, Frederick G. Hilton, ‘Some account of the business of Alderman Edward Backwell, goldsmith and banker in the 17th century’, *Transactions of the London & Middlesex Archaeological Society*, 6 (1890), pp.191-230

Price, Frederick G. Hilton, *Handbook of London Bankers: With Some Account of their Predecessors, the Early Goldsmiths* (London, 1890-1)

Price, Frederick G. Hilton, *The Marygold by Temple Bar: Being a History of the Site Now Occupied by No.1 Fleet Street, the Banking House of Messrs. Child & Co* (London, 1902)

Quinn, Stephen, ‘Gold, silver, and the Glorious Revolution: arbitrage between bills of exchange and bullion’, *Economic History Review*, 49 (1996), pp.473-490

Quinn, Stephen, ‘Goldsmith-banking: mutual acceptance and inter-banker clearing in Restoration London’, *Explorations in Economic History,* 34 (1997), pp.411–432

Quinn, Stephen, ‘The Glorious Revolution’s effect on English private finance: A microhistory, 1680-1705’, *Journal of Economic History*, 61 (2001), pp.593-615

Quinn, Stephen, ‘Money, finance and capital markets’ in Floud, Roderick and Johnson, Paul (eds.), *The Cambridge Economic History of Modern Britain. Vol. 1: Industrialisation, 1700-1860* (Cambridge, 2004), pp.147–174

Raven, James, *Bookscape: Geographies of Printing and Publishing in London before 1800* (London, 2014)

Richards, Richard D., ‘The evolution of paper money in England’, *Quarterly Journal of Economics*, 41 (1927), pp.361-404

Richards, Richard D., ‘A pre-Bank of England English banker - Edward Backwell’, *Economic History: Supplement to the Economic Journal*, 1, (1928), pp.335-355

Richards, Richard D., *The Early History of Banking in England* (London, 1929)

Richards, Richard D., ‘The “Stop of the Exchequer”’, *Economic History: Supplement to the Economic Journal*, 2 (1930), pp.45-62

Richards, Richard D., ‘Mr Pepys and the goldsmith bankers’, *Economic History*, 2 (1933), pp.500-520

Roe, Stephen, ‘Johann Christian Bach and Cecilia Grassi: portrait of a marriage’, in Wollny, Peter and Roe, Stephen, *The Sons of Bach: Essays for Elias N. Kulukundis* (Ann Arbor MI, 2016), pp.134-157

Roebuck, Peter, *Yorkshire Baronets 1640-1760: Families, Estates and Fortunes* (Oxford, 1980)
Rosenheim, James M., *The Emergence of a Ruling Order: English Landed Society 1650-1750* (Harlow, 1998)

Roseveare, Henry, *The Financial Revolution, 1660-1760* (Harlow, 1991)

Roseveare, Henry, 'Finances', in Latham, Robert and Matthews, William, *The Diary of Samuel Pepys* (London, 2000), vol X (Companion, compiled and edited by Robert Latham), pp.131-137

The Royal Bank of Scotland, *Drummonds: A History* (Edinburgh, 2002)

The Royal Bank of Scotland, *Child & Co.: A History* (Edinburgh, 2012)

Samuel, Edgar R., 'Sir Francis Child's jewellery business', *Three Banks Review*, 113 (1977), pp.43-55

Sangster, Alan, 'The emergence of double entry bookkeeping', *Economic History Review* (2024), early view article accessed online at https://doi.org/10.1111/ehr.13358 (accessed 25 May 2024)

Schlarman, Julie, 'The social geography of Grosvenor Square: mapping gender and politics, 1720-1760', *London Journal*, 28 (2003), pp.8-28

Schwarz, Leonard, *London in the Age of Industrialisation: Entrepreneurs, Labour Force and Living Conditions, 1700-1850* (Cambridge, 1992)

Shepard, Alexandra, *Accounting for Oneself: Worth, Status, and the Social Order in Early Modern England* (Oxford, 2015)

Slack, Paul, *The Invention of Improvement: Information and Material Progress in Seventeenth-Century England* (Oxford, 2014)

Souden, David, *The Bank and the Sea: The Royal Bank of Scotland Group and the Finance of Shipping since 1753*, revised edition (Edinburgh, 2006)

Spence, Craig, *London in the 1690s: A Social Atlas* (London, 2000)

Staves, Susan, 'Investment, votes, and "bribes": women as shareholders in the chartered national companies', in Smith, Hilda L. (ed.), *Women Writers and the Early Modern British Political Tradition* (Cambridge, 1998), pp.259-278

Stobart, Jon and Rothery, Mark, *Consumption and the country house* (Oxford, 2016)

Summerson, John, *Georgian London,* revised edition (London, 1988)

Supple, Barry, *The Royal Exchange Assurance: A History of British Insurance, 1720-1970* (Cambridge, 1970)

Sykes, Christopher S., *Private Palaces: Life in the Great London Houses* (London, 1985)

Temin, Peter and Voth, Hans-Joachim, 'Riding the South Sea Bubble', *American Economic Review*, 94 (2004), pp.1654-68

Temin, Peter and Voth, Hans-Joachim, 'Credit rationing and crowding out during the industrial revolution: evidence from Hoare's Bank, 1702-1862', *Explorations in Economic History*, 42 (2005), pp.325-348

Temin, Peter and Voth, Hans-Joachim, 'Banking as an emerging technology: Hoare's Bank, 1702-1742', *Financial History Review*, 13 (2006), pp.149-178

Temin, Peter and Voth, Hans-Joachim, *Prometheus Shackled: Goldsmith Banks and England's Financial Revolution after 1700* (Oxford, 2013)

Terry, Richard, 'The banking habits of eighteenth-century authors: Pope and others', *Review of English Studies*, 69 (2018), pp.488-509

Thomson, Gladys S., *The Russells in Bloomsbury 1669-1771* (London, 1940)

Todd, Barbara J., ‘Fiscal citizens: female investors in public finance before the South Sea Bubble’ in Haude, Sigrun and Zook, Melinda S., *Challenging Orthodoxies: The Social and Cultural Worlds of Early Modern Women* (Farnham, 2014)

Tomalin, Claire, *Samuel Pepys: The Unequalled Self* (London, 2002)

Vickery, Amanda, ‘His and Hers: Gender, consumption and household accounting in eighteenth-century England’, *Past and Present*, Supplement 1 (2006), pp.12-38

Wagner, Michael, *The English Chartered Trading Companies, 1688-1763: Guns, Money and Lawyers* (Abingdon, 2018)

Wakelam, Alexander, *Credit and Debt in Eighteenth-Century England: An Economic History of Debtors’ Prisons* (Abingdon, 2021)

Wallis, Patrick, ‘Consumption, retailing, and medicine in early-modern London’, *Economic History Review*, 61 (2008), pp.26-53

Walsh, Claire, ‘The design of London goldsmiths’ shops in the early eighteenth century’ in Mitchell, David M. (ed.), *Goldsmiths, Silversmiths and Bankers: Innovation and the Transfer of Skill, 1550-1750* (Stroud, 1995)

Walsh, Claire, ‘Shop design and the display of goods in eighteenth-century London’, *Journal of Design History*, 8 (1995), pp.157-176

Walsh, Claire, ‘Shops, shopping, and the art of decision making in eighteenth-century England’ in Styles, John and Vickery, Amanda (eds.), *Gender, Taste, and Material Culture in Britain and North America 1700-1830* (New Haven CT, 2006), pp.151-178

Ward, John R., *The Finance of Canal Building in Eighteenth-Century England* (Oxford, 1974)

Warren, Ian, ‘The English landed elite and the social environment of London c.1580-1700: the cradle of an aristocratic culture?’, *English Historical Review*, 126 (2011), pp.44-74

Weatherill, Lorna, *Consumer Behaviour and Material Culture in Britain, 1660-1760* (London, 1996)

Wennerlind, Carl, *Casualties of Credit: The English Financial Revolution, 1620-1720* (Cambridge MA, 2011)

Whyman, Susan E., *Sociability and Power in Late-Stuart England: The Cultural Worlds of the Verneys, 1660-1720* (Oxford, 1999)

Winter, Mabel, *Banking, Projecting and Politicking in Early Modern England: The Rise and Fall of Thompson and Company, 1671-1678* (Cham, Switzerland, 2022)

Withey, Alun, ‘Enabling politeness: perfumers and male self-fashioning in Britain, *c*.1750–1800’, *Journal for Eighteenth-Century Studies,* 46 (2023), pp.259-278

Wordie, John R., *Estate Management in Eighteenth-Century England: The Building of the Leveson-Gower Fortune* (London, 1982)

Wrigley, E. Anthony, ‘A simple model of London's importance in changing English society and economy 1650- 1750’, *Past & Present*, 37 (1967), pp.44-70

Wrigley, E. Anthony, *The Early English Censuses* (Oxford, 2011)

Yamamoto, Koji, *Taming Capitalism before its Triumph: Public Service, Distrust, and 'Projecting' in Early Modern England* (Oxford, 2018)

Yamey, Basil S., ‘Some seventeenth and eighteenth century double-entry ledgers’, *Accounting Review*, 34 (1959), pp.534-546

Digital secondary sources

British History Online: www.british-history.ac.uk, for online access to volumes of the *Survey of London*

Clergy of the Church of England Database 1540-1835 (CCEd): www.theclergydatabase.org.uk, including the following entry referred to in the thesis:

> 'Briscoe, Charles (1699-1748)', Person ID: 176129 (accessed 11 August 2023)

Dictionary of Welsh Biography: www.biography.wales, including the following article referred to in the thesis:

> Jenkins, Robert T., 'Morris, Robert (died 1768), industrialist', https://biography.wales/article/s-MORR-ROB-1768 (accessed 5 May 2024)

The History of Parliament: www.historyofparliamentonline.org, including the following articles referred to in the thesis:

> Sedgwick, Romney R., 'JENYNS, John (1659-1717), of Hayes, Mdx.', https://www.historyofparliamentonline.org/volume/1715-1754/member/jenyns-john-1659-1717 (accessed 20 January 2024)
>
> Hayton, D. W. and Lancaster, Henry, 'HUNGERFORD, Sir Edward (1632-1711), of Broadwater, Suss.', *History of Parliament*, https://www.historyofparliamentonline.org/volume/1690-1715/member/hungerford-sir-edward-1632-1711 (accessed 15 September 2021)

'Merchants Database' produced as part of the Centre for Metropolitan History's Merchant Culture 1660-1720 project (database supplied to the author by the Institute of Historical Research).

NatWest Group Heritage Hub: www.natwestgroup.com/heritage.html, including the following content referred to in the thesis:

Edward Backwell: https://www.natwestgroup.com/heritage/people/edward-backwell.html (accessed 11 April 2024)

Lancelot Brown: https://www.natwestgroup.com/heritage/online-collections/lancelot-capability-brown-bank-accounts.html (accessed 12 April 2024)

Oxford Dictionary of National Biography: www.oxforddnb.com, including the following articles referred to in the thesis:

Hutchings, Victoria, 'Hoare, Henry (1677–1725), banker and philanthropist'*, 8 September 2022,* https://doi.org/10.1093/ref:odnb/47085 *(a*ccessed 9 May 2024)

Knighton, Charles S., 'Pepys, Samuel (1633–1703), naval official and diarist', 12 September 2004, https://doi.org/10.1093/ref:odnb/21906 (accessed 19 January 2024)

Roe, Stephen, 'Bach, Johann Christian (1735-1782), composer'*, 23 September 2004,* https://doi.org/10.1093/ref:odnb/37137 (accessed 1 May 2024)

Watkin, David, 'Holland, Henry (1745-1806), architect', *3 October 2013,* https://doi.org/10.1093/ref:odnb/13524 (accessed 1 May 2024)

Winterbottom, Philip, 'Child, Sir Francis, the younger (c. 1684–1740), banker', 23 September 2004*,* https://doi.org/10.1093/ref:odnb/5287 *(a*ccessed 9 May 2024).

Womersley, David, 'Gibbon, Edward (1737–1794), historian', 25 May 2006, https://doi.org/10.1093/ref:odnb/10589 (accessed 24 April 2023)

Unpublished theses and dissertations

Ayres, Jessica, 'Women in London's Court of Orphans, 1660-1720' (unpublished PhD thesis, University of York, 2023)

Barnes, Olive R. M., 'The Catholic Church in England: The Politics of Allegiance and Identity 1791-1908' (unpublished PhD thesis, Oxford Brookes University, 2011)

Clements, Diane, 'Invested in Identity: The Freemasons' Tontine of 1775' (unpublished MRes dissertation, University of London, 2018)

Clements, Diane, 'Annuity Loans and Private Credit in Britain, 1750-1813' (unpublished PhD thesis, University of London, 2022)

Gent, John A., 'Abundance and Scarcity: Classical Theories of Money, Bank Balance Sheets and Business Models, and the British Restriction of 1797-1818' (unpublished PhD thesis, London School of Economics and Political Science, 2016)

Learmouth, Juliet, 'Elite women and the West End Town House: Creating, Maintaining and Inhabiting a Residence in London, c.1710-c.1750' (unpublished PhD thesis, Birkbeck College, University of London, 2021)

Malley, Edith, 'The Financial Administration of the Bridgewater Estate, 1780 to 1800' (unpublished MA thesis, Victoria University of Manchester, 1929)

Quinn, Stephen F., 'Banking before the Bank: London's Unregulated Goldsmith-Bankers, 1660-1694' (unpublished PhD thesis, University of Illinois, 1994)

Roseveare, Henry G., 'The Advancement of the King's Credit, 1660-1672' (unpublished PhD thesis, University of Cambridge, 1962)

Turner, Gareth D., 'English Banking in the Eighteenth Century: Bankers, Merchants and the Creation of the English Financial System' (unpublished MLitt thesis, University of Durham, 2015)

Twomey, Brendan, 'Personal Financial Management in Early Eighteenth-Century Ireland: Practices, Participants and Outcomes' (unpublished PhD thesis, Trinity College Dublin, 2018)

Wilde, Francesca S., 'London Letters (1720-1728): Written by Mary (Granville) Pendarves to her Sister, Anne Granville, in Gloucester. A Sequence from the Autobiography and Correspondence of Mary Delany, Formerly Mary Pendarves, nee Granville (1700-1788)' (unpublished PhD thesis, University of York, 2003)

Williams, John D., 'A Study of an Eighteenth-Century Nobleman, his House, Household and Estate: Sir John Griffin Griffin, 4th Lord Howard de Walden, 1st Lord Braybrooke, of Audley End, Essex, 1719-1797' (unpublished PhD thesis, University of London, 1974)

Appendices

Appendix 1 - Dataset elements

Client accounts

All of the numbers and monetary totals recorded relate to date span of the dataset

- Client title
- Client name
- Client epithet
- Ledger reference
- Folio number(s)
- Opening account balance (at start of date span)
- Closing account balance (at close of date span)
- Number of debit transactions*
- Number of credit transactions*
- Total number of transactions (calculated from debit and credit totals)
- Total value of debit transactions*
- Total value of credit transactions*
- Total turnover (calculated as the higher of the total value of debit or credit transactions, and then checked for accuracy to within £2 using a formula to subtract the carried forward balance and total debit transaction value from the total credit transaction value and brought forward balance)
- Summary of types of debit transactions
- Summary of types of credit transactions
- Additional summary of account activity

Where readily available (where electronic indexes were used initially to create the datasets), further information has been included on account opening and closure dates, death dates of clients, and basic biographical or account summary information.

* Including sub-totals where accounts appear on multiple folios or between interim balance dates

Investment activity

This is included within the client account datasets, using the following additional elements

- Type of investment activity – one or more of purchase, sale/transfer or dividends
- Name of investment (Bank Stock, 3% consols, etc)
- Total number of different stocks held (as deduced from account transactions)

For the Drummonds 1780 dataset the value of purchases, sales and dividends by investment type have also been recorded.

Loans

- Client title
- Client name
- Client epithet
- Ledger reference
- Folio number(s)
- Principal outstanding at start of date span
- Principal outstanding at close of date span
- Date and principal of new loans during the date span
- Date and amount of repayments of principal during the date span

Where available, or feasible to collect, the following elements have also been included:

- Interest received, including on repayment of principal
- Rate of interest charged (this has been calculated for the Drummonds 1780 dataset)
- Type of Security employed
- Original date of existing loan(s)
- Repayment date of loan(s) where repayment occurred after the close of the date span

Appendix 2 – Banking record formats

The format and content of each of the main record types used in this thesis varies between banks, and sometimes also over time.

Customer account ledgers

Customer account ledgers mostly share a common format, but both the level of detail and the terms used to describe transactions vary between banks.

Some banks, such as Edward Backwell and Drummonds used only one ledger, or set of ledgers (divided alphabetically by surname), at a time, and at Drummonds new ledgers or sets of ledgers were opened together, usually at the beginning of the year. As time went on the number of ledgers in each annual set increased, each ledger containing accounts for client surnames for a section of the alphabet.

Other banks maintained overlapping sets of ledgers. At Goslings during the period studied in this thesis there were only two overlapping ledgers or sets of ledgers in use at any time, each of which was sub-divided alphabetically where necessary. Robert Blanchard (later Child & Co) and Hoare's had multiple concurrent ledgers and without any alphabetical division. At Child & Co one of the few surviving ledgers was reserved for particularly active accounts, a pattern which may have continued in non-extant ledgers. At Hoare's one set of ledgers (the volumes referred to by sequential letters) contained more active client accounts whilst the majority of accounts were contained in another set of sequentially numbered ledgers, though sometimes accounts appeared in both sets or moved between them over time. This system meant that accounts current at a particular date might be contained in many different ledgers. For example, the Hoare's accounts which were current in the date spans used for the datasets used in this thesis appear in ten separate ledgers for the 9-month period starting 29 September 1730 and in 24 ledgers over the year commencing 29 September 1780.

Most customer account ledgers were compiled from journals or other working documents, and often account entries within the ledgers contain cross references to such records. The ledgers were written up at the end of each working day or on the following day. The ledgers are mostly neatly written. Mistakes in compilation are relatively rare, though sometimes transactions were recorded in the wrong customer account, only to be corrected later. The ledgers sometimes include corrections for mistakes in accounting such as the calculation of interest or fees. Many ledgers also include evidence that entries were checked for accuracy by partners or clerks.

Customer ledgers in the 1670s

The ledgers of Edward Backwell (Figure A.1) and Robert Blanchard (Figure A.2) demonstrate different approaches to record-keeping. The former are written with far more precision and clarity and are arranged more systematically, and were probably fair copies compiled from other records, whereas it is possible that Blanchard's ledgers recorded transactions as they occurred.

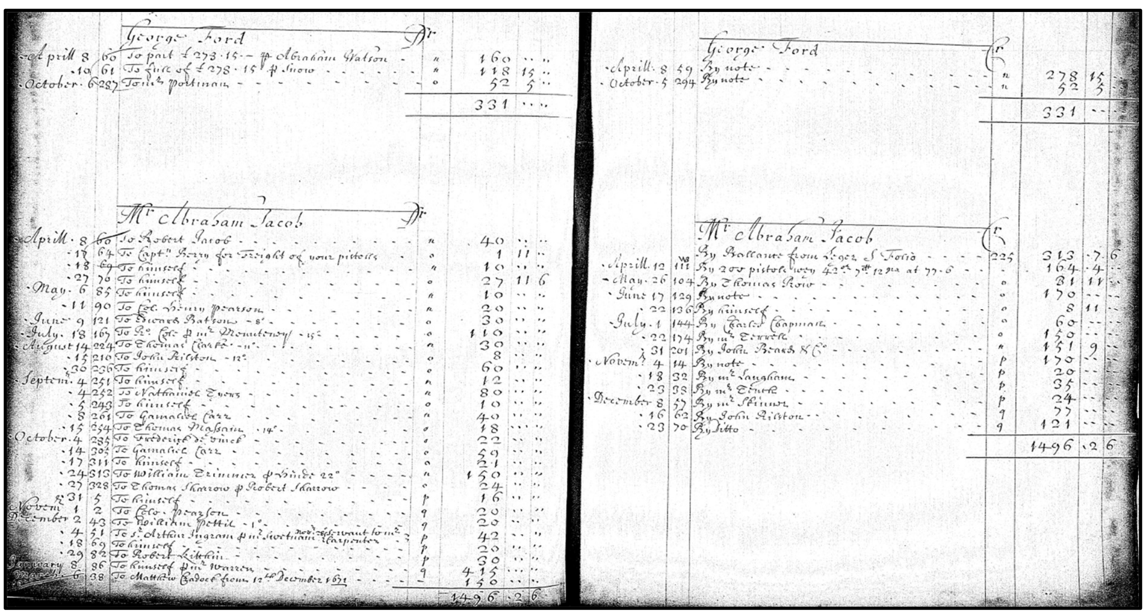


Figure A.1: Extract from the 1671-72 ledger of Edward Backwell including the accounts of George Ford and Mr Abraham Jacob[1]

[1] NatWest Group Archives (NWGA) EB/1/9, f.168.

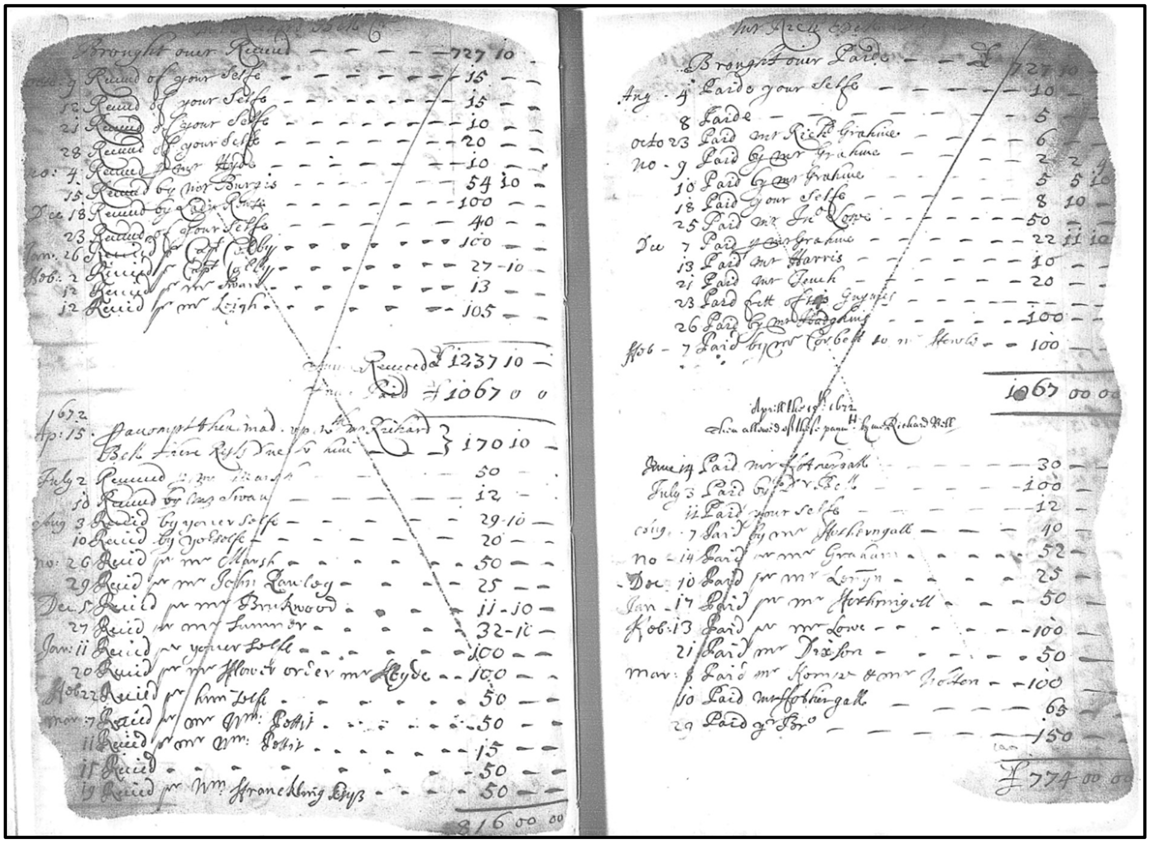


Figure A.2: Extract from the account of Mr Richard Bell with Robert Blanchard, 1671-3[2]

Customer ledgers in the eighteenth century

Eighteenth-century bank ledgers share a common format, but there are differences in the ways that credit and debit entries were totalled and balanced. At Drummonds (Figure A.3) each side of the account was totalled regularly, the frequency varying according to the level of account activity. A balance was normally calculated at the end of each ledger page, and often within a page, for instance when the account was inspected by the account holder or when a copy of the account was sent to the client, either at the client's request or when an account became overdrawn. Each account was balanced at the end of the period (normally twelve months) covered by the ledger, which from 1753 was the end of the calendar year.

[2] NWGA CH/194/3, f.103.

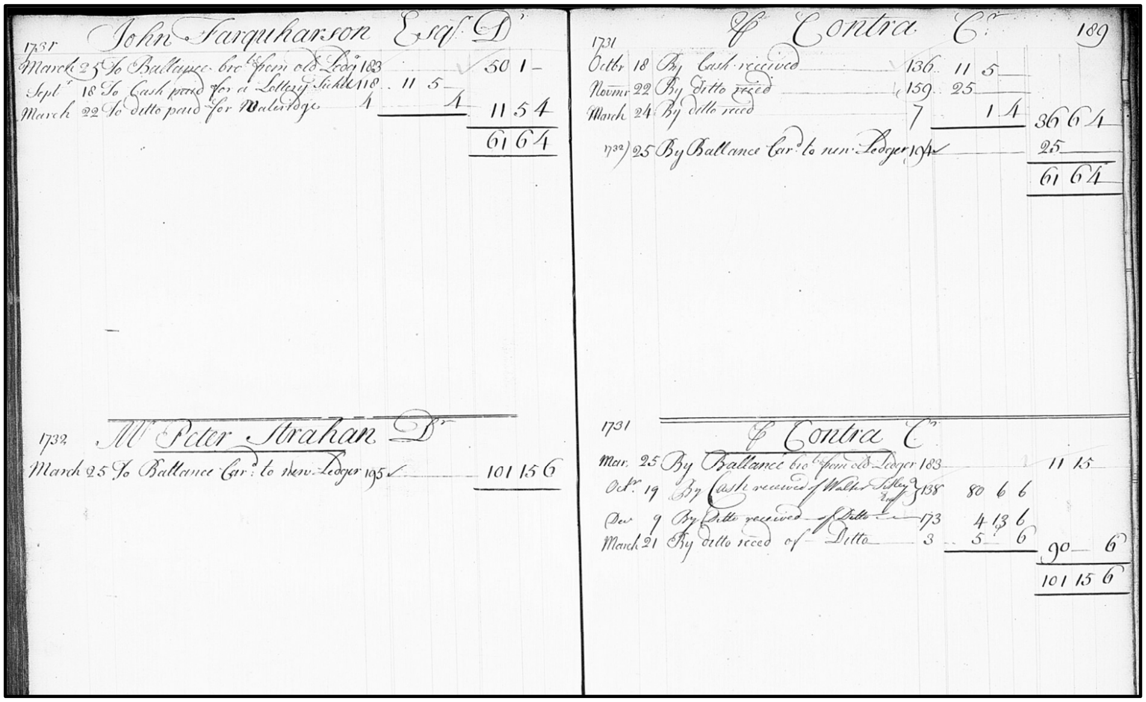

1731 John Farquharson Esqr Dr
March 25 To Ballance brot from old Ledgr 183 50 1 –
Septr 18 To Cash paid for a Lottery Ticket 110 . 11 5 –
March 22 To ditto paid for Walridge 4 4 11 5 4
61 6 4
1731 Contra Cr 189
Octbr 18 By Cash received 136 11 5
Novmr 22 By ditto recd 159 25
March 24 By ditto recd 7 1 4 36 6 4
1732 25 By Ballance Carr to new Ledger 104 25
61 6 4
1732 Mr Peter Strahan Dr
March 25 To Ballance Car: to new Ledger 195 101 15 6
1731 Contra Cr
Mar. 25 By Ballance brot from old Ledger 183 11 15
Octr 19 By Cash received of Walter 138 80 6 6
Dec 9 By ditto received of Ditto 173 4 13 6
March 21 By ditto recd of Ditto 3 5 6 90 – 6
101 15 6

Figure A.3: Extract from a Drummonds customer ledger folio showing the accounts of John Farquharson and Mr Peter Strahan with Drummonds, 1731-2[3]

At Goslings and Hoare's (Figures A.4 and A.5), where the period covered by each ledger (or set of ledgers) varies, and usually spans a period in excess of a calendar year, each side of the account was normally totalled half-yearly. At Goslings the balance on those dates was indicated in the ledgers, whereas at Hoare's only the totals appear in the ledgers, whereas the balances were recorded instead in the bank's balance books or equivalent papers. As at Drummonds, interim balances were also calculated as required.

[3] NWGA DR/427/11, f.189.

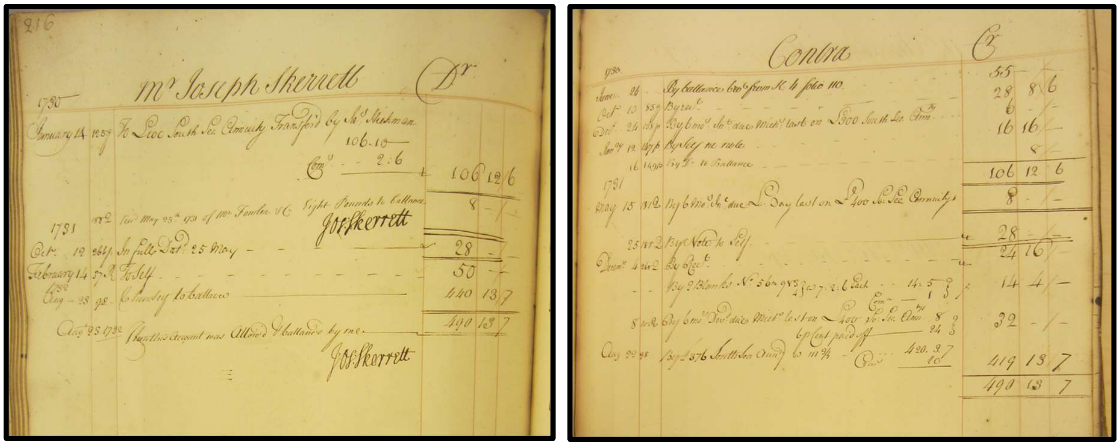


Figure A.4: Extracts from a Goslings customer ledger folio showing the account of Mr Joseph Skerrett, 1730-32[4]

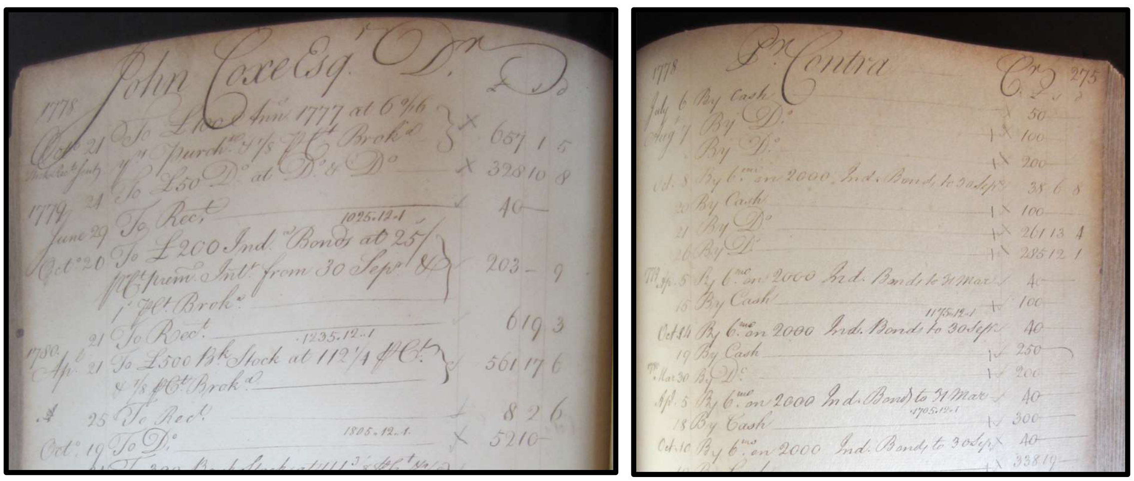


Figure A.5: Extracts from a Hoare's customer ledger folio showing the account of John Coxe Esq, 1778-80[5]

Loan records

Loans in the 1670s

Evidence for borrowing from Edward Backwell is contained within clients' bank accounts (as shown in Figure A.6). Interest paid and received by Backwell was additionally recorded in a separate Interest account. It is likely that Backwell would also have maintained other records to track his lending, but any such records have not survived.

---

[4] Barclays Group Archives (BGA) 0130-0719, f.216.

[5] Hoare's Bank Archive (HBA) Customer ledger 2 (1778-1779), f.275.

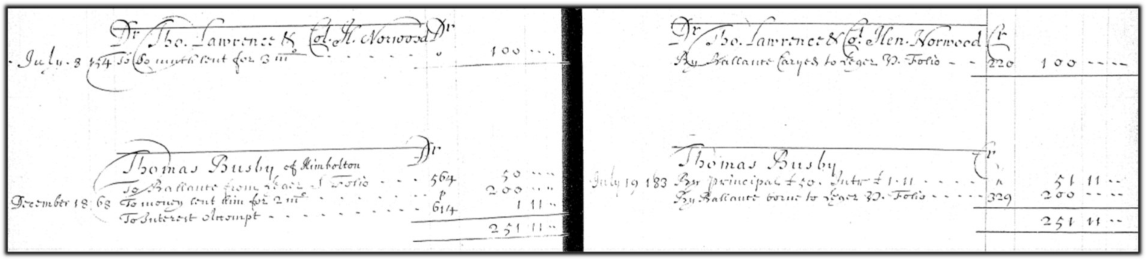


Figure A.6: Extract from the 1671-72 ledger of Edward Backwell including the accounts of borrowers Thomas Busby and Dr Thomas Lawrence & Colonel Henry Norwood[6]

Blanchard's lending in the 1670s was recorded in a dedicated account within the customer account ledgers, originally entitled 'Pawnes' and later headed simply 'P' (Figure A.7). This account recorded amounts lent on one side of the account, and amounts received in interest or repayment of principal on the other side, both in chronological order. Where a client had multiple loans it appears that each loan was treated separately, rather than being amalgamated, and interest was applied individually to each loan. At times, for instance when the account was transferred to a new ledger, the account was refreshed, recording outstanding loans first and then new loans and repayments thereafter.

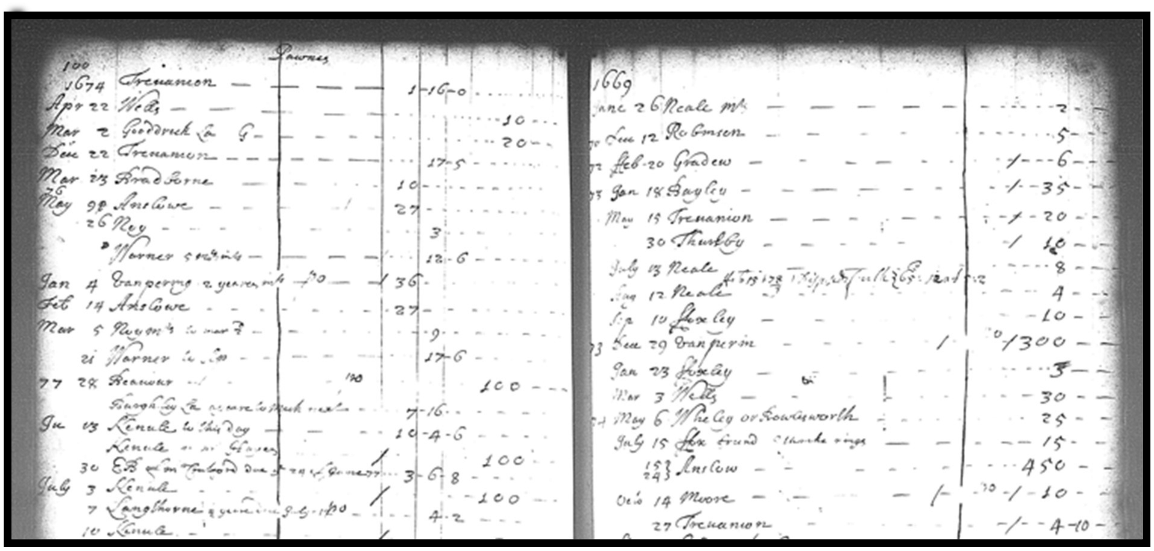


Figure A.7: Extract from the 'Pawnes' account of Robert Blanchard, 1678[7]

[6] NWGA EB/1/9, f.388.
[7] NWGA CH/194/6, f.100.

Loans in the 1730s

In the 1730s Child & Co managed loans through the same ‘Pawnes’ account that Blanchard had used in the 1670s (Figure A.8), and Drummonds recorded its lending in a similar ‘Money Lent’ account within the customer account ledgers (Figure A.9), though individual transactions might also appear within clients’ own bank accounts.

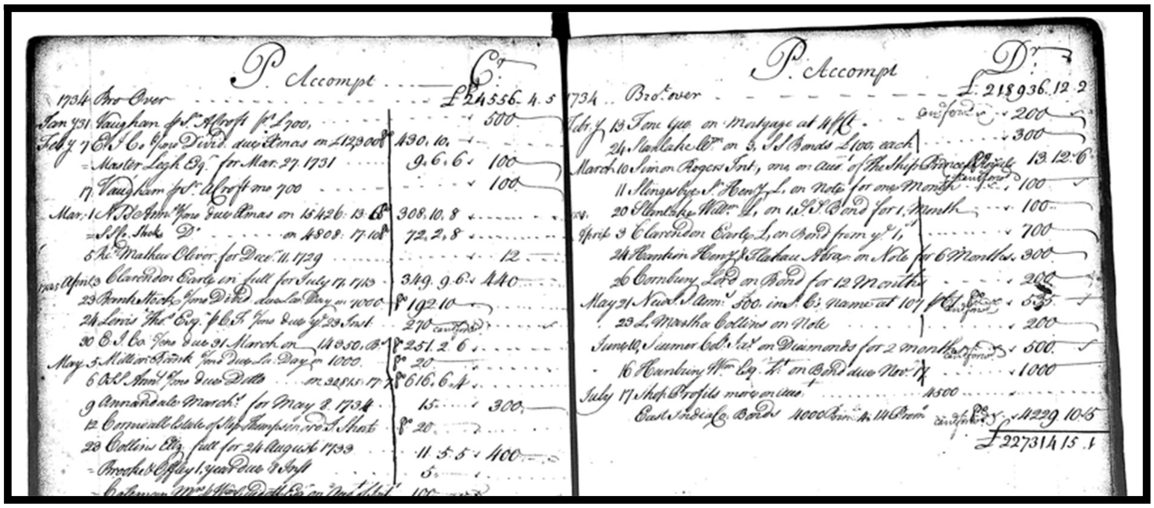


Figure A.8: Extract from the ‘Pawnes’ account of Child & Co, 1735[8]

This approach to record-keeping made it easy for bank partners and clerks to keep track of their bank’s overall level of lending at any point in time. However, it was, and is, less easy to see at a glance the borrowing of an individual client, or the interest that was due from them.

Other banks, for instance Hoare’s (Figure A.10) and Goslings, maintained separate loan ledgers containing loan accounts for each client, recording loan principals, repayments and interest payments, though these records do not survive for Goslings. This approach made it easy for the bank to keep track of individual clients’ lending, but must have made it harder for them, and for researchers today, to assess the firm’s overall level of lending at a particular date, though Goslings (Figure A.11) and Hoare’s also recorded summary information periodically in their balance books.

[8] NWGA CH/200, un-numbered folio starting 31 January 1734/5.

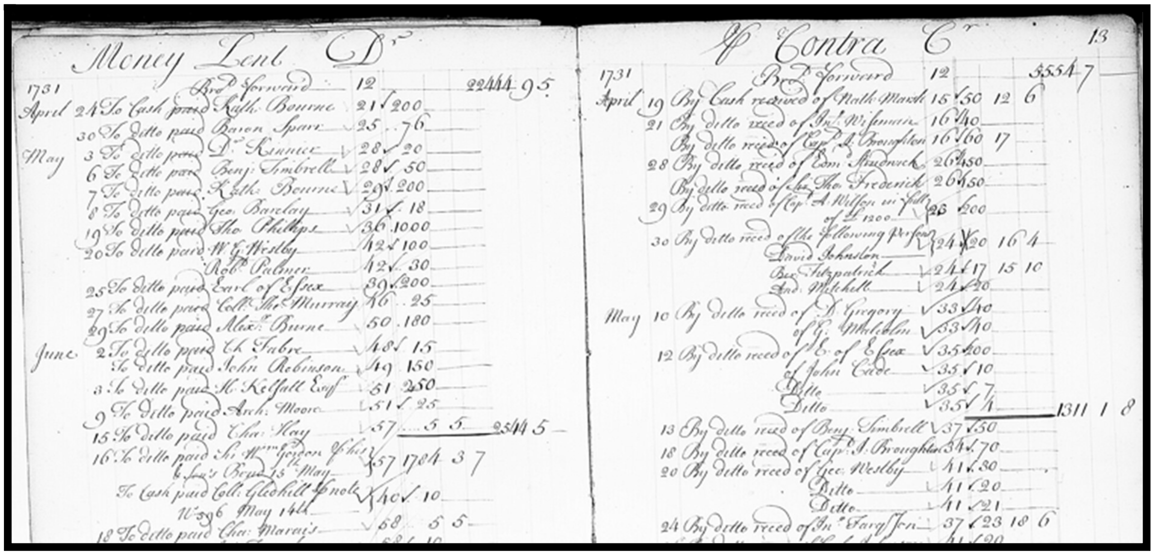
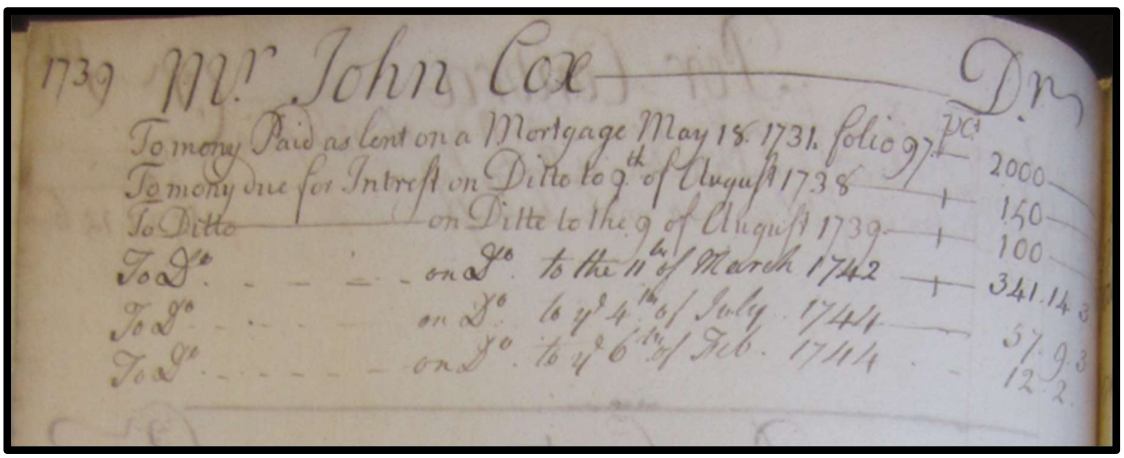


Figure A.9: Extract from the Drummonds 'Money Lent' account, 1731[9]



1739 Mr. John Cox Dr

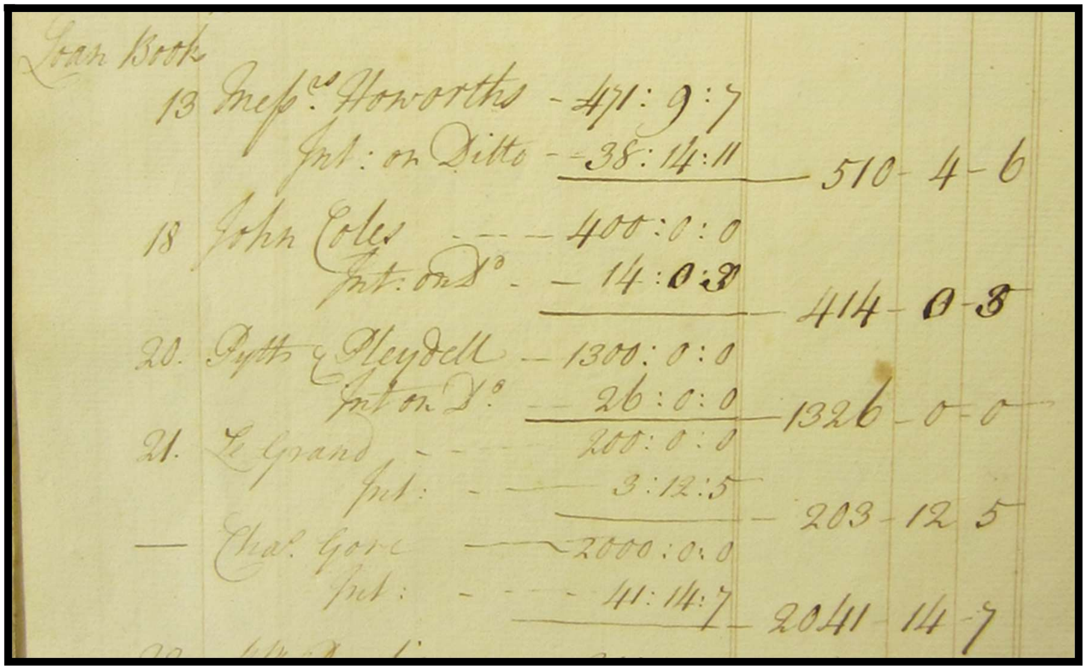
To money Paid as lent on a Mortgage May 18 1731. folio 97		2000
To mony due for Intrest on Ditto to 9th of August 1738	+	140
To Ditto — on Ditto to the 9 of August 1739	+	100
To Do. . . . . on Do. to the 11th of March 1742	+	341.14.3
To Do. . . . on Do. to ye 4th of July 1744		57.9.3
To Do. . . . . on Do. to ye 6th of Feb. 1744		12.2

Figure A.10: Extract from the Hoare's Money Lent ledger, 1718-1743[10]

These variations in record-keeping have made it difficult, though not impossible, to extract comparative information for each bank.

[9] NWGA DR/427/11, f.13.

[10] HBA HB/5/H/2, f.155.



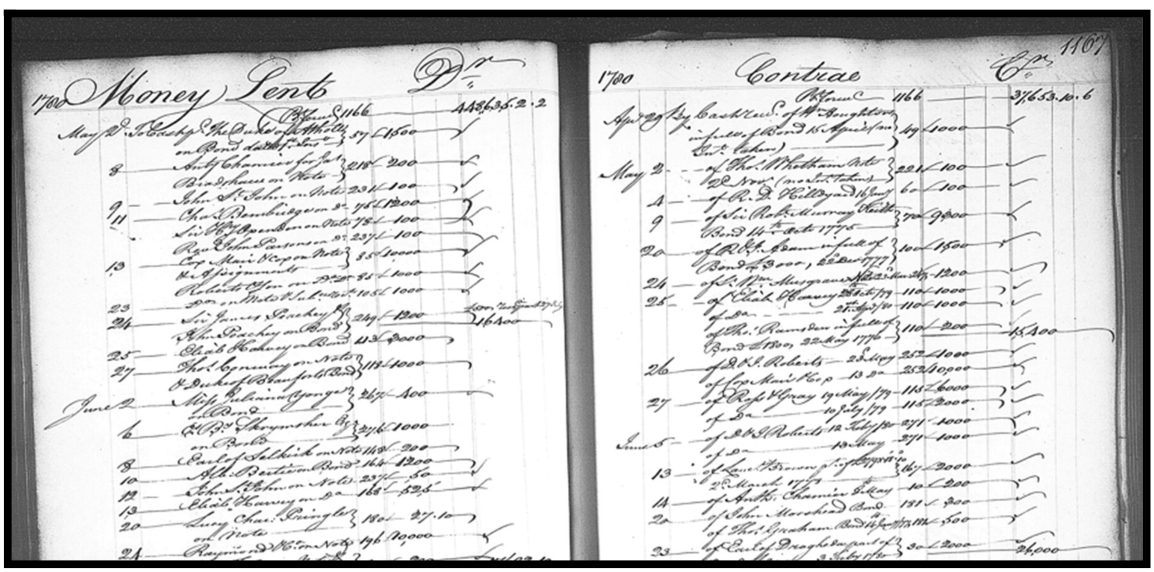
Loan Book

13	Messrs Howorths	471:9:7	
	Int: on Ditto	38:14:11	510-4-6
18	John Coles	400:0:0	
	Int: on Do	14:0:3	414-0-3
20.	Pytts & Pleydell	1300:0:0	
	Int on Do	26:0:0	1326-0-0
21.	Le Grand	200:0:0	
	Int:	3:12:5	203-12-5
—	Chas. Gore	2000:0:0	
	Int:	41:14:7	2041-14-7

Figure A.11: Extract from a list of outstanding loans at Goslings, 1742[11]

Loans in the 1780s

In 1780 Drummonds continued to record its lending in a 'Money Lent' account (Figure A.12).



1780 Money Lent Dr

1780 Contrae Cr

Figure A.12: Extract from the 'Money Lent' account of Drummonds, 1780[12]

[11] BGA 0130-0719, extract from half-yearly balance 28 September 1742.
[12] NWGA DR/427/86, f.1167.

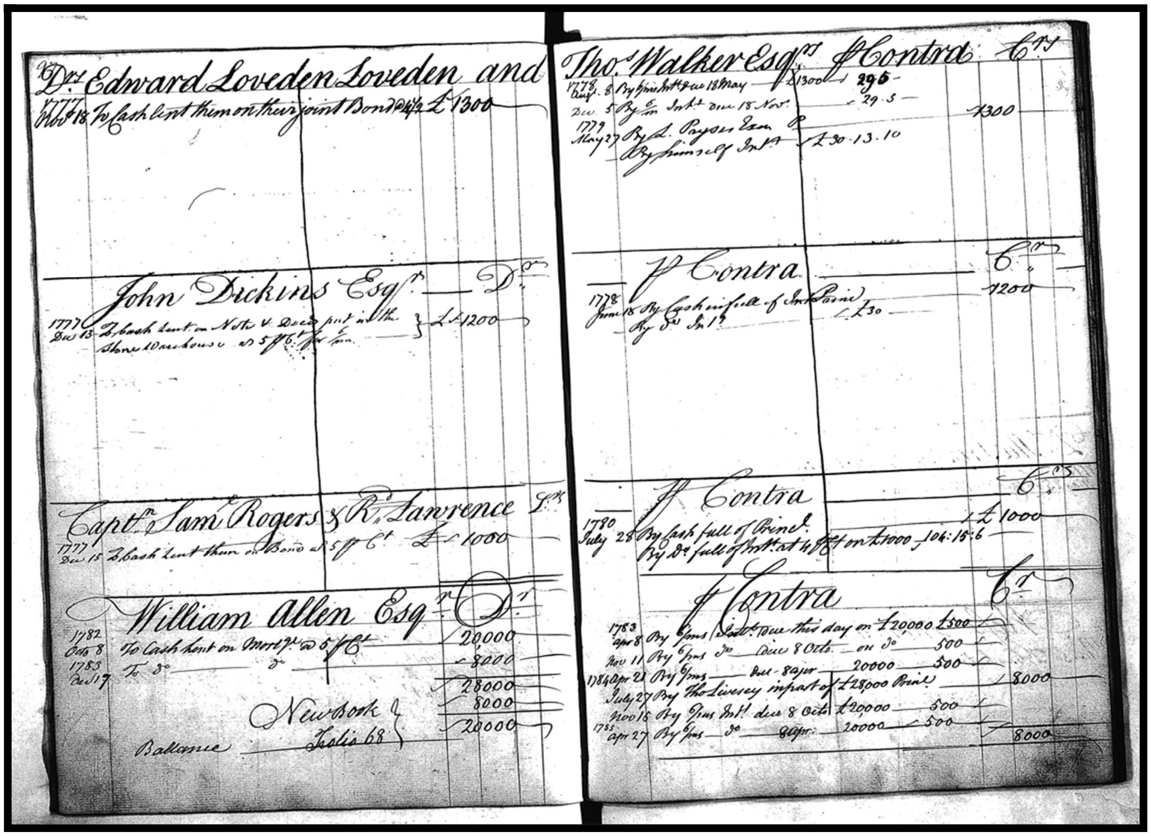
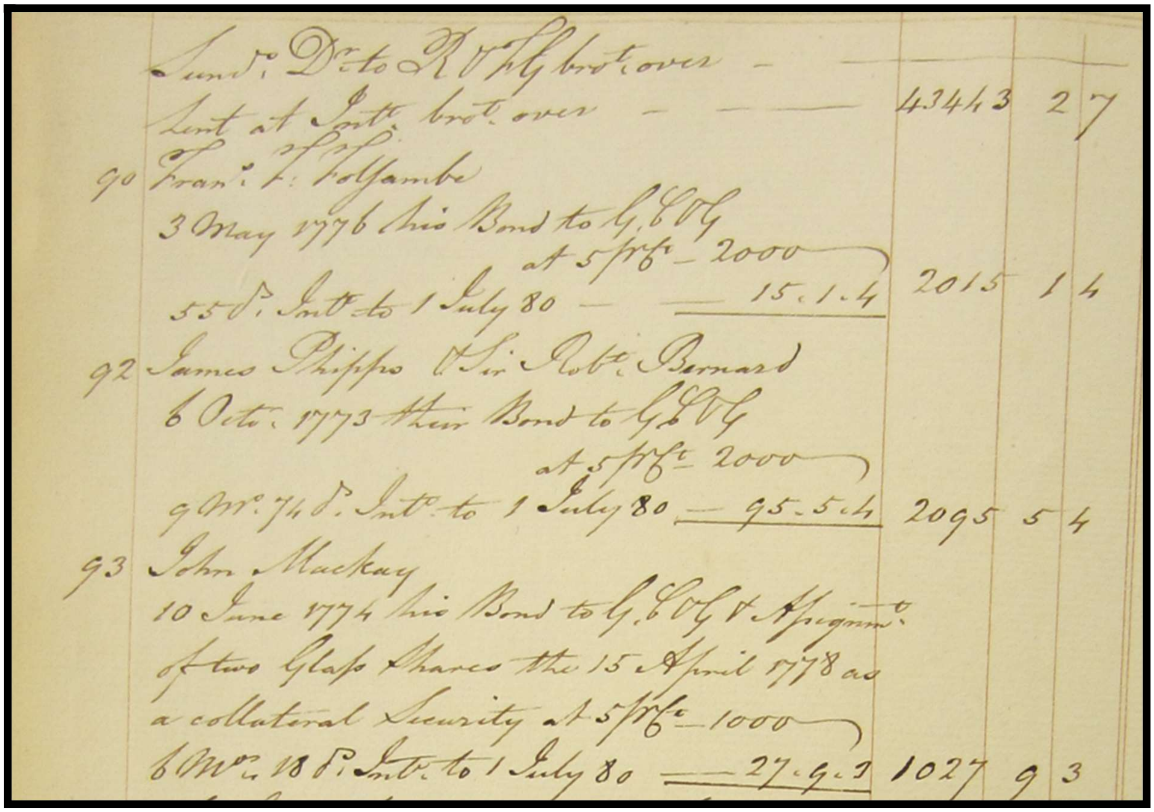


Figure A.13: A folio in the loans ledger of Child & Co, 1777-85[13]

Goslings and Hoare's maintained their system of separate loan ledgers containing individual client loan accounts, and Child & Co adopted this system in 1756 (Figure A.13), replacing the former 'Pawnes' account, though the loan ledgers were labelled 'P'.

Hoare's and Goslings also continued to list outstanding loans periodically (usually 6-monthly) in their balance records (Figure A.14). All four banks additionally recorded interest received in separate accounts: at Child & Co, Goslings and Hoare's interest was entered in the profit and loss accounts, whilst Drummonds maintained separate interest accounts, and the analysis of loans in this thesis is based on an examination of all of these different record series.

13 NWGA CH/203/3, f.97.



Sund: Dr. to R & G bro: over –
Lent at Int. bro: over – — 43443 2 7
90 Fran: F. Foljambe
3 May 1776 his Bond to G. C & G
at 5 p Ct – 2000
55 D: Int. to 1 July 80 — 15.1.4 2015 1 4
92 James Phipps & Sir Robt. Bernard
6 Octo: 1773 their Bond to G. C & G
at 5 p Ct 2000
9 Mo: 74 D: Int. to 1 July 80 — 95.5.4 2095 5 4
93 John Mackay
10 June 1774 his Bond to G. C & G & Assignmt.
of two Glass Shares the 15 April 1778 as
a collateral Security at 5 p Ct – 1000
6 Mo: 18 D: Int. to 1 July 80 — 27.9.3 1027 9 3

Figure A.14: Extract from a list of loans at Goslings, 1780[14]

[14] BGA 0130-0718, extract from half-yearly balance 1 July 1780.

Appendix 3 - Customer account ledgers used as sources for the eighteenth-century client case studies

Listed below are the individual customer account ledgers used as the principal sources for each of the case studies.

Rev Charles Briscoe

Hoare's Bank Archive

Years	Ledger Number	Folio(s)
1723 - 1725	25	225
1725 - 1728	26	406
1728 - 1730	29	363
1730 - 1732	32	15
1732 - 1735	33	411
1735 - 1736	35	297
1736 - 1738	37	56
1738 - 1739	38	240
1739 - 1741	40	4
1741 - 1743	42	112
1743 - 1744	43	280
1744 - 1746	44	394
1746 - 1747	46	355

Mrs Mary Delany

Barclays Group Archives

Years	Surnames	Reference	Folio(s)
1742-1747	A-I	0130-019	449
1747-1751	A-I	0130-021	113
1751-1754	A-I	0130-023	133
1754-1757	A-I	0130-025	155
1757-1759	A-M	0130-027	133
1759-1760	A-M	0130-029	123
1760-1762	A-M	0130-031	99
1762-1763	A-M	0130-033	89
1763-1765	A-I	0130-035	81
1765-1766	A-I	0130-037	72
1766-1768	A-I	0130-039	208
1768-1769	A-I	0130-041	230
1769-1771	A-G	0130-043	253, 258
1771-1773	A-G	0130-046	290 - 291
1773-1775	A-E	0130-049	325 - 326
1775-1777	A-E	0130-053	342 - 343

Mrs Mary Delany (continued)

1777-1779	A-E	0130-057	375 – 376
1779-1781	A-E	0130-061	364 - 365
1781-1783	A-E	0130-065	400 - 401
1783-1785	A-E	0130-069	423 - 424
1785-1787	C-F	0130-074	164 - 165
1787-1789	C-F	0130-080	183

Edward Gibbon

Barclays Group Archives

Years	**Surnames**	**Reference**	**Folio(s)**
1765-1766	A-I	0130-037	419
1766-1768	A-I	0130-039	316
1768-1769	A-I	0130-041	353
1769-1771	A-G	0130-043	397
1771-1773	A-G	0130-046	450
1773-1775	F-J	0130-050	135
1775-1777	F-I	0130-054	138
1777-1779	F-I	0130-058	146
1779-1781	F-I	0130-062	159
1781-1783	F-K	0130-066	157, 160
1783-1785	F-K	0130-070	133, 318
1785-1787	G-K	0130-075	50
1787-1789	G-K	0130-081	63
1789-1791	G-K	0130-087	63
1791-1793	G-I	0130-094	55
1793-1795	G-I	0130-101	54

Appendix 4 – Hoare's sources which survive only as transcripts

Two Hoare's ledgers referred to in this thesis no longer survive, but in their place twentieth century transcripts have been consulted. The two volumes are a private ledger of Richard Hoare, 1677-1685 and customer account ledger 1, 1677-1685. The transcripts were written in the same hand by ball-point pen on lined paper, and possibly date from the 1960s – 1980s. The fate of the original ledgers is not known, nor whether the transcripts were taken directly from the original ledgers or from earlier transcripts. Cross references from the transcripts to other surviving records suggest that the transcripts are authentic copies of original records. The transcript of the customer account ledger covers folios numbered 1-182, and this limited range compared with other ledgers, along with a gap in dates before the next ledger (which starts in 1694), suggests that this transcript may only cover part of the original ledger.

Appendix 5 – Methodology for attributing client status in the 1670s

Bank accounts in customer account ledgers are headed with the name(s) of the account holder(s). In the 1671-2 ledger of Edward Backwell, the majority of such headings (67.9%) do not include a title or epithet against the client name. This appendix outlines the methodology used to present information on client status for the 1670s.

In Charts 2.3 and 2.4 (Chapter 2) those clients who have no stated title or epithet are shown as 'No status recorded'. To provide a more meaningful estimate of client status, a separate column 'Mr/Gent adjusted' is included in these charts which represents those clients who have no title or epithet in the ledgers as well as those recorded in the ledgers as 'Mr' or 'Gent'. This has no impact on the figures for clients of Robert Blanchard (all of whom have an identified status), and little impact on the figures for Clayton & Morris, where only 1.4% of clients appear in the ledgers without an indication of their status. It has a greater impact on the figures for clients of Edward Backwell, where 67.9% of clients have no recorded status. It is very unlikely that any of his uncategorised clients would have been peers, and also unlikely that significant numbers were knights or baronets, though it is possible that there were some. Some of his clients with no stated title or epithet might have described themselves as 'Esq', but the absence of a title or epithet makes it most likely that they would have described themselves as 'Mr' or 'Gent' (the latter category is only recorded among Backwell's clients). In any case, there is no satisfactory way to allocate these clients with no recorded status between Mr, Gent and Esq. The principal benefit of this categorisation as 'Mr/Gent adjusted' is that is shows more realistic figures for the relative proportions of clients in most of the status categories than is evident by classifying those without a title or epithet as 'No status recorded'.

Appendix 6 - Sources used to identify client addresses in the 1780s

Bank accounts in customer account ledgers are headed with the name(s) of the account holder(s). Very few such headings include information on clients' addresses, and generally only where it was necessary to distinguish between two or more clients sharing the same name. This appendix outlines the sources used to attribute locations to a sample of clients for whom such information is not supplied in the customer account ledgers.

The sample comprises clients of Drummonds, Goslings and Hoare's with surnames A-B, whose names have been checked in a selection of contemporary sources. The number and extent of these sources is the reason why the sample is limited to surnames A-B. The sources include the stock registers for Old and New South Sea Annuities (for which contemporary indexes do not survive) and the stock register indexes for Long Annuities and East India Stock and Annuities. The addresses of bank clients known to have invested in Bank stock have also been checked against the Bank Stock register indexes. Ideally it would also have been useful to check the names of all clients in the indexes for Bank Stock and 3% Consols, both among the most popular investments at the time, but that was not feasible given the high number of investors' names which would need to be compared. For the London addresses of peers, and addresses of Members of Parliament, the *Royal Kalendar* has also been checked. The *History of Parliament* has also been searched to identify clients who were Members of Parliament between 1754 and 1790, and *London Lives* has been searched for all sample client names.

Using these sources alone addresses have been identified with a reasonable degree of certainty for following numbers and proportions of bank clients with surnames A-B: Drummonds 164 (53%), Goslings 96 (59%) and Hoare's 143 (58%).

Sources:

Bank of England Archive (hereafter BEA) AC27/6514, Stock Ledger, Old South Sea Annuities A-B, 1776-1786; BEA AC27/6097, Stock Ledger, Old South Sea Annuities A-B, 1776-1793; BEA AC27/490, Stock Ledger index, Bank Stock A-H, 1775-1783; BEA AC27/4369, Stock Ledger index, Long Annuities and Consolidated Long Annuities A-K, 1771-1781

British Library (hereafter BL) IOR/L/AG/14/5/20-21, East India Stock Ledgers A-K and L-Z, 1774-1783; BL IOR/L/AG/14/5/265-7, East India 3% Annuities Ledgers A-G, H-Q and R-Z, 1778-1791

The Royal Kalendar; or Complete and Correct Annual Register for England, Scotland, Ireland, and America, for the Year 1780 (London, 1780), accessed online at https://babel.hathitrust.org/cgi/pt?id=uc1.b0000076828&seq=71 (accessed 23 September 2023)

Tim Hitchcock, Robert Shoemaker, Sharon Howard and Jamie McLaughlin, et al.*, London Lives, 1690-1800* (www.londonlives.org, version 2.0, March 2018), accessed September 2023 and searched for all individual client names across all sources, 1770-1785

www.historyofparliamentonline.org/research/members/members-1754-1790, accessed September 2023

Appendix 7 – Calculation of account activity averages in 1730s and 1780s

All of datasets for client accounts in the 1730s and 1780s cover a 12-month period except for that for Hoare's in 1730-1, which covers 269 days between 29 September 1730 and 24 June 1731.

To produce average figures for account transactions and turnover at Hoare's in the 1730s the total number of client transactions and total value of client turnover have been multiplied by 1.357 to produce estimated annual totals from which to calculate averages. It is possible that the number of accounts might have risen during the remainder of the sample year, but this would be hard to estimate and has not been factored into the estimated averages. Similarly, activity levels might have differed during the summer months (July -September) not covered by the sample period, but this cannot easily be estimated.

In order to avoid undue distortion, the 1730 averages exclude the following exceptionally active accounts at Drummonds and Goslings: Katherine Bourne and Messrs Knight & Bourne respectively. At Hoare's the following accounts are excluded: the stock account of Christopher Arnold, a bank partner, which was used on behalf of the bank, and three accounts (1 female; 2 male) with one balance in the Little Ledger (which does not survive) and the other in a surviving ledger where the turnover might be one balance less the other, but where that is not certain (i.e. there might be interim balances) and where the number of transactions cannot be determined. A further 14 Hoare's accounts, which according to the balance books had identical balances in the Little Ledger at the start and end of the period, are assumed to have zero transactions and turnover, and are included in the averages. The averages for 1780 exclude 8 exceptionally active accounts at Drummonds and one similar account at Goslings, all of which had annual turnover in excess of £50,000.