THE CURRENCY CRISIS OF 1797

G.P. DYER

LORD Grenville, speaking in July 1811, confided that he and William Pitt had felt the suspension of cash payments by the Bank of England on 26 February 1797 to be 'the most afflicting day' they had ever endured.[1] As Pitt's ministerial colleague at the time, Grenville had lived through the crisis as it developed and then as it broke on that black Sunday; and, as a participant, his words capture the true horror of the day when the Privy Council, by directing the Bank to cease to honour its famous promise to redeem its notes in hard specie, abandoned one of the lynchpins of the British currency system (**Plate 4**). Inevitable as it may have been as a response to the Bank's rapidly dwindling reserves of gold, the suspension of cash payments was nonetheless a huge and anxious step into the unknown, a step that carried with it the threat of a loss of confidence in the currency and in 'the whole fabric of British credit'[2] – and this at an alarming time when the war with France was going badly and a French invasion fleet was expected at any moment.

As a financier – 'a great public financier' in the view of Roy Jenkins[3] – Pitt surpassed all his contemporaries and it is no surprise to learn from Grenville of Pitt's awareness of the magnitude of the crisis. Yet the enormity of what happened now occasionally seems in danger of being missed. Because Pitt's ministry did not fall, because people showed a loyal determination to continue to go about their business as normally as possible, because the panic subsided within a month, because suspension quickly assimilated itself into a new orthodoxy that aided the financing of the war, its true impact at the time risks being lost. Modern biographers of Pitt are likely to devote more space to his contemplated marriage to the Hon. Eleanor Eden than to an event that an earlier biographer, Earl Stanhope, described as a 'most momentous crisis, when the financial credit of the country hung wavering in the balance'.[4]

For Pitt, on whom the chief burden fell, it was undoubtedly a period of immense anxiety and in the days after 26 February he was responsible for a helter-skelter of activity (Table 1).[5] Within a week, for instance, legislative authority was obtained for the Bank of England to issue notes below the value of five pounds, and within a few days more this privilege was extended to provincial banks in England and Wales. The 'most extraordinary expedient'[6] was adopted of issuing Spanish dollars countermarked at the Mint with the head of the king. And, to give another example of the hectic sequence of events, Matthew Boulton was invited to London and attended the Privy Council for discussions on an immediate issue of new copper coins. Every day for a fortnight or more Pitt was immersed in matters relating to the currency – with his ministerial colleagues, with the Governor and Deputy Governor of the Bank, with other bankers, and with

Acknowledgements: The idea of this paper first came to my mind when I spoke in October 1997 on the cartwheel penny at the symposium on Matthew Boulton organised by the Birmingham Museum & Art Gallery. It was developed in a paper which I delivered to the Royal Numismatic Society in May 2001 and, in print, it was foreshadowed by Harry Manville in 'The Bank of England Countermarked Dollars, 1797–1804', *BNJ* 70 (2000), 103–17. I am grateful to Mr Manville and to my colleague Dr Kevin Clancy for particularly helpful discussions during the preparation of this final version for publication in the *Journal*. My thanks are also due to Professor Martin Daunton of Churchill College, Cambridge, and to John Keyworth of the Bank of England for kindly commenting on my manuscript.

[1] *The Times*, 3 July 1811. The comment appears in the newspaper's *Parliamentary Report* for the previous day.

[2] Robert S. Rait, *The History of the Union Bank of Scotland* (Glasgow, 1930), pp. 107–8.

[3] Roy Jenkins, *Gladstone* (London, 1995), p. 80.

[4] Earl Stanhope, *Life of the Right Honourable William Pitt*, 4 vols (London, 1861–2), III (1862), 17.

[5] Prime sources of information on the sequence of events include *The Times* and the *Journals* of the House of Lords (vol. 41) and the House of Commons (vol. 52), while Eric Kelly's *Spanish Dollars and Silver Tokens* (London, 1976) is an excellent general account of the crisis and its aftermath.

[6] Charles Oman, *The Coinage of England* (Oxford, 1931), p. 361.

Parliament and Parliamentary committees. Every day required action on his part and, in the space of two or three weeks, decisions were taken that affected the circulating medium in all its forms, whether paper, gold, silver or copper, for years to come.

TABLE 1. Summary of Events, 26 February–10 March 1797

Sunday 26 February	Order in Council suspending cash payments by the Bank of England
Monday 27 February	Bank announced immediate suspension of cash payments London merchants and bankers agreed to accept Bank notes in payment of any sum of money
Tuesday 28 February	Pitt confirmed that Bank had begun preparations for the issue of low-value notes Six clerks appointed at Bank to sign the new notes
Wednesday 1 March	Second and third readings in the Commons of bill to permit Bank to issue low-value notes
Thursday 2 March	Sheridan, for the Opposition, suggested urgent effort to issue silver and copper coins First and second readings in the Commons of bill to permit country banks in England and Wales to issue low-value notes *The Times* reported Bank was to make an issue of dollars at 4*s*. 6*d*. each
Friday 3 March	Treasury Warrant to Mint, authorising stamping of dollars Bill to enable Bank to issue low-value notes received royal assent Pitt told Commons that measures had already been taken for a coinage of copper Parliament moved Address to king for immediate coinage of copper
Saturday 4 March	Bank began issuing one pound and two-pound notes
Sunday 5 March	First batch of dollars received at Mint for stamping
Monday 6 March	First stamped dollars returned by Mint to Bank Bank announced their issue at 4*s*. 6*d*. and then the postponement of their issue Matthew Boulton arrived in London for discussions about a new copper coinage
Tuesday 7 March	More stamped dollars returned by Mint to Bank Privy Council, with Boulton in attendance, discussed new coinage of copper
Wednesday 8 March	Pitt in conference with Lord Chancellor, Lord Auckland, Lord Liverpool and Governor and Deputy Governor of the Bank
Thursday 9 March	More stamped dollars returned by Mint to Bank First issue by Bank of stamped dollars at 4*s*. 9*d*. each
Friday 10 March	Privy Council again discussed new coinage of copper and appointed a committee to take the matter forward Bill to enable country banks in England and Wales to issue low-value notes received royal assent More stamped dollars returned by Mint to Bank

What links all the steps taken in the aftermath of the crisis is a concern that suspension should not lead to the loss of public confidence and, more specifically, that there should not be allowed to develop 'a vacuum in the currency'.[7] In the uncharted territory created so dramatically by suspension it was vital that commerce and trade should proceed normally, that faith in paper money should be maintained despite the unhelpful attitude of Charles James Fox, Richard Sheridan and the Parliamentary Opposition, and that the banking system should continue to operate. During this period Pitt wanted above all to support the circulating medium in order to give 'a general facility to commercial transactions'.[8] This desire that, with gold seriously depleted, both the business community and people as a whole should still have the means to pay and be paid is plain to see in the measures he took; and the point, simple enough, was later echoed by William Cobbett with his comment that in the absence of guineas and half-guineas something was needed to take their place and to represent small sums.[9] In other words, the stamped dollars and cartwheel coppers of 1797 have their origin in suspension and should be regarded primarily as related aspects of the official response to the crisis.

[7] Sir John Clapham, *The Bank of England: A History*, 2 vols (Cambridge, 1944), II, 3.
[8] *The Times*, 2 March 1797. The quotation is from the newspaper's *Parliamentary Report* for the previous day.
[9] William Cobbett, *Paper against Gold* (London, 1817), Letter XVI, col. 215.

This is not to say that Pitt, financially astute though he may have been, proceeded on the basis of a coherent and well thought out plan of action. The final crisis, after all, had come upon him suddenly, only four or five days before the fateful weekend of 25 and 26 February, and therefore far too quickly for there to have been measures in place to mitigate the anticipated effects of suspension. On the contrary, Cobbett suggests that for once Pitt's confidence failed him and 'that he did not know what to do; that he literally was *at his wit's end*'.[10] Admittedly, Cobbett was no friend of Pitt but there is in the flurry of events more than a suggestion that Pitt and his colleagues were operating hand-to-mouth, making decisions as they went along and as issues presented themselves. Errors of judgement there certainly were, as for example in the original intention to tariff the stamped dollars at 4*s*. 6*d*. instead of 4*s*. 9*d*., but on the whole Pitt deserves sympathy. Needing to prepare for the worst and not knowing that all would turn out well, he had no option but to act in haste and to deprive himself of the luxury of delaying measures so that lengthy inquiries into their wisdom could first be undertaken. No wonder, then, that on the day following suspension, to win himself a little time, he should have asked Parliament for 'a short and cautious delay' of twenty-four hours before any debate took place.[11]

Turning to the circulating medium in greater detail, gold rapidly seems by reason of panic hoarding to have largely disappeared from general circulation as well as from the vaults of the Bank. *The Times*, on 3 March, spoke of large sums of specie being 'concealed in the houses or gardens of private persons', with not a guinea to be had in exchange for notes on any of the public roads. Likewise the diary of James Oakes, a Bury St Edmunds banker, reports that at this time he was unable to acquire a single guinea 'from Town'.[12] Anecdotal evidence perhaps, but unquestionably a hole had been created in the availability of specie.

This Pitt took immediate steps to fill by seeking legislation that would allow the Bank of England to issue notes under five pounds in value. Their proposed introduction was announced within two days of suspension and, indeed, in that short space of time six clerks at the Bank had already been set to work in rotation day and night to prepare the notes for issue (**Plate 5**). By Friday 3 March the enabling act of Parliament, having rapidly passed through all its stages in both Houses, had received the royal assent[13] and the following day, not a week into suspension, one pound and two-pound notes were being released by the Bank. By Tuesday 7 March a modest quantity had reached Bury St Edmunds and was distributed by James Oakes;[14] and it was the ready acceptance of notes that in the view of Eric Kelly did much to alleviate the crisis.[15]

A second bill, extending the privilege of issuing low-value notes to country banks in England and Wales, was by then already working its way through Parliament and received royal assent on 10 March, while a third act of 27 March enabled Scottish banks to issue even smaller notes below the value of one pound.[16] At the same time, at public meetings throughout the United Kingdom, bankers, merchants, traders and other prominent individuals, in a mass display of confidence and loyalty, promised to receive Bank notes in payment instead of specie and in London alone, by 3 March, more than two thousand signatures had been appended to such a resolution. Action to cope with the absence of gold was therefore swift and effective, though Pitt was initially less than sure-footed, talking about guinea and two-guinea notes, not pound and two-pound notes, and seeming somewhat ill-informed about whether or not Bank of England notes were or should be legal tender.[17]

[10] Cobbett, Letter XII, col. 163.
[11] *The Times*, 28 February 1797. The quotation is from the newspaper's *Parliamentary Report* for the previous day.
[12] *The Oakes Diaries*, edited by Jane Fiske, 2 vols (Woodbridge, 1990–1), I (1990), 343 (entry for 4 March 1797)
[13] 37 Geo. III cap. 28.
[14] *The Oakes Diaries*, I, 343 (entry for 7 March 1797).
[15] Kelly, p. 17.
[16] 37 Geo. III cap. 32 and 37 Geo. III cap. 40.
[17] *The Times*, 1 and 3 March 1797. Professor Daunton (*personal communication*) makes the point that this reaction reflects a more general and growing acceptance of bills of exchange, mortgages and other paper instruments.

Action on a second front was similarly swift, aided by the existence in the hands of the Bank of a considerable number of Spanish dollars whose high face value offered the prospect of their serving as another substitute for absent gold. The surviving records of the Bank and the Mint are silent about the preliminary discussions, but on Thursday 2 March *The Times*, ever well informed, was able to carry a report that there was to be a very large issue from the Bank of dollars at 4*s*. 6*d*. each, a use of foreign coins that the newspaper said it did not like and that did not look 'respectable'. That same day an instant issue of silver coin 'for the peace of the country' was urged in the Commons by Sheridan, for the Opposition, who expressed alarm on behalf of the poor at the prospect of an unlimited issue of small notes.[18] The following day a Treasury Warrant, addressed to the officers of the Mint, authorised the stamping with the head of the king of such dollars as might be received from the Bank,[19] for the purpose, as explained in a contemporary Mint journal, of the 'Accommodation of the Public on a Necessity of suspending Payments at the Bank in Specie'.[20]

Speed, as well as appropriate size, may have been a factor in the choice of the duty mark used at Goldsmiths' Hall, since the Goldsmiths' engraver, John Pingo, was also Assistant Engraver at the Mint and presumably able to supply punches as readily as they were needed by the moneyers and their labourers.[21] Whatever the reason, for an institution that some regarded in 1797 as moribund the Mint acted remarkably quickly (Fig. 1). The first batch of dollars was received from the Bank

Fig. 1. A dollar countermarked in 1797 with the head of George III.

on Sunday 5 March and, by the next day, more than 60,000 had been stamped and returned, enabling an announcement to be made by the Bank – and then withdrawn – about their intended issue. The problem was that they had been mistakenly tariffed at 4*s*. 6*d*., a price as *The Times* at once pointed out that was below their intrinsic value.[22] Later in the week a further announcement raised the tariff to 4*s*. 9*d*. and issues began on Thursday 9 March, with eager customers at the Bank being prepared 'to wait hours before it became their turn to be served with the dollars, as the people stood ten or twelve deep at the tellers' counters'.[23] By the end of that week well over 400,000 dollars had been stamped at the Mint and by 21 March the total exceeded one million (Table 2).

That a supposedly dilatory Mint should have proceeded with such unaccustomed haste speaks vividly for the urgency of the moment and for the exertion of pressure by the Government. Why then, it might be asked, was the issue of the dollars delayed even for a moment by subjecting them to the process of countermarking at the Mint? The dollars, no doubt, would have circulated just as freely without the tiny head of the king and perhaps more so if a contemporary fear were to be

[18] *The Times*, 3 March 1797. The quotation is from the newspaper's *Parliamentary Report* for the previous day.

[19] PRO. MINT 1/14, p. 318.

[20] PRO. MINT 9/212.

[21] Christopher Eimer, *The Pingo Family & Medal Making in 18th-Century Britain* (London, 1998), pp. 19 and 26; J.S. Forbes, *Hallmark: A History of the London Assay Office* (London, 1999), pp. 230–1.

[22] *The Times*, 3 March 1797.

[23] T. Fortune, *A Concise and Authentic History of the Bank of England*, third edition (London, 1802), p. 27. As a young clerk in the Bank, Thomas Fortune was an interested eyewitness of the events of 1797.

TABLE 2. Stamped Dollars, March 1797

Date	*Dollars sent to Mint by Bank of England*	*Stamped dollars returned by Mint to Bank of England*
	Number of bags	Number of bags
Sunday 5 March	400	–
Monday 6 March	–	60
Tuesday 7 March	–	60
Wednesday 8 March	–	–
Thursday 9 March	–	120
Friday 10 March	–	80
Saturday 11 March	80	80
Sunday 12 March	–	–
Monday 13 March	120	60
Tuesday 14 March	60	60
Wednesday 15 March	80	80
Thursday 16 March	80	60
Friday 17 March	100	70
Saturday 18 March	–	–
Sunday 19 March	–	–
Monday 20 March	15	130
Tuesday 21 March	–	75
TOTAL	935	935

Source: PRO. MINT 9/212
Note: The Bank of England delivered the dollars in bags of 1000 ozs, each containing approximately 1150 dollars. The transactions in March 1797 therefore involved the stamping of roughly 1,075,250 dollars, or an average of 63,250 per day over a period of seventeen days. More dollars were stamped in April and May, bringing the final total for the year to more than 2,300,000.

realised that stamped dollars might be hoarded by women as pocket pieces.[24] It may be that Pitt was prepared to risk a slight delay in order to ensure that they would circulate at a fixed tariff, to distinguish them from other dollars that might be in unofficial circulation and to demonstrate visibly by means of the countermark that special measures were indeed being taken by the Government to provide sufficient currency of one kind or another. To have gone further and asked the Mint to overstrike the dollars with complete designs to mask the original coin would have been impossible within a timescale that was evidently being measured in days rather than weeks, while to melt and convert the dollars into new British silver coins would have raised such fundamental questions about the Mint price of silver that the timescale would have extended beyond weeks into months. This latter thought is given credence by what happened after the crisis when the Privy Council Committee on Coin turned its attention in 1798 to the issue of a new silver coinage, Lord Liverpool complaining to his friend Lord Thurlow that the variety of opinions 'was so great as to throw the Business into an absolute State of Confusion'.[25]

If the dollars were issued to supplement the depleted gold coinage, so the similarly urgent action that was taken in respect of copper suggests an intention that any new copper coins should assist silver by performing an enhanced role in retail transactions, thereby again by-passing the century-long problem of determining the correct standard for a new silver coinage. On Thursday 2 March Sheridan had pressed for an immediate coinage of copper as well as silver and he returned to the charge the following day, urging the issue of copper pence, twopences and threepences, denominations of unexpectedly high value for the copper coinage. Days, he said, had already been lost: on Monday 'an express ought to have been sent to Birmingham, and Mr Bolton

[24] This fear was expressed by William Devaynes, Chairman of the East India Company, in a letter to Henry Dundas, 7 March 1797, though Devaynes nevertheless thought the issue of the dollars a very good thing (Bank of Scotland, Melville Papers, BS 20/32, no. 83). I owe this reference to my colleague Kevin Clancy.

[25] Lord Liverpool to Lord Thurlow, 12 July 1799. This important letter has kindly been made available by Alan Miles, who purchased it as Lot 177 at Bonhams auction of the Thurlow Papers on 15 April 1991 and by whose generosity it is now in the Royal Mint Library.

should, by this time, have been sending waggon-loads of copper money up to London'. He secured a Parliamentary Address to the king asking that measures be taken for an immediate supply of copper coin 'for the accommodation of the laborious Poor of the country during the present exigency'. Pitt had not objected for the very good reason, as he told the Commons, that directions had already been given and measures taken with the object of the Address in mind.[26]

Pitt spoke no less than the truth. To enlist the assistance of Matthew Boulton and his Soho Mint was already being contemplated and on 3 March Lord Liverpool, an actively involved and knowledgeable participant in the crisis, wrote to Boulton suggesting that he should come to London, if he felt it safe to leave Birmingham, to discuss with Pitt and himself the best means of providing a new copper coinage.[27] Boulton, with the great prize of a copper contract seemingly firmly in prospect, could scarcely have been expected to hesitate. On Sunday 5 March he left Soho, by Monday morning he was in London, and before the day was out he had seen George Rose, the Secretary to the Treasury, and also Liverpool himself. The following day he attended a meeting of the Privy Council in Liverpool's office to discuss the new copper coinage, a meeting which *The Times* said lasted nearly three hours and which was attended by Pitt and Grenville as well as others. The newspaper suggests that Boulton had brought with him dies for pence and twopences but it understood, correctly, that nothing had been decided.[28] On Friday the Privy Council met again and, in a clear sign that a new coinage raised questions that could not be resolved as readily as Sheridan appeared to think, delegated to a committee the consideration of a reply to the Parliamentary Address.

That committee nevertheless reported with but little delay on 28 March, recommending an issue of pence and twopences whose face value should correspond as nearly as possible with the value of their copper and the cost of their workmanship. It left the placing of a contract to the Treasury but clearly favoured Boulton as against the Mint, pointing out that his price was cheaper, that the beauty of his coins and his speed of production were further points in his favour, and that it was not without precedent for the copper coinage to be entrusted to private contractors. The report was approved by the king on 29 March and events thereafter followed their expected course, with the Treasury taking the committee's broad hint that the contract should be placed with Boulton.[29]

The choice of denominations is perhaps worth a second look because it emphasises the fact that just as silver can impinge on gold at one end of the denominational range so copper can impinge on silver at the other. In the committee's report the recommendation of pence and twopences – both of them new additions to the official range of circulating copper coinage – was explained in terms of their not providing a direct challenge to the existing halfpennies and farthings, thus allowing the latter to disappear more gradually from circulation.[30] *The Times*, however, may have been closer to the mark with its perceptive comment about their providing 'the conveniency of change of the silver coin'.[31] That high-value copper coins might serve as a silver substitute is a thought also encouraged by Liverpool's letter to Boulton of 3 March, where he spoke of an idea to issue a copper coin of the value of twopence or fourpence so as to represent a sixth or a third of a shilling. That this idea was evidently part of a more general scheme may be judged by Liverpool's opening comment to Boulton about the difficulties that had occurred in the present state of affairs in finding a circulating medium for all ranks of people and particularly for the less affluent.[32]

[26] *The Times*, 3 March and 4 March 1797. The information is contained in the newspaper's *Parliamentary Reports* for 2 and 3 March.

[27] Birmingham Central Library, Matthew Boulton Papers, MBP 243/88 (Liverpool to Boulton, 3 March 1797). I am grateful to Adam Green for this reference and also for information about Boulton's appointments.

[28] *The Times*, 9 March 1797.

[29] PRO, BT 6/126, *passim*.

[30] As well as BT 6/126, see also for choice of denominations Earl of Liverpool, *A Treatise on the Coins of the Realm; in a Letter to the King* (Oxford, 1805), pp. 195–7.

[31] *The Times*, 9 March 1797.

[32] MBP 243/88.

Though undeniably swift, the action of the Government with respect to dollars and copper was not an unqualified success. In the case of the dollars, which were never going to be anything other than a stopgap, only two-thirds of the two million or so stamped at the Mint were actually issued by the Bank. Within a month, according to the Bank of England clerk Thomas Fortune, 'any one might walk in and obtain his five pounds worth with very little trouble'[33] – which spoke well for the rapid restoration of financial calm – but counterfeiting was to become sufficient of a problem that in the late autumn of 1797 the dollars were replaced by an innovative issue of seven-shilling pieces in gold, an issue which besides indicating the healthier state of the Bank's gold reserves also tends to confirm that the dollars may have been considered from the start as a substitute gold coinage. Possibly, too, it underlines the reluctance of the Government to make any fundamental decisions about a new silver coinage and, in the apparent absence of any irresistible imperative to act, these decisions were left until after Waterloo.

As for copper, which raised less serious questions of principle and which in the growing calm could fortunately be approached less as a stopgap and more in terms of a permanent solution, it was the end of July before Boulton's excellent coins were ready. If this seems a little leisurely when measured against the hectic course of events in March, in practical terms it nevertheless represented sustained progress. Within the space of five months to have generated designs and dies for two completely new denominations and to have struck well over 700,000 coins is an achievement which a modern mint might regard as challenging.[34] On account of their size, however, the new twopences seem never to have been of any real use, except perhaps as weights, but the cartwheel pennies (Fig. 2) were to prove an undoubted success and were still an important feature of the copper circulation sixty years later.[35]

Fig.2. A cartwheel penny of 1797, struck at Matthew Boulton's Soho Mint.

Whatever the rights and wrongs of what was done, the point that needs to be made is the unexpected decisiveness of the Government after years of inactivity. The silver coinage, whose production had been next to nothing for many years, had long been neglected and good coin was in short supply by the time of suspension. That restoration was necessary was widely acknowledged. In the 1770s the Mint had even built new mill rooms against the prospect of a recoinage of silver and had sent its able assayer, Stanesby Alchorne, on a tour of European mints to learn what he could about the large-scale melting of silver.[36] Similarly with copper, the coins in circulation had long been heavily infiltrated by counterfeits and in addition from the 1780s by a plethora of private tokens and, quite plainly, had for some time been in need of radical overhaul. This had been officially recognised in the late 1780s, when both the Mint and Boulton had prepared pattern coins for the Privy Council, yet no action had followed.[37] Indeed, if the silver and copper coinage had been looked after better during the course of the eighteenth century, if at any time the Government had pursued the various proposals for reform, there would have been far less for Pitt to worry about in February and March 1797.

[33] Fortune, p. 27.

[34] BT6/126. *The Times* on 1 August 1797 reported that their issue would commence on that day.

[35] G.P. Dyer, 'Thomas Graham's Copper Survey of 1857', *BNJ* 66 (1996), p. 63.

[36] *A New History of the Royal Mint*, edited by C.E. Challis (Cambridge, 1992), pp. 425 and 428.

[37] *A New History of the Royal Mint*, p. 446. For the preparation by the Mint in 1788 of pattern halfpennies and farthings see particularly PRO. MINT 1/14, pp. 49–51, 56–60, 67–8, and 76–9. For Boulton's involvement at that time see Richard Doty, *The Soho Mint & the Industrialization of Money* (London, 1998), pp. 31–5.

So in this context the significance of suspension – and a comment on the initial enormity of the crisis – is that, after years of neglect, it suddenly and dramatically moved the subsidiary currency to centre stage. Problems that had been shelved, for one reason or another, now had to be confronted as a matter of urgency and without much opportunity for mature reflection on the part of Pitt and his colleagues. Overnight the make-up of the circulating medium, the varied use that was made of its component parts by the wealthy and the less wealthy classes of society, became a matter of pressing concern. Overnight the Government found itself with no option but to wrestle with measures to provide a circulating medium so that, in the midst of war, business could proceed as usual.

The stamped dollars cannot therefore be explained simply as a belated measure to alleviate a perennial shortage of silver coin or the cartwheel coppers simply as an overdue attempt to drive counterfeits out of circulation. Rather, they should be seen as part of a concerted response to the suspension of cash payments on 26 February 1797, linked not just to each other but also to one of the most desperate crises in the history of the British currency.

KEY TO PLATES

Plate 4. The notice published by the Bank of England on the day following the suspension of cash payments.

Plate 5. The second one pound note to be issued by the Bank of England, 2 March 1797 (Lot 763 in Spink's auction of 7 October 1993 and reproduced by kind permission of Spink & Son).