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A FAIR STATEMENT  
OF  
THE PROCEEDINGS  
OF  
THE BANK OF ENGLAND,  
AGAINST  
*THE ORIGINAL SECURITY BANK*  
On Tuesday the Seventh of March,  
1797.

CONTAINED  
IN TWO LETTERS,  
TO  
THE BANK DIRECTORS,  
AND TO  
*THE RT. HON. THE LORD MAYOR.*

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BY WILLIAM PLAYFAIR.

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London :

PRINTED FOR THE AUTHOR,

1797.

## ADVERTISEMENT.

THE following Letters will explain themselves in an ample manner ; but to those who have not time to read the whole it may be well to explain simply this, that there are two different procedures commenced. The Partners of the Original Security Bank have given bail in the accusation of a misdemeanor, and they have sued the Governor and Company of the Bank of England, for refusal to pay £1000. on their Notes. The Law of the Land will determine in both cases, and Englishmen will determine in their own minds, whether at a time when the Bank has set aside by its own proper authority the law of payments for debts, it does not seem strange that the same body should be permitted to hold to bail men for an open, a fair, and an useful operation, under the title of a Crime and Misdemeanor, The suit against the Bank of England was not commenced, nor intended, till after that body had begun its offensive measures; and on the Trial it will appear by the most respectable Evidence, that propositions were actually made for suggesting a means of aiding the Bank of England—and that the Original Security Bank have not confined themselves to being mere well-wishers to this country.

## TO THE PUBLIC.

IT is with much pain to myself that, obliged to it by circumstances, I publish the following letter. I have no enmity against the Bank of England; I have indeed often defended it—When Thomas Paine represented our National Finance as on the brink of ruin—when he considered it as the heel of Achilles, and levelled his shaft there—I feel a pleasure in reflecting that I stood forward *the first* to repel the attack, employing for that purpose both reason and ridicule.—I have long had reason to think that it was a determined point among the enemies of this country, to ruin its credit; I have stood publicly forward, on more than one occasion, in support of our resources, but I did not then foresee *that our Financial ruin was to come from another quarter.*—I did not expect that under the appearance of a *Request of Council* (request is a word nearly allied to REQUISITION,) the Bank should venture to stop payment, with

money in its coffers to pay, and, by the sham appearance of a *double RESPONSIBILITY*, avoid *all responsibility*.

My heart bleeds to ask what is become of English honour, of English faith; I have often gloried in contrasting our conduct in matters of finance with that of our rivals the French, but I confess, since the fatal 27th of February, I can do that no more.

When the French shut up their Bank, there was an outcry all over Europe, and the howl of contempt was no where louder than in England, yet they only did it when their coffers were almost empty: their credit expired by degrees, and the act of power was with them an act of necessity. Here in England, the Bank Directors, without pretending to have any authority for that purpose, without shewing the necessity of the measure, and without condescending to explain their motives, stop payment, and set their creditors at defiance, in the face of laws and of justice, dragging, with that measure, innumerable ills upon the country.

Leaving to themselves to settle the real motives of the most unfortunate act that ever took place, I must, though reluctantly, call the public attention to a transaction on which the courts of justice, will ultimately decide, but the tribunal whose acquittance I desire, is the public tribunal, —it is to the general voice that I appeal.

THE ORIGINAL SECURITY BANK, established since December last, is founded upon the most solid and the fairest principle that is possible; its plan is well known, and has been published to all the world—In this Bank I am a Partner; but Mr.

J.C.Hartfinck\* is the principal; he has dedicated a fortune to it which is far more than sufficient for the purpose, added to which, he dedicates his time,—his intelligence, and what is better than all, a rectitude of conduct that defies attack.

This Bank, which issues notes upon real securities of 5l. and upwards, payable at fixed periods, determined, when the Bank of England suspended its payments, to aid the circulation of the country by issuing promises for 20s. and smaller sums on demand, but *payable in Notes of the Bank of England*. The irregular conduct of the Bank of England in refusing to pay its Notes, and withholding the specie in its possession, has made it impossible to find MONEY to pay notes and bills. It appeared, not only a *fair but a necessary measure*, to express in what the holder of our promises was to be paid, as cash and bank paper are not now of equal value, and it is a fact, that there are few merchants or bankers in England who are not liable to be arrested for payment of their bills, as Bank Notes are not a legal tender, and no other can be made.

A law was enacted in the 13th of Geo. III. to prevent the more effectually the forgery of the Notes of the Governor and Company of the Bank of England; and for preventing the obtaining a

\* Mr. HARTFINCK is still acknowledged by the King of Prussia, the Duke of Brunswick, and the Princes of the circle of Lower Saxony (of whom the Elector of Hanover is one) as Plenipotentiary of their High Mightinesses; therefore to him I think some respect was due, at least it might have been shewn without any danger.

false credit by the imitation of the notes or bills of the said Governor and Company.

It was made, as the preamble of this Law states, to prevent certain persons from imitating the Bank of England Notes, so as to deceive ignorant people.—Upon this law the Solicitor and the servants of the Bank of England thought proper to come last Tuesday when two clerks were employed in the Bank Coffee-house in accommodating the public with change, the Bank of England not being able to do it fast enough. I had very luckily just called there to see how it went on, when several persons came there to ask by what authority such notes were issued, and requested I would step over with them to the Lord Mayor. I did so with the greatest readiness; but, not finding the Lord Mayor in the public room, the Bank Solicitor requested me to wait a moment and he would bring the Lord Mayor. Not finding that he returned, in about a quarter of an hour, I went to the private room, and found the magistrate and solicitor who had settled the matter, determining that one of our notes was intended to imitate the notes of the Bank of England, and to deceive the public, and therefore amounted to misdemeanor.

The Lord Mayor with great gravity and state looking at the note said, "I do believe this note is issued with intent to pass for a note of the Bank of England." I had come under his roof by invitation, and I was there arrested together with two clerks, who certainly at least ought to have been left at liberty. Bail, his Lordship said, was necessary.—"As to the offence," said he gravely, "it is a very serious one, and I must consult my brethren on the

"Bench as to the amount." The gold chain, the spencer, and the gown being put on, off went his Lordship to the Bench, and we remained in custody of a very honest fellow who acted as door keeper and constable to the Bank of England. I sent to Mr. Hartfinck and to our Solicitor, but still the Lord Mayor was absent and we knew not the amount of the bail: his Lordship returned about four o'clock. I demanded to know to what amount the bail was required, and he refused to inform me, not by any means with good humour; presuming, I suppose, that he was speaking to a felon.

In about half an hour, however, his opinion changed, and he sent a person to signify to me the bail wanted; I asked if the money would do and he answered no.

All this evidently appeared to be in order to drag out the business till we could be sent to prison: the plan succeeded, and we were committed to the Compter, where, before the bail could be arranged, we staid two hours. In the mean time, payment was demanded of the Bank for the sum of ONE THOUSAND POUNDS OF THEIR NOTES, which being refused, an action was commenced against them for non payment.

In calling the public attention to this subject, my wish is to prevent misrepresentation; and above all to explain, and maintain, that since the Bank of England does not pay, all promissory notes should contain a clause expressing the manner of their payments, whether in notes or cash—that is to say, *they should contain the very words for which we were attacked.*

As to the merits of the case, the Lord Mayor when the bail was given, told them and us, there were two charges which must be bailed;—so that it is probable I am to be attacked for a double offence; particularly as a copy of the information was refused, and as the insolence of office was pushed so far as to refuse even a fight of it.

Our Notes are of a very different shape from those of the Bank of England,—We shall on the trial prove, that we have refused to give any resemblance to the Bank of England Notes; and we shall prove by the *evidence* of some men very high in office, that so far from being enemies to the Bank of England, we had made an offer to communicate a plan by which credit might be restored: an answer, accepting this offer upon certain conditions, was delivered to me across the bars of the prison, where our solicitor was refused admittance, and where I was confined at the suit of the Bank.

Such are the facts which I apprehend amply justify me in appealing to the public, and in presenting every day a few notes for payment, thereby constraining the Bank of England either to pay in gold, or to obtain a law suspending all issues in cash: taking God and my country to witness that self-defence alone, forces me to take a step contrary to my wishes, and inimical to the credit of a company which was till lately considered as the corner stone of the finances of all Europe, and which was in a more particular manner considered as the barrier placed between English solvability and French bankruptcy.

London, March 8, 1797.

THE following Letter was written on Saturday last, and delivered at four o'clock into the hands of the Governor himself.

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TO THE GOVERNOR AND DIRECTORS  
OF THE BANK OF ENGLAND.

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GENTLEMEN,

*WE should wish to believe that you are ignorant of the unnecessary and unjustifiable rudeness with which we were treated last Tuesday at the suit of the Bank of England: We are convinced that it is necessary to vindicate ourselves to the world at large, and to repel openly an attack which seems intentionally to have been made with publicity; and for this purpose we have printed, but not published the case.*

*The ensuing trial will be to us a triumph, and will shew that we have neither erred against the*



meaning nor the letter of the Act of Parliament of the Thirteenth of Geo. III. on which one of us was committed to prison, nor against any other Law ; and it will appear by the evidence of Mr. Pitt and Mr. Rose, and two other respectable Members of Parliament, that we were actually in treaty with Ministers concerning a mode of enabling your Bank to resume its payments ; and that, far from wishing to endanger public credit, we wanted to augment it.

We have had the best advice, and are perfectly easy, as to the result of a Trial, on all the FOUR COUNTS alleged against us : but in the mean time, to do away the effect on the public mind, occasioned by the harsh treatment we have met with, we apprehend it is necessary to give publicity to the affair : However, as the state of public credit does not court such discussions at present, we think proper to say, that though much hurt, yet if any mode can be thought of by you to accommodate this matter, we are prepared to give up something to the interests of the nation at large, by a private and honourable accommodation. We know that, though a large and respectable body, the Bank of England must ultimately obey the laws of the country, as well as we ; we know also, that exposing this business in full form will at this time be productive of very disagreeable sensations to you, and that many things will be touched upon that it is not the general interest to have brought before the Public : It is for



this reason we give you previous information of what we are about to do ; observing, that till Monday at twelve o'clock, we shall be ready to hear any propositions that may be made to us on your part.

We are not ignorant that this letter may be construed into an act of fear ; and, if you have the same violent advisers that acted last Tuesday, they will represent it as such :—but, even at that risque, we send it you ; for it will be a proof to the whole world of the reluctance, with which we publish what we would wish to conceal.

We remain,

Gentlemen,

Your most Obedient

Humble Servants,

HARTSINCK & CO.

ORIGINAL SECURITY BANK,  
MARCH II, 1797.

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TO  
THE GOVERNOR AND DIRECTORS  
OF  
THE BANK OF ENGLAND.

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SIRS,

ALTHOUGH I do not well know in what capacity one ought to address you, yet I am constrained to do it in some way or other, and if it should, upon investigation, turn out that you have forfeited your title of directors in consequence of your having suspended your payments, which as Lord Grenville said in the House of Lords, you did of your own authority, I hope you will excuse me for giving you a title which was reckoned so honourable while the Bank did fulfil its engagements.

Your title of *Directors* makes me suppose that your servants follow your *directions*—I cannot therefore be angry with that honest fellow Thomas Carter, who, under the heavy cloak of a Bank door-keeper, conceals the little stick of a city constable; such a man must obey.—I cannot be angry with Mr. Aflett, nor with Mr. Kaye; the one your clerk, the other

your solicitor—they also obeyed directions, at least so I am permitted to presume.—I cannot even be angry with the famous Abram Newland, *whose name on paper was more valued than the sovereign's picture in gold*, for he also is a man SETT UNDER AUTHORITY, and probably he acted by such when he obtained from the Mistress of the Bank Coffee-house a Twenty Shillings promise without *giving value for it*, and which note belonged to our house: I have, however, some reason to be angry with you as the movers of the strings by which the puppets play.—Enveloped in the mystery of a chartered body, which received a right to issue notes, and has *assumed a practice of not paying them*, I must be permitted to explain to you a little what I have a right to do, and what I will do.—I was invited by your Solicitor and your clerk to accompany them yesterday to the Mansion House, where I was arrested at your suit.—Your conduct has reduced all the individuals in this country who have any debts to pay, to such a situation that they may be arrested without a power of paying—do you know, Gentlemen, that your notes have become the circulating medium of this country, and that you have, by suspending the payments, rendered it extremely difficult for any individual to make a legal tender for his debts.

It is at this moment, Gentlemen, when your conduct has laid at least three-fourths of this nation under the situation of being imprisoned, that you imprisoned me; and why, Gentlemen?—Because on the Notes of the Bank in which I am a partner, we had the honesty to *name the*

*mode of payment*,—We said we would *pay in your notes*, because we did not chuse to make a promise, indicating *gold and paying in paper*.

Now, Gentlemen, as you did not pay the thousand pounds which we presented to you yesterday, and for which an action is begun against you, permit me to alleviate the feelings which *the insolence of office and the law's delay* awaken, by occasionally amusing myself at your expense, and examining the consequences of your conduct;—as to the causes, I do not know them.

I shall leave for the moment my little affair, and consider that of my country, which is a very great and a very serious one—much more so than you, I believe, conceive it to be.

As to external interests, England has got a wound that it will perhaps never recover: you have done the worst thing you could do; and you have done it in the worst way.

Rather than wish to be thought poor, you allow yourselves to be thought faithless:—Are you ignorant, then, that good faith is a more solid guarantee, a better basis for credit, than gold and silver? Why did the Bank of England enjoy great credit?—Because the Government of the Country could not dive into its cellars; and because the Directors were supposed to be men of honour, who would apply the money in their hands to fulfil their engagements.

As to the quantity of gold, we always knew that there could not be sufficient to pay all the notes on demand; but so long as you paid all



that were presented, nothing more could be expected; the Public reposed on the integrity and good conduct of the Directors, knowing that the Minister of this country could not put in requisition the money of the Bank, as might be done in Turkey, Algiers, and such like places.

Upon the laws of the country and the good conduct of the Directors, the Public *did* rely; and not on the quantity of gold:—but, Gentlemen, ~~(I would say, Sir,)~~ you have shewn us that the laws of the country are waste paper.

You have permitted the Minister to retain the property of the public creditors; and you have not shewn the courage, the honest indignation of Englishmen, when Lord Grenville disclaimed the act (any further than as being a friendly hint to you to suspend your payments)—I say, you had not the courage to recommence your payments, and, like honest men, when the last guinea was gone, to say—“Here we stand; we cannot make gold, but our accounts are ready.”

At Guildhall, such a declaration is expected from an honest man when he stops payment;—but you (like Robespierre) have one line of moral conduct for a public body, and another for an individual. Gentlemen, let me tell you, that moral principles, like axioms in mathematics, are unalterable;—men may not, perhaps, always adhere to them, but the Creator of the Universe does not on that account alter his laws, nor can men's hearts, in which any principle of justice is engraved, conceive the possibility of a change.

Did you, in the plenitude of your power and wisdom, ever consider, that now when the charm is broken, now that Harlequin has lost his sword, and that you have accomplished in your delirium of obedience what Thomas Paine predicted a year ago—I say, Gentlemen, did you consider that peace with our enemies is now become impracticable? Do you consider that the French have a triumph, which in their greatest arrogance they scarcely ever dared to expect?—You have sold our birth-right for a mess of pottage! Our birth-right was credit above all the nations on earth; but now, say our enemies, “The pitcher is broken at the well, and the wheel broken at the cistern.”

It was, at least, your duty to make an effort; but you did not make one—or, if you did, a veil is thrown over that *honourable* transaction. You conceal what you ought to be proud to shew—nay, what I think you ought to be constrained to shew; and you have shewn that which I think you ought to have endeavoured to conceal.

Had you yielded to necessity, as I did yesterday, when I remained two hours in prison at your suit, then you would have stood acquitted. But, no! the same paper on which (with an effrontery that has no example, and which I hope will have no imitators,) you declare that you have money, you also declare you will not pay it to your creditors!

Is then the law suspended, credit mortgaged, and the country brought to the verge of destruc-

tion, by twenty-four private men, elected by some more private men? and are Englishmen drowned in despair so deep, or inebriated with prosperity to such a degree, that even this is to be passed over?

When I consider the consequences that are the most visible or immediate, such are my reflexions; but when I consider the various evils, that long train of individual woe which is dragged after this measure, I confess I have no words to express what I feel.

It is not the *personal injustice* done to me yesterday which makes me feel, nor is it *revenge* which makes me *express my feelings*; but I do it from the conviction impressed upon me yesterday, that you have neither the capacity, nor the prudence, nor the patriotism, to enable you to shut that dreadful door which you have opened:—as that is my opinion, I speak it, to prevent the evils which you may bring down on your devoted country.

Do you know that thousands of industrious artizans must starve on account of this stoppage, and that probably there are more hungry bellies now in England than you have guineas in your bank? Do you know that if once paper becomes a nuisance, which it will do so soon as it cannot be exchanged for gold, there is no power on earth capable of making it serve again for a sign to represent property? Do you consider that without such a sign, we can neither manufacture goods nor sell them in foreign markets; and when we cease to do that *the sun of Britain will be set for ever*.

I am in hopes, nay, I am very confident, that Englishmen will soon feel what they have to expect, and, recollecting what they have formerly done, they will make an exertion and save the nation: but then they must, so far as concerns credit, change the tools they work with.

I might naturally have expected that, sensible of the necessity for small notes created by your stoppage, you would either have provided them yourselves, or looked on with pleasure when you saw others doing what you either could not or would not do: but in this, how much was I mistaken!—you not only desire to prevent the accommodation of the public, but you have gone so far as to use such measures as are never admissible with men who act openly, and who, beginning on a fair basis, court inquiry, and offer responsibility.

*The Original Security Bank* does not ask for secret committees, it openly calls on all the bankers in London to inspect its accounts, and therefore the sort of proceeding employed against criminals *was not necessary, and consequently not justifiable*.

I have but little more to say, I am tired of the exposing your imprudence, your rashness, and your folly, and therefore I shall finish with recommending it to you to reflect seriously upon the importance of every step you take, as it is a case that involves the credit of the nation. We are, as Mr. Hume said, *playing at cudgels in a china shop*, and sorry I am, that the china is neither yours nor mine, and that therefore, we have not a right to break those precious vases, worked by the hands of our forefathers, and delivered down to us without a crack or without

( 16 )

a flaw;—let them be preserved for the sake of ourselves and of our children. It is this desire, it is this wish, that prevents me from entering into some other details, which your conduct would warrant; and I hope my wrongs will not be carried so far, as to make me unveil what I should wish to conceal.

Farewell, Gentlemen, for the moment; recommence your payments if you can, and you shall find that I shall be the first to rejoice in a measure, so necessary for the welfare of England.

WILLIAM PLAYFAIR.

ORIGINAL SECURITY BANK,

March 8, 1797.

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TO THE RIGHT HONORABLE

THE LORD MAYOR OF LONDON.

*DIRECTOR OF THE BANK OF ENGLAND,*

*Es. Es. Es.*

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MY LORD,

**W**HEN I was invited yesterday by the Solicitor to the Bank of England, to come over to your Lordship, I expected that the first magistrate in the first city in the world, would have so far felt the dignity of his situation, as not to have given a partial hearing.—Had your Lordship any right to *hear* the Bank Solicitor's charge against me, when I was waiting but not present? I ask for information.—Upon the whole of this transaction, though I have reason to be displeased with your Lordships' conduct, I was in some degree indemnified by the farcical gravity with which your Lordship declared "that you verily believed a Note of our Bank was intended to imitate the Bank of England Notes, and to deceive the Public."

I thought to myself, this is a Lord Mayor,—I never knew any Lord Mayors, and they are not like common men, for a common man would say that having taken such pains to explain in the Note, that it was payable in Bank of England

Notes, would plainly indicate that it is not a Bank Note, besides it is neither of the form nor the size.—

Any body but a Lord Mayor would have considered, that the publicity we put on our Bank skreened us from any suspicion of wishes to deceive: any body but a Lord Mayor would have thought, that it would have been fair to have told me, or to have sent me word, what bail was required.

Have you forgot, my Lord, that you were a man before you were a mayor; that you lived in a small house, before you got into the Mansion-house: or, if you have not forgot this, how comes it that you treated me as you did? Could you not recollect some letters that you wrote to me many years ago, thanking me for my publications on Finance? or like other great men, have you lost your memory?

Now, my Lord, I must tell you, that when you could not but know, that since there are two modes of payment, the one in cash, and the other in paper, it has become necessary to state in which of the two a note or bill is to be paid; you might also have considered that the inducement to filch the credit of the Bank of England is not quite so great as it was in 1773. When you found (which any man but a Lord Mayor would have done) that there was a very sufficient and a good reason for the words objected to, you might have supposed it was possible to have that good reason; or can it be possible that amongst the Commissaries of the Army, and at head quarters in Flanders, you found so much deceit that you think all men deceivers. This may be some excuse; but, my

Lord, you should have acquired some urbanity amongst British Officers, and not mistake the ermine on your gown for the skin of a bear, as in POPE's time, who said—

“ The fur that warms a Monarch, warmed a Bear.”

He was a terrible wag that same *Pope*, and used to laugh at Lord Mayors, therefore I do think he ought to have been committed, but probably the Lord Mayors then thought it better to join in the laugh about *calepash* and *calepee*.

The Bank of England is certainly a very respectable establishment, besides that, my Lord, you are one of the Directors; so that, I suppose, if all the inhabitants of Westminster (a few treasury men excepted could) offend the Bank, and come within your district, you would commit them without hesitation.—It was alluding to a transaction like this, that a stupid fellow in France said *un barbier rase l'autre*. As you learnt French at the siege of Valenciennes, you must understand that; besides all the Commissaries of Accounts, perfectly well know how that operation was performed.

We shall some day, I hope, see written on an obelisk, erected at the end of Garlick Hill, or some other such elegant place, *The Rules of the Mayoralty of Brook Watson, Esq. Citizen, Musician and Bank Director*, beginning with,

“ Thou shalt not take in vain, the name of the Bank of England; neither shall it be graven on iron, on steel, nor on brass, nor any any likeness thereof, and albeit all Notes are at this time payable in Bank of England Notes yet it shall be a high crime and misdemeanor, to say that they are so payable; and as it is more honourable to go

( 20 )

to prison for debt, than for misdemeanors ; it is my will, my order, and I Brook Watson, Lord Mayor, say, that all men shall give Notes payable in gold or in silver, because it shall not be lawful to engrave or otherwise set down upon a Note, the words Bank of England."

Such a thing will bring your name with *eclat* to the latest posterity ;—you have obtained all the honours which you can expect on this side the grave ; you have had both places and pensions in the City and in the Court ; in the Senate and in Guildhall, your eloquence, your urbanity, and your disinterestedness have shone conspicuous : the only honour that remains, is as I have mentioned, the Egyptian obelisk written WITH WHITE LETTERS ON A BLACK GROUND, and sacred to the memory of Brook Watson, Esq. Citizen, Musician, and Bank Director.

I have the honour to be

Your ci-devant Prisoner,

WILLIAM PLAYFAIR.

London, March 8, 1797.