Masters of war: state, capital, and military enterprise in the Dutch cycle of accumulation (1600-1795)

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Chapter 4

Troop payments, military soliciting, and the world of finance

The Dutch Republic was not only the dominant power at sea for much of the seventeenth century. It was also a major force on the European continent, a position it preserved well into the eighteenth century. Whereas Chapters Two and Three focused on the political economy of employment of the fleet and the productive systems underpinning the navy, this chapter will look at one of the key economic aspects of warfare on land: military finance. Chapter One examined the emergence of a system in which a large group of financial middlemen, military solicitors, provided short term credit to allow officers to continue paying their soldiers despite the large arrears of the provincial treasuries. Apart from their role in troop payments, military solicitors also administered many other financial transactions that sustained army life, most importantly providing credit to guarantee continuity in supply. Tracing their activities can shed light on a whole host of aspects of what Fritz Redlich in his classical study termed the Kompaniewirtschaft – the small self-contained economy in which the officer rented out his mercenary unit to the state as a business investment, and in turn took upon himself the

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1 Part of this chapter previously appeared in P. Brandon, ‘Finding solid ground for soldiers’ payment: “Military soliciting” as brokerage practice in the Dutch Republic (c.1600-1795)’, in: Stephen Conway and Rafael Torres (eds), The spending of states. Military expenditure during the long eighteenth century. Patterns, organisation, and consequences, 1650-1815 (Saarbrücken 2011) 51-82, the sections on Gebhardt will, in somewhat altered form, appear as P. Brandon, ‘The accounts of solliciteur-militair Paulus Gebhardt. Finance, profit and troop payments during the Nine Years’ War and the War of the Spanish Succession (1689-1713)’, in: Matthias Meinhardt and Markus Meumann (eds.), The capitalisation of war in the late middle ages and the early modern period (Berlin 2012, forthcoming).
responsibility for the upkeep of his troops. Contrary to Redlich’s supposition, the independent role of officers, suppliers and their creditors in the organization of logistics did not disappear with the integration of the Kompaniewirtschaft into larger regimental organizations under state control. In many respects the increase in scale of operations gave captains, contractors, and financiers much more powerful roles in the upkeep of the army. Thus, the evolution of soliciting can be studied as an example of the persistence of semi-independent ‘brokers’ in the organization of warfare.

The growth of armies is often viewed as one of the main motors of early modern state formation. As Geoffrey Parker argued: ‘It is interesting to note that the major waves of administrative reform in western Europe in the 1530s and 1580s and at the end of the seventeenth century coincided with major phases of increase in army size.’ State finance formed a logical transmitter between the changes in the scale of warfare associated with the ‘military revolutions’, and the rise of fiscal military states. As a result, historians have concentrated heavily on the revenue raising capacities of the central state, and the reforms that enhanced these capacities. Until recently, the major role of capitalist elites in the spending of these revenues has been understudied. The direct involvement of independent entrepreneurs in areas such as military finance traditionally has been treated as a remnant of earlier forms of state formation, a barrier to ‘rationalization’ that had to be overcome, and above all a source of corruption. Usher’s Dictionary of British Military History could still very recently define the British regimental agent in unsparingly negative terms:

‘A regimental paymaster employed by the colonel of a regiment. A colonel had complete control of his regiment in the 17th and early 18th centuries and was also responsible for

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distributing the pay to the troops through his agent. The agent frequently transferred a large amount of the funds to his own pocket by various frauds.\(^6\)

Also in the case of the Dutch Republic, well known for its proficiency in troop payments, military solicitors attracted most attention as likely suspects of large scale embezzlement and as subject for state regulation against fraud.\(^7\)

Recent contributions to the debate, particularly those directed at the eighteenth-century British state, take a very different approach. They emphasize the ways in which the personal networks, private credit, and financial know-how of bankers, merchants, and other private investors were central to the success of state reforms.\(^8\) While sometimes coated in an equally problematic framework of the supposedly superior efficiency of markets over states, this literature rightly draws attention to the ways in which early modern warfare often enhanced rather than diminished the dependence of states on capitalist investors. Indeed, detailed examination of the daily practice of army finance ‘on the ground’ underlines the mutual dependence of state and capital in this field. Paying the troops did not only require vast sums of money. It demanded that those sums arrived on time, and subsequently were transferred effectively to garrison towns and the front over widely dispersed geographic areas. In order to provide tens of thousands of armed men with the monthly pay necessary to keep them loyal and effective, these financial flows had to be maintained with iron regularity despite the highly erratic flows of government funds. Even those early modern states such as the Dutch Republic that could profit from a relatively well organized system for taxation were ill-equipped for such a task. Regularly transferring large sums of money – and especially transferring those sums abroad – required a financial infrastructure that in many cases did not

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\(^8\) Most of these studies are directed at military contracting in general, and treat financial entrepreneurship in this context. E.g. Gordon E. Bannerman, *Merchants and the military in eighteenth-century Britain. British army contracts and domestic supply, 1739-1763* (London 2008) 140 ff, and Robert Knight and Martin Wilcox, *Sustaining the fleet 1793-1815. War, the British navy and the contractor State* (Suffolk 2010) 3 ff. Aaron Graham wrote an as yet unpublished PhD on British military finance during the War of the Spanish Succession that draws the same conclusions, also argued in Aaron Graham, ‘Warfare, finance and the British military entrepreneur, 1705-1713’, paper presented at the international conference ‘War, the state, and military entrepreneurs during the early-modern period’, Brussels 1-2 December 2011.
exist, or was not easily accessible to the state. Under these circumstances, turning to the market often proved the only available option. This connects to a more general reappraisal of the place of intermediaries in early modern trade and politics. In a time when stable state institutions were still in the making, the international market for capital and goods was underdeveloped, and communication and exchange were highly insecure, personal networks were indispensible in areas varying from financial transactions and long distance trade to political administration and the circulation of scientific knowledge. Military solicitors operated in a larger environment in which ‘soliciting’ was seen as an indispensible function of social and political life.

This chapter will trace the evolution of military soliciting from its disorderly first phase to its much more regulated ‘golden age’ at the end of the seventeenth and the start of the eighteenth century (sections 4.1 and 4.2). It will then examine in detail the careers of two individual military solicitors, whose archives jointly span the crucial period between the start of the Nine Years’ War and the end of the War of the Austrian Succession, enabling a long view on the development of their respective businesses (section 4.3), their daily functioning as intermediaries in the system of troop payments (section 4.4), and the importance of their personal networks for the execution of their tasks (section 4.5). The final section looks at the evolution of the system of military soliciting from the end of the War of the Spanish Succession until the final decades of the eighteenth century, a sometimes troubled period in Dutch state finance but also an era of great opportunities for individuals involved in high finance.

4.1 From disorder to regulation

The years after the Peace of Westphalia did not see the permanent reduction of the standing army hoped for by many Holland’s politicians. The long period up to the Peace of Utrecht of 1713 became one of costly expansion rather than cost cutting reduction of army size. In this

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9 As noted by political economist Charles Davenant, in a tract published at the end of the Nine Years’ War: ‘Nothing dreins a Country so much as a Foreign War, where the Troops must be paid abroad’. Charles Davenant, *Discourses on the publick revenues, and on the trade of England, &c.* Part II (London 1698) 101.
respect, the Dutch Republic simply had to follow its main competitors. Although exact amounts of troops for this period are notoriously difficult to calculate, the direction of development among Western European states is nonetheless clear. According to one calculation the French army grew from 125,000 in 1648 to 340,000 men during the Nine Years’ War. The English army grew from around 40,000 in the pre-Williamite era to an average of 93,000 men during the War of the Spanish Succession, and in the final year of this war the British state had as much as 144,650 men under arms. The Dutch army numbered 60,000 during the last years of the Eighty Years’ War, passed the 100,000 mark during the Nine Years’ War and almost reached the figure of 120,000 men at the height of the War of the Spanish Succession. Expenses in troop payments rose accordingly. Chart 4.1 shows the monthly costs of soldiers’ wages according to the war budget for the Province of Holland, alone responsible for around fifty-eight percent of all troop payments made by the state. Chart 4.2 gives the costs of troop payments as a percentage of the total military budget (excluding the navy). Only in two years – 1715 and 1716 – did troop payments form less than fifty-five percent of the total military budget. For most of the period they comprised over two thirds of total expenses, rising to three quarters or more at times of war. The system of troop payment had to be adapted to channel this increased pressure. However, the essential feature of the system as it had emerged from the war against the Spanish Habsburgs – the independent role of the military solicitor in providing army funds – survived all attempts at reform.

As shown in Chapter One, the practice of ‘military soliciting’ arose out of the various ways in which the state and individual officers dealt with financial emergencies arising in the long drawn-out struggle against the Spanish armies. By the time of the Twelve Years’ Truce, contracting financial middlemen had become the preferred option to guarantee the troops were paid on time. But the practice of soliciting was still chaotic and state control was limited. From the 1620s onwards military solicitors figured frequently in the resolutions of the

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13 Brewer, Sinews, 31.
15 On the relation of this war budget to state finances in general, see A.Th. van Deursen, ‘Staat van oorlog en generale petitie in de jonge Republiek’, Bijdragen en mededelingen betreffende de geschiedenis der Nederlanden, Vol. 91 (1976) 44-55, and for the relations between the finances of the province of Holland and those of the Dutch Republic, see the introduction to R. Liesker and W. Fritschy, Gewestelijke financiën ten tijde van de Republiek der Verenigde Nederlanden. Volume IV: Holland 1572-1795 (The Hague 2004).
Chart 4.1  Holland's monthly ex-ante expenses on troop payments, 1644-1785 (guilders)

‘Ordinaris en extra-ordinaris Staat van Oorlog 1644-1785’.

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Holland Provincial Government. Sometimes general regulation was introduced to make troop payment run more smoothly. This, for example, was the case with the financial protection offered to solicitors who lost part of their investment due to military defeats.16 But most of the time the members of the Provincial Government solved problems on a case to case basis. By far the most frequent mention of military solicitors occurred under the heading *Justitiële zaken* (judicial affairs) of the resolution indices. For lack of clear guidelines, conflicts between captains and their solicitors over payment, interest rates, or the settling of debts were settled individually. In the resolutions of the Holland Provincial Government for the period 1624-1659 tens of solicitors are mentioned by name, indicating the large number of people involved in this line of business.17 Many more resolutions dealt with financial conflicts between officers and private persons who were not solicitors but clearly fulfilled the same functions. Some solicitors surface in the resolutions more than one time over a longer period,

16 NA, Archief van de Gecommitteerde Raden van de Staten van Holland en Westfriesland, no. 3000B.  
allowing for conclusions about their staying power. De Bruyne, Van der Mast and Meurskens, three financial agents who were already involved in the soliciting of French and English companies during the first and second decade of the seventeenth century, remained active during the 1630s, and in the case of Van der Mast even as late as 1651. A solicitor named Casembroot first appeared in the resolutions of the States General in 1613, when he handed in a complaint about large arrears suffered by the companies served by him. The name reappeared in connection to other problems in troop payment during the 1620s and 1630s, although he might have been a relative of the first Casembroot. Indeed, there are many examples in which soliciting contracts were handed from father to son. Also, like in many other businesses in the Republic, widows often continued the soliciting contracts of their deceased husbands.

The resolutions not only give proof of the success and durability of some businesses, but also of the troubles surrounding others. Since no rules existed to proscribe who could become a military solicitor, there also was no real system of control guaranteeing that those who entered the profession possessed the necessary creditworthiness. Frequently, solicitors themselves ran into arrears leaving ‘their’ captains without the means to pay the troops. This resulted in sharp conflicts and sometimes even in physical confrontation. During the late 1640s the military solicitor Paulus Maes was a frequent visitor of the offices of the Holland Provincial Government. In March 1649 an argument between this solicitor and a soldier from one of the companies that he served became so high-pitched, that it ended in a fight. According to Maes this ‘old and impotent soldier’ had insulted him on the streets. To the great dismay of the members of the Provincial Government, Maes had proceeded to hit him in the face ‘until blood showed’, and what was even worse, he had done so in the offices of one of the ushers of Holland’s treasury. The location of the crime was by far the most worrying aspect to the authorities, for a fight involving a solicitor in one of the offices of the provincial authorities ‘could only result in the diminution of Their Highly Esteemed Gentlemen and is incompatible with the respect which should always be shown at the offices and other premises of the state’. Paulus Maes was fined the sum of thirty guilders.

The Holland Provincial Government had ample reason to worry about the damage to their reputation that could result from cases such as this. In the period after the 1648 peace

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18 RSG-NS II, 82.
19 E.g. in the cases of Bonser and La Mair, two solicitors who were already involved in troop payments during the 1620, and whose widows were still active on the market during the 1640’s.
expenditures for the troops had become a highly contested issue, resulting in armed confrontation between stadtholder William II and the city of Amsterdam. As happened so often, the debate on war finances went hand in hand with a debate on the efficiency of state finances. Allegations of corruption were flying. In 1652, an anonymous pamphlet called *The sinews of war, and the preservation of a country (next to God)* argued for a stricter control of the accounts of the receiver general, explicitly directing its attention to the possibilities for fraud in army expenses. The author reserved some special venom for the Province of Holland, ‘where by and by, affairs have been handled so horribly and godlessly’, accusing the personnel of the office of the receiver general of profiting from trade in payment ordinances.\(^{21}\) This trade was an essential feature of military soliciting, since ordinances served as guarantees for the loans of the solicitors themselves and were part of a substantial market in derivatives. The author of the pamphlet described this trade as immoral because it involved state officials in a profiting scheme based on their own failure to pay the troops on time, the consequences of which were suffered directly by the ordinary soldiers. As an alternative, the pamphlet suggested that the state should take the monthly payment of the troops directly into its own hands.\(^{22}\) This suggestion went to the heart of the existing practice, effectively demanding the abolition of military soliciting.

The anonymous pamphlet of 1652 did not stand alone in advocating a greater role for the state in troop payment. Just one year before a commission of the States of Holland had delivered a report considering the possibilities of a system of ‘per capita payment of the militia’. Although the commission concluded that the introduction of a system of direct payment through the central state treasury was not feasible, it spoke highly of the advantages it would entail:

‘Per capita payment – if a solid ground for this could be found, and if such would be practicable by the deputies of the government itself – is judged by the commissioners to give a great splendor and respect to the state, and to bind the militia to the same with affection; also to be one of the surest means to avoid frauds and to enable the country in every respect to solve the account of the soldiers, in quantity and quality.’\(^{23}\)

\(^{21}\) *Noodighe aenwyssinge tot de uytwerkinge ende krachten, tot de zenuen van oorloge, ende (naest Godt) de behoudenisse van een landt* (Rotterdam 1652) fo. 3 vso.
\(^{22}\) Ibid, fo. 3.
\(^{23}\) NA, Archief Staten van Holland, no. 1354f. ‘Consideratien teegen het doen van hoofdelyke betaalinge aande militie’, 1651.
In a wonderfully concise way this short paragraph sums up three of the major reasons why many European states in the course of the eighteenth century would increasingly favor direct, non-brokerage systems of troop payment: to increase the power of the state, to augment the hold over its troops, and to close the existing venues for fraud at the state’s expense. But just as illuminating are the reasons why according to the committee centralization in this area for the time-being remained utopian.

First, the commissioners re-established the ‘incontestable’ truth in troop payments: ‘that in order to maintain a well conditioned militia, the soldiers need short, precise and regulated payment’. However, neither the magistrates in the cities where the troops were garrisoned, nor the deputies of the province, nor deputies of the cities housing the Receivers Offices, could guarantee such a continuous flow of money. For the group of officials to whom the task of payment was assigned, this would immediately raise the question where to find credit, and according to the commissioners, without intermediation of solicitors their chances of finding enough money in time were slight. Even if a remedy could be found for the irregularity in state income, the underdeveloped nature of the state bureaucracy would pose strong barriers to centralization. If the task of paying the troops was left to local officials, this would bring back some of the worst problems in the existing system of payment

‘considering, that among those (…), there are many persons of mean conditions, who will usually seek their own interests from one or another trade, and by this authority [over troop payments] will try to gain some direction over Companies and officers’. 24

What makes this 1651 report so valuable is that it shows that in the minds of Dutch policy makers at the middle of the seventeenth century, troops payment, state access to the credit market, the personal financial capacities of state officials, and the dangers of corruption were closely interrelated problems. In the eyes of the commissioners these problems could not simply be overcome by the introduction of tighter control from above. As an example of the limits of bureaucracy they pointed to the King of Spain, ‘who despite so much supervision and control over the same payment is being cheated more than anyone’. Similar weaknesses would prevent the introduction of a system of payment through national or provincial envoys, leading the commissioners to the conclusion that ‘it was not possible to find a foundation or reason by which to regulate per capita payment in such a way that it could be introduced and practiced in good service and orderly fashion’. Attempts to introduce a system of direct

24 Idem.
payment therefore had to be postponed into the indefinite future. For the time being the report advised to concentrate on fighting the ‘frauds and disorders’ in the existing system by the introduction of stronger regulation.

Apart from the openly stated reasons of inexpediency, a strong political bias among the commissioners towards solutions that avoided strict state control over troop payment and gave much room to the market almost certainly played a role in arriving at their negative advise. Stadtholder William II’s failed attack on Amsterdam and his death soon afterwards had greatly strengthened the anti-centralizing wing of the Dutch elite, led by the States of Holland. The clash with William II had directly been connected to military expenditures, and the Great Assembly called in the early months of 1651 was dominated by Holland’s fight for provincial autonomy and against the reconstitution of the stadtholderate. The measures taken at the Great Assembly effectively led to a devolution of power over the army towards the provincial level, with Holland consolidating its influence most successfully.  

By strengthening the merchant-led regent party these reforms also enhanced the partnership between state and private capital which formed the economic basis of brokerage practices. The turn against centralization in the 1650s thus forms an early example of the close connection between the resistance to increased state control, the provincial particularism that was strongly entrenched in the Dutch political system, and the commercial prosperity that allowed Dutch Republican rulers to rely on the market with much more success than any of their competitors.

With the 1651 report suggestions to replace the system of military soliciting by a system of direct payment disappeared from the political agenda. However, important new regulation was introduced, as the commissioners suggested. One of the prime targets was to bar holders of public office from soliciting. These measures were designed to deal with the allegations that financial agency was upheld in order to provide lucrative opportunities for individuals within the state apparatus. The charge was not entirely unwarranted. The intermingling of public office and military financial agency had strong antecedents, and went up to the highest regions of administration. Already in the early 1590s receiver general Philip Doubleth had advanced his private money for troop payments. In all likelihood his family had continued this lucrative business. In 1659 a younger member of the Doubleth-clan was involved in


26 RSG-OS VII, 159.
judicial cases on soliciting that appeared before the Holland Provincial Government. It is not surprising that officials of lower rank tried to get a foothold in this business as well. Given the number of times that decrees had to be repeated and extended prohibiting soliciting by clerks, registrars and public accountants, it seems that separating the worlds of officialdom and financial agency remained an uphill battle well into the eighteenth century.

In 1669 the Provincial Government undertook a serious attempt to clear the Holland Audit Offices of personal involvement in soliciting. On 5 March it declared that all clerks working for the treasury and the administrative department had to ‘effectively and actually quit and let go’ of the soliciting of companies. Two days later clerks and accountants were summoned to appear before a commissioner of the States of Holland. Out of twenty-three officials who gave a statement that morning, six were directly involved in troop payments. Clerk of the treasury Harman, auditor Willem Bronsvelt, and clerk of the secretary Willem Hulshout all ‘served’ more than one company. Arent and Philips Pijll, both working at the secretary’s office, functioned as solicitors for the company of a close relative who was a captain. Accountant of the treasury Bellecherie tried to excuse himself by stating that he did not receive a salary for soliciting the company of count Maurits of Nassau, but ‘only was sometimes honored with an allowance or the like’. Nonetheless, after a stern admonition by his interlocutor, he as well as the others had to promise to resign from soliciting. Despite this apparent strictness, the long-term effect of those measures remained limited. In the Dutch Republic, where the worlds of politics and finance were so intimately interwoven, open or hidden routes between the one and the other could always be found.

4.2 A golden age of military soliciting

Although the States of Holland did not manage to enforce a strict separation between state officialdom and financial intermediation for the army, in the ensuing years they did intervene

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28 E.g. NA, Archief van de Gecommitteerde Raden van de Staten van Holland en Westfriesland. ‘Resoluties 1729’, no. 3079, fol. 56, 9 February 1729, and no. 3085. ‘Resoluties 1735’, fol. 7-7vso, 8 January 1735.
29 NA, Archief van de Gecommitteerde Raden van de Staten van Holland en Westfriesland. ‘Resoluties 1669’, no. 3018, 5 March 1669.
30 Ibid, 7 March 1669.
to restrict the involvement in military soliciting to more or less professional financiers with strong connections to the capital market. After a brief experiment with a form of state controlled financial intermediation in the early 1670s, military soliciting was re-established on a more solid footing. The four decades of warfare with France that followed created enormous possibilities for military financiers, and those who were able to consolidate their position in soliciting were able to make fortunes during this period. The increased state dependence on financial intermediaries is an example of how warfare did not automatically lead to nationalization or centralization, with states intervening decisively to regulate markets and increased its influence over society, but could instead strengthen brokerage practices of reliance on independent entrepreneurs.

The invasion of 1672, one of the gravest crises the Republic went through in its entire existence, at first renewed the cry for a complete reform in the system of troop payments. Growing financial strains seriously affected the ability of the army to put up resistance against the French advance. The weaknesses in army finance were already well known at the time of the fall of Johan de Witt, the leading statesman of the post-1648 period and main opponent of William III. In his final address to the States of Holland, he complained

‘that Holland alone has contributed its dues, and Zeeland and Friesland have not furnished the costs of the army; and that posterity will not believe, that such losses can happen in so little time’.  

Faced with an army that was unprepared and a country immersed in the political turmoil of the Orangist toppling of the De Witt regime, the French army advanced with great ease to the borders of the Province of Holland, occupying the entire southern half of the Republic. With war at its doorsteps and much of the other provinces under French occupation, Holland was forced to take upon itself even more of the financial burden of warfare than the regular fifty-eight percent. Alone, it had to take care of 110 out of 160 companies on horse, and 457 out of 666 companies on foot. In November of that year, with army costs rising to over £9 million, members of the Holland Provincial Government had to report a deficit of almost £6 million. It was at this point that they harked back to the 1651 discussions and again proposed to bypass the solicitors as a means to cut back on unnecessary expenses,

31 Cornelis Hop and Nicolaas Vivien, Notulen gehouden ter Staten-Vergadering van Holland (1671-1675). Edited by N. Japikse (Amsterdam 1903) 245.
32 Ibid, 250.
‘because by doing this, the militia would be encouraged and the solicitors and other secondary costs would be discarded; and the credit of the country would thereby increase, and the enemy would sooner be inclined to conclude peace’.

Stadtholder William III, at that time already firmly in charge of the state, took a personal interest in the organization of army finances. According to one of his many biographers, since his coming to power it was William III rather than the States General who ‘determined all military and naval policy’. In January 1673 he exhorted the States of Holland to take measures for the redemption of the burdens on the war budget, adding that there was ‘periculum in mora’.

Heading this call, the members of the Holland Provincial Government took practical steps to alter the structure of army financing. Their main aim was a drastic reduction of the number of solicitors, thereby tightening bureaucratic control over the process of paying the troops. On 28 February 1673 they ordered that all existing companies on the payroll of the Province of Holland would be divided under no more than eight solicitors, determining from above which companies would fall under whom. This meant that each of the eight solicitors among this select group would arrange for the payment of seventy-five to eighty companies. New companies that were to be recruited would be divided among the same group. On 2 March the plenipotentiaries ordered the receiver general and urban receivers not to give out ordinances to any solicitor except the appointed eight. These measures did not only consist of a drastic reduction in the number of solicitors. They amounted to a whole new system of payment, in which the military solicitors would ultimately be replaced by ten ‘directors for the payment of the militia’. The Provincial Government would commission the directors, and the States of Holland would provide them with a sum of £1 million to be remitted to the troops through direct and per capita payment. The directors would operate directly in name of the state, and were to pay only the soldiers whose name was on the muster roll. Thereby, they would bypass the independent role of officers in the system of troop payments and effectively

33 Ibid, 325-326.
34 Wout Troost, William III, the Stadholder-King. A political biography (Aldershot 2005) 106.
36 NA, Archief van de Gecommitteerde Raden van de Staten van Holland en Westfriesland, no. 3022. ‘Resoluties 1673’, fol. 156 vso – fol. 161 vso, 28 February 1673. The eight solicitors (number of companies between brackets) were: Johan Dellon (80), David van Hattum (80), Johan van de Heijde (80), Abraham Elsevier (80), Hendrick Winckel (79), Diderick de Wilde (75), Dirck Arnouts (79) and Willem Bronsfelt (75), the audit officer mentioned in the previous section.
37 Ibid, fol. 162 vso-163, 2 March 1673.
strengthen state control over the make-up of companies. Another innovation was the planned division of the entire army in ten parts of equal strength, each resorting under the responsibility of one of the directors. However, not all features of soliciting were superseded. In case the province remained in arrears, the directors were still expected to pay the troops out of their own means ‘or of their friends’, for which they would receive 16 stayvers per hundred guilders every pay month or 6.9 percent interest per year. Affirming the continuity with the old system, the proposal at one point described the new functionaries as ‘solicitors or directors’. Nevertheless, if it would have been successful the introduction of this way of payment would have been a real step towards the ideal sketched in the report of 1651.

However, the new scheme did not work out as planned. A strong testimony of this comes from a later generation of solicitors. Arguing against a somewhat similar reform attempt of the early 1720s, they pointed with glee to the failure of 1673:

‘[D]espite the authority, power and command with which the general directory was invested (…) and above that being assisted with a million guilders from the provincial treasury (…), after a few months it (…) collapsed out of its own accord’.

According to the same testimony, this collapse had created ‘such confusions’ and financial chaos that the military solicitors who once again replaced the directors after the failure of the new system could only find credit at interest rates of nine to ten percent. The reason for this abysmal failure was simple. Under the immediate pressure of war, the appointed directors proved incapable of providing all the necessary funds for the maintenance of the existing army and the levying of substitute recruits. According to the war budget of 1673, total costs of the companies solicited by the eight directors exceeded one million guilders per pay month. Despite the initial advance to the directors of a million guilders from the general means, frequent recourse had to be taken to paying soldiers directly from the provincial treasury. The first time this occurred was only half a year after the introduction of the new system.

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39 Idem.
40 Ibid., 172.
42 NA, Archief Staten Generaal, no. 8081. ‘Staat van Oorlog 1673’.
43 NA, Archief van de Gecommitteerde Raden van de Staten van Holland en Westfriesland, no. 3022. ‘Resoluties 1673’, fol. 745-745 vso, 6 November 1673.
could once again step in as financial agents and creditors to Holland’s companies, confirming
the statement from the 1720s that reforms did not last more than a couple of months.\textsuperscript{44}
Around the same time as this unofficial re-entry of a more or less free market for soliciting
allegations of corruption arose against one of the appointed directors, Diderick de Wilde.
Although the accusation that he had pocketed money destined for the troops was quickly
cleared, the rumors further helped to discredit the new system of payment.\textsuperscript{45} The failure of the
1673 reform attempt led to a de facto re-introduction of the pre-1673 situation, but in the
heated conditions of war and a permanent quest for funds, the situation on the ground became
even more chaotic than it had been. When the members of the Holland Provincial
Government tried to deal with this chaos, they had learned their lesson. Instead of a complete
reform of the system of troop payments, in 1676 they chose to officially restore military
soliciting on a much firmer judicial basis. As the 1651 report had predicted the weakness of
state finances, combined with the lack of strong bureaucratic structures, had forced the
Provincial States back into the arms of private intermediaries.

The 1672 invasion marked a caesura in Dutch history. A period of four decades of
almost continuous warfare started, in which both the Dutch supremacy in world trade and the
health of Dutch state finances were seriously threatened. It was a crucial turning point in the
development of the Dutch Republic as a great-power. But for military financiers the
intensification of rivalry signified an era of incredible prosperity. The combination of a sharp
rise in military expenditure and a further institutionalization of military brokerage practices
created the conditions for a golden age of soliciting. On 13 March 1676 the Holland
Provincial Government accepted a resolution that introduced extensive and precise regulation
for financial intermediation in troop payments. The resolution laid the foundation for the
system of soliciting as it remained in place for over a century. Referring to the situation that
had preceded and followed the 1673 reform attempt, it tried to put an end to ‘the excesses and
exorbitances that, to the great disservice to the country, are undertaken by some solicitors of
companies on horse and on foot’. Among those excesses the resolution listed ‘blackmailing,
and negotiating unbearable interest rates, (…) as well as too high salaries or rewards, that are
enjoyed by aforementioned solicitors for soliciting of (…) the ordinances and for managing
the affairs of the companies’. As the main reason, the resolution pointed to the advent of

\textsuperscript{44} NA, Archief van de Gecommitteerde Raden van de Staten van Holland en Westfriesland, no. 3023. ‘Resoluties
1674’, fol. 22 vso-23, 22 January 1674.
\textsuperscript{45} Ibid, fol. 104 vso-105 vso, 8 March 1674, and fol. 158-160, 13 April 1674.
‘different persons of very small means and potential, in large part or entirely ignorant of the practice of soliciting of companies or the handling of money’.  

The resolution proposed a number of measures which remained the cornerstones of government control of soliciting. The most important was the reduction of the total number of solicitors to thirty-two ‘qualified, well-to-do and capable persons’. Those solicitors had to solemnly swear an oath containing the conditions on which they accepted their commission. The resolution initially limited the interest rate on payments advanced to 6.9 percent annually, an amount that was later reduced to 5.2 percent. It also put a maximum to the salary solicitors would receive from the companies they served. Furthermore, solicitors were stipulated to deposit the considerable sum of f 5,000, which in case of malpractice would accrue to the provincial treasury. This advance payment primarily served to keep out the ‘persons of very small means’ mentioned in the 1676 resolution.

Although the 1676 reform increased state control on the practice of soliciting, it also contained considerable benefits for the solicitors themselves. By creating a far clearer legal framework within which they could work it provided a basis for judicial protection of their interests. This protection was extended in the decades that followed, especially during the War of the Spanish Succession when military solicitors were in a particularly strong position to raise demands. A resolution of September 1706 extended the collateral for captains’ debts from arms to the company’s wagons, horses and equipment. Another resolution from around the same time banned ‘Jews and the associates of Jews’ from soliciting, thereby allegedly limiting ‘outside’ competition to the ‘indigenous’ financiers. In 1711 the Holland Provincial Government resolved that all companies within the same regiment should strive to deal with the same solicitor. They also restricted the freedom of captains to leave their solicitor in favor of another. However, there was still a lot of room for negotiation between captains and their agents. Interest rates, for example, were not simply determined by the maximum rate that was set by the States of Holland, but were negotiated individually. Paulus Gebhardt, the solicitor responsible for the payment of companies from Brandenburg and the Paltz whose business will be examined in more detail in the coming sections, charged interest rates between 4.8 and

48 Ibid, fol. 471 vso, 22 October 1706. Perhaps, this move also was a concession to anti-Semite aspects of anti-stadtholderly propaganda, which had sometimes been directed towards the high proportion of Sephardic Jews in William III’s financial entourage.
5.2 percent at the start of the Nine Years’ War, but lowered those to 4.3 percent at the end of this war.\textsuperscript{50} During the War of the Spanish Succession, the pressure was in the opposite direction, and interest rates went up from 4.5 percent to 5.85 percent in 1713. Unable to counter this upward pressure, the States of Holland in 1711 agreed to raise the maximum interest rate to 5.64 percent, but even this higher maximum rate was not respected in practice.\textsuperscript{51}

The ability of solicitors to raise interest rates above the legally determined maximum illustrates the strength of their position. The self-consciousness of the new layer of financiers that arose in this way was further bolstered by the strong relations between stadtholder William III and the world of finance. A small illustration of the inflated sense of self-importance that arose from these conditions is a court case from 1682, in which the city of Utrecht formally discharged military solicitor Johan Lieftingh and banished him from the town and its surroundings for a drunken rant in a pub. According to several witnesses, the solicitor had shouted:

‘That he was on equal terms with the States [of Utrecht]; that he was not in their power; that he did not depend on them, but the States depended on him; that if he wanted to speak to His Highness [stadtholder William III], he could make some of them be fired with infamy; that all the Gentlemen States were thieves – all while stamping the ground with his feet and using several insolent words and threats. (…) And around the same time, the defendant had repeatedly told several military men, in speaking of the payment of the militia on the payroll of the States of said Province, that the officers looked at the wrong end for a solution: that they should band together with him and other solicitors, and that together they would go to the Prince or His Highness.’\textsuperscript{52}

The failure of the 1673 attempt at a system of payment controlled by state officials led to a consolidation of brokerage practices rather than their absorption into the (provincial) state bureaucracy. But regulation did succeed in limiting access to this line of business to a small number of financial specialists, replacing the free-for-all that had existed for most of the seventeenth century. In this way, entry in military soliciting gradually became closed off for

\textsuperscript{50} NA, Archief Paulus Gebhardt, no. 77. ‘Liquidatieboek Interesten 1689-1698’.
\textsuperscript{52} Sententie, by die vanden Ed. Gerechte der Stad Utrecht, gearresteert jegens mr. Johan Lieftingh, gewesene solliciteur militair (Utrecht 1682) A2 vso – A3.
the likes of the painter Theodoor van der Schuur (1628-1707), who according to his eighteenth century biographer

‘came to the conclusion that Plutos grains of gold and silver should not be laden in his coffers with shovels but with full ships; for which reason he leaned towards a more profitable profession. He became military solicitor in The Hague, but soon found out that there is truth in the famous saying “that everything is equally close to anyone, but not equally useful”. His iron coffer fell from dropsy to tuberculosis, his purse collected more wrinkles than the painted face of Petrus, and he almost solicited a place in the hospital for himself, until he was saved by his old friends.\(^{53}\)

4.3 Two careers in military finance

A very different type of investors became associated with military soliciting after the 1676 reform. Two substantial business archives of such influential financial entrepreneurs have survived. The first belongs to Paulus Gebhardt, a low-placed financial functionary who became a large-scale solicitor through the patronage of William III. Gebhardt’s business flourished during the Nine Years’ War but dwindled shortly after the death of his mighty protector. The second is the archive of Hendrik van Heteren III, whose family had steadily risen through the ranks of the Holland bureaucracy in the course of the seventeenth century. Van Heteren successfully extended his soliciting enterprise during the War of the Spanish Succession and managed to sustain himself as a large scale financier until his death in 1749. Concentrated on the late seventeenth and first half of the eighteenth century, containing ledgers, individual accounts with captains, and correspondence, these two archives provide an extraordinary wealth of information on the practice of soliciting during its ‘golden age’. Furthermore, they shed light on two very different career paths, in a unique way highlighting the conditions that determined great success or (partial) failure.

Unfortunately, little is known on Gebhardt’s career before 1689. His name, a brother Gottfried Gebhardt in Frankfurt and his Lutheran faith strongly suggest his German descent. In all likelihood Gebhardt came to the Dutch Republic through a job in the army. In 1674 he

\(^{53}\) Jakob Campo Weyerman, *De levens-beschryvingen der Nederlandhce konst-schilders en konst-schilderessen*. Volume IV (Dordrecht 1769) 156.
appeared before a notary in The Hague as a witness in a conflict between two officers.\textsuperscript{54} Two years later he acted as a witness of a financial transaction during the siege of Maastricht. He did so for a captain Dolman, of whom according to the same document he had been secretary, a function he ‘presently [fulfilled] with the Lord Count of Nassau’.\textsuperscript{55} As company secretary Gebhardt must have performed his administrative duties close to the actual field of battle. In a testimony about the death of a certain Cijrianus Boderher during the siege of Maastricht, Gebhardt declared ‘that above mentioned Boderher was shot in the head in the aproches near Maastricht and had been dead immediately’, and further testified ‘that he had seen that above mentioned Boderher had been carried to the grave’.\textsuperscript{56}

From this moment on Gebhardt appears frequently in The Hague’s notarial archives as ‘secretary and auditor’ of the regiment of the Guards or Guards Dragoons of William III.\textsuperscript{57} In the decade of armed peace between the Peace of Nijmegen of 1678 and the resumption of hostilities after 1688, his tasks seem to have become farther removed from the daily life of the regiment. As a company secretary he was involved in business transactions connected to supply.\textsuperscript{58} That this could be a source of serious conflict between him and the officers appears from a request by Gebhardt for disciplinary action against a captain who had insulted him in a conversation with another captain. Reputedly, the captain had told his colleague: ‘You have a neat auditor. His name is written on the gallows’.\textsuperscript{59}

Luckily for Gebhardt, this seems not to have been the shared opinion among his employers. For a couple of months he even worked at the castle of Doorwerth in the Province of Guelders. William III personally frequented this castle for hunting purposes, and Gebhardt’s employment there seems to signal his involvement in increasingly important financial operations.\textsuperscript{60} However, his personal wealth at that time must have been modest. During his five month stay at Doorwerth, Gebhardt rented out his house at the west-end of the Kalvermarkt in The Hague for a sum of sixty guilders.\textsuperscript{61} At a yearly rent of 144 guilders, the possession of this house was not a sign of great riches.\textsuperscript{62} Another indication of his modest

\textsuperscript{54} Haags Gemeente Archief, Notarieel Archief (HGA – NA), no. 595, 375.
\textsuperscript{55} HGA – NA, no. 731, 216.
\textsuperscript{56} HGA – NA, no. 462, fol. 260r-260vso.
\textsuperscript{57} E.g. on 13 October 1678, HGA – NA, no. 655, 741, and on 23 November 1682, HGA – NA, no. 464, 442.
\textsuperscript{58} E.g. in 1685, he signed a contract for the production of saddlecloths and other equipment in the name of Lieutenant Colonel Eppens. HGA – NA, no. 1008, 210.
\textsuperscript{59} HGA – NA, no. 1022, 61.
\textsuperscript{61} HGA – NA, no. 464, 442.
\textsuperscript{62} Comparisons should be made with great care given the differences in real estate prices per city, but Clé Lesger notes rents of f 40 per year for houses of simple craftsmen in Amsterdam, in: Idem, Huur en conjunctuur. De
status was his marriage to Anna Tros, announced during Gebhardt’s brief spell at Doorwerth. Despite a certain amount of liberalism in familial relations, marriage and status remained closely intertwined within the Dutch Republic. For entrepreneurs a well chosen marriage could be a way to strengthen or expand business connections. But Gebhardt’s marriage connected him no better than to lower officialdom. His correspondence shows a strong familial bond with his brother-in-law, the Nijmegen city clerk Barthel Tros, and his sister-in-law Johanna Tros, who married the urban receiver De Jonghste of the same town. A notary act from 1691 also mentions ‘the late Harman Tros, by life clerk of the Finance Office of the Nijmegen quarter’. Clearly, these connections indicate that Gebhardt moved in circles of provincial financial officials. However, although having such middle ranking positions in one of the less influential towns of the Republic might have helped to become a town notable they certainly did not provide an easy inroad into the Dutch ruling elite.

Real social advance for Gebhardt came after the start of the Nine Years’ War. During or after William III’s English expedition Gebhardt entered into the service of Willem van Schuylenburg, accountant of the Nassau Domain Council and one of the central financial officials within the stadtholder’s Dutch entourage. At that time Van Schuylenburg was involved in financing the recruitment of troops from Brandenburg, Cell and Wolffenbuttel, Hessen-Kassel and Württemberg for William’s 1688 campaign, transferring some £800,000 from the treasury of receiver general Van Ellemeet to the German allies. After William’s ascension to the English thrown, these troops became jointly financed by the Dutch and English treasuries. As clerk of Van Schuylenburg, Gebhardt was given the responsibility for the payment of a large number of those companies. From 1689 onwards he fulfilled all the functions of a military solicitor, executing his tasks essentially as an independent business for his own profit. He kept on doing so in the service of Van Schuylenburg until the middle of the 1690s. On 22 March 1695 he acquired permission to act as a solicitor in his own right for

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woningmarkt in Amsterdam, 1550-1850 (Amsterdam 1986) 92-93. Hans Bonke, De kleyne mast van de Hollandse coopsteden. Stadsonwikkeling in Rotterdam 1572-1795 (Amsterdam 1996) 121 ff. gives f100 – f200 as an average yearly rent in Rotterdam. However, in the smaller town Enkhuizen f210 already seems to have been a yearly rent of a prosperous household, according to Lee Soltow and Jan Luiten van Zanden, Income and wealth inequality in the Netherlands 16th-20th century (Amsterdam 1998) 33-34. 
64 HGA – NA, no. 587, 280-281.
66 NA, Archief Raad van State, no. 1903. ‘Memorie’, October 1688.
67 NA, Archief Paulus Gebhardt, nos. 64 and 65. ‘Registers van ontvangsten en uitgaven, bijgehouden door Paulus Gebhardt ten behoeve van Willem van Schuylenburg, “raad en rekenmeester” van Willem III, prins van Oranje 1690-1696’.
the Province of Groningen. Admission as solicitor by the Holland Provincial Government followed a year later. His employment by Willem van Schuylenburg allowed Gebhardt to enter the business of soliciting on a grand scale. In 1689 he already served thirty companies. By 1695 the number had grown to ten complete regiments and twenty-three companies. In total, Gebhardt had to supply these troops with a yearly salary of almost $1.5 million.

Among his clients were most of the Brandenburg regiments, regiments from Brunswick-Lunenburg and Saxen-Gotha. After the 1697 Peace of Rijswijk, the Dutch Republic immediately started to discharge its foreign regiments. The result was a sharp drop in the size of Gebhardt’s transactions. By 1699 he only did business with one complete regiment, the infantry regiment under the direction of lieutenant general Ernst Wilhelm von Salisch, and nine individual companies. Of course, his income suffered greatly from this. However, the quick resumption of war seemed to rescue his business for the long term. The Dutch Republic drew up new contracts with German principalities, including Brandenburg-Prussia and the Palatinate.

His strong German connections helped Gebhardt to step in as solicitor, and opportunities seemed great. By January 1703 the size of his payment obligations already exceeded the monthly average of 1695. But that year disaster struck for Gebhardt, showing the vulnerability of the business of a military solicitor to the vagaries of high politics. The death of William III in the spring of 1702 created a serious diplomatic fallout. On 17 May 1702, the King of Prussia stated a claim on William’s Dutch inheritance, leading to prolonged conflict with the rather uncooperative States General and William’s even more resistant Friesland heirs. The resulting deterioration of relationships between the Republic and a number of German allies led to the ending or renegotiation of a large number of troop

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contracts. Gebhardt was kept out of all new contracts. By 29 July 1703 he had ended his engagement with most of his former clientele, remaining solicitor only for Von Salisch and a small number of individual companies. Still, it is clear that the fifteen years of close involvement in military soliciting had brought great financial windfalls. There are many small markers showing that Gebhardt could now maintain the lifestyle of the rich. These include the ample allowance of f 610 he paid to his son Hermanus Gebhardt who went to Leyden University, or by the sum of f 6,470 on his account for 1708-1709 for the building of a new stable and coach house, a wall around his garden and repairs on one of his houses. Another small mark of class distinction can be found in a letter from 1713, in which he asked a friend to find him ‘some of the lesser people’ who could be employed to collect feathers for his harpsichord. Even if by now he had ceased to be a major war investor for a decade, his past activities had earned him enough to enjoy a life of luxury and high culture.

The career of Hendrik van Heteren III shows some similarities with that of Gebhardt, but ended very differently. His much stronger embeddings in the Holland political and financial elite seem to have provided his business with the necessary staying power to survive major shifts in political circumstances. Like Gebhardt, Van Heteren initially came to soliciting through his political connections, although in contrast to Gebhardt these connections stemmed from a long family history in the service of the Dutch state. His father and grandfather (Hendrik I and Hendrik II) had slowly worked themselves up from an initially low-ranking position as ushers at the offices of the States of Holland and the receiver general. Gradually, Hendrik van Heteren’s father had built his network acting as a solicitor (in the general sense) of a number of diplomatic representatives. Both predecessors had engaged in business with the army, but only as a secondary part of their enterprises. Nevertheless, this had also brought the family close to the court of William III, providing

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76 The contract with Lunenburg-Cell was renegotiated on 22 December 1702, with Saxen-Gotha on 7 April 1703 and with Hessen-Kassel on 10 April 1703. NA, Archief Staten van Holland 1572-1795, resp. no. 5134. ‘Resoluties 1701’, 582-583; no. 5136. ‘Resoluties 1703’, 216; and Ibid, 224.
79 Knevel, Haagse bureaus, 109-110.
80 For Hendrik van Heteren I: NA, Archief Gecommitteerde Raden van Holland en Westfriesland, no. 3014. ‘Resoluties 1665’, 23 June 1665, and for Hendrik van Heteren II: NA, Familiearchief Van Heteren, no. 8. ‘Ordonanties’. As officials, both his father and grandfather also were involved in financial transfers for military purposes. E.g., in his function as clerk of the Generality Audit Office, Hendrik van Heteren II had handled a f 120,000 budget for renewing fortifications in the city of Nijmegen in 1688 and 1689. NA, Familiearchief Van Heteren Supplement, no. 16. ‘Reeckeninge van Hendrick van Heteren (...) als tot de fortificatie wercken der stad Nimmegen’.

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crucial support for the career of Hendrik van Heteren III.\textsuperscript{81} Merely in his twenties, his father had secured him a job at the office of the receiver general in the closing years of the seventeenth century, while the father himself had become increasingly involved in soliciting troop payments.\textsuperscript{82} For Hendrik III, political functions would soon become subordinate to those as a financial agent.

It was the War of the Spanish Succession that laid the foundation of Van Heteren’s fortune. Following into his father’s footsteps, he had already acted as financial agent for a select group of diplomats in the service of the Republic before the start of the war.\textsuperscript{83} But the outbreak of hostilities allowed him to expand his clientele into highly profitable directions. Among his newly acquired clients were field marshal Hendrik van Nassau-Ouwerkerk, lieutenant general Tilly, quartermaster general Pieter Mongeij and wagon master general Zuerius.\textsuperscript{84} By far the biggest contract he managed to lay his hands on was in the ‘soliciting’ of oats and hay. Horse-feed was one of the lynchpins of army contracting. Just as wars in the age of the tank were waged and won on waves of oil, early modern warfare floated on fodder. Contracts for the provisioning of bread and hay were large and concentrated into few hands ever since the introduction of a new logistical system focused on central bread magazines during the Franco-Dutch War of 1672-1678.\textsuperscript{85} This is reflected in the size of financial advances required to guarantee the delivery of oats and hay. Between 1706 and 1711, Van Heteren handled contracts worth the astounding sum of f 4 million.\textsuperscript{86}

Of course, the end of the War of the Spanish Succession and the ensuing decline of military expenses created a major change in business opportunities for military solicitors. The case of Hendrik van Heteren shows how well placed financiers could survive such shifts by using a variety of strategies that were common to all early modern merchants. In the aftermath of the War of the Spanish Succession, Van Heteren aggressively used his family connections in order to consolidate or expand his business. In 1718 his marriage with Margaretha Lormier,
daughter of military solicitor Claudius Lormier, strengthened his financial network. Willem Lormier, brother of Margaretha, had been an associate of Van Heteren since at least 1711, when they jointly handled fodder contracts for the Danish troops. Around the time of the marriage he inherited his father’s business, giving him a yearly income of f 9000. After the death of his mother, Willem Lormier likewise inherited the family capital of f 80,000, further strengthening the financial base of their partnership. Indirectly, the marriage also connected Van Heteren to Adriaan van der Kaa, married to Margaretha’s sister Woutrina Lormier. Like Willem Lormier, Van der Kaa had been involved in fodder contracts with Van Heteren and from 1724 to 1739, he held the desirable post of designated contractor of the fodder storages. Another family connection that provided Van Heteren with important business opportunities was that with his nephew Leonard Vermeulen, who like Van Heteren came from a family of officials in state finances that had made the transition to soliciting. In the immediate aftermath of the War of the Spanish Succession, Vermeulen had become the agent of Wilhelm of Nassau-Dillenburg, a high ranking officer in the States army. In 1724 he became solicitor for Wilhelm’s brother Christiaan, a position that Hendrik van Heteren took over in 1730 when Leonard Vermeulen died.

Using his family connections was not the only important element of Van Heteren’s business strategy. His papers show him actively diversifying his clientele as a financial agent and investor. He took on both military contracts, largely in extension of his previous business as solicitor, and non-military contracts, for example handling the salaries of a number of Dutch diplomatic envoys and putting up loans for the Surinam trade. He also solicited contracts for equipment and maintenance of barrier fortresses. The largest of those was a contract for the deliverance of palisades worth f 117,187. Although the size of Van Heteren’s individual soliciting contracts declined sharply from their war height, the expansion

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87 De Navorscher, Vol. LXXXV (1936) 262-263.
88 NA, Familiearchief Van Heteren, no. 124. ‘Stukken betreffende een vordering op de Koning van Denemarken’.
90 NA, Familiearchief Van Heteren, nos. 129 and 131. ‘Rekeningen aannemers magazijnen van fourage’, and ‘Liquidaties Adriaan van Kaa, aannemer magazijnen van fourage’.
91 In 1635, a Leonard Vermeulen (probably the grandfather of Van Heteren’s nephew) was admitted as ordinary clerk in the Generalty Audit Office. NA, Familiearchief Van Heteren, no. 19. ‘Akte van admissie Leonard Vermeulen’.
92 NA, Familiearchief Van Heteren, no. 20.
93 NA, Familiearchief Van Heteren, no. 24. ‘Minuut rekest Hendrik van Heteren aan Christiaan, vorst van Nassau-Dillenburg’.
94 He did so for the widow and heirs of sugar merchant Jan Coetier, admittedly on a relatively small scale as is shown by the accounts in NA, Familiearchief Van Heteren Supplement, no. 46. ‘Rekeningen suikerplantages’.
95 NA, Familiearchief Van Heteren, no. 113. ‘Liquidaties Barthold van Diemen Opjelder’.
of his businesses into other areas allowed him to maintain his wealth and status. This is shown, among others, by the possession according to the tax register of 1718 of f 7200 in VOC obligations. At his death in 1749, he was able to pass on a large inheritance to his son Adriaan Leonard, appropriately named after his two brothers-in-law who had played such an important role in the continuation of his business. Van Heteren’s yearly income around the time of his death was f 8,000, and among his possessions were a house with a rent value of f 550 per year, a small country estate and a valuable collection of paintings that later became one of the founding collections of the Dutch Rijksmuseum.

Both Gebhardt and Van Heteren started from relatively low-rung positions and used the opportunities provided by the Nine Years’ War and the War of the Spanish Succession to work themselves up as financial specialists transferring huge sums of money to the front, making small fortunes in the process. Personal connections mattered greatly to the start and early development of their career. In the case of Gebhardt, these were the connections that he had built up at the front and in the service of treasurer of the princely domain Willem van Schuilenburg. For Van Heteren, they were the family connections that resulted from the employment of his father and grandfather by the States of Holland, as well as their soliciting functions for members of the court of William III. But there were important differences as well. As an outsider to Dutch society, Gebhardt remained much more dependent on his German connections and the patronage of William III. The diplomatic fallout from the death of the Stadtholder-King effectively ended his large scale involvement in soliciting, although he continued to live well from the spoils of his previous success. Van Heteren was an insider to the political and financial elites of Holland, and managed to further strengthen this position in the course of the War of the Spanish Succession resulting in a marriage that connected him to a network of military solicitors. By diversifying his business, he weathered the less favorable financial conditions created by peace, and continued his good fortunes until the end of the 1740s.

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96 NA, Familiearchief Van Heteren, no. 9. ‘Kwitanties wegens het betalen van de honderdste penning’.
4.4 The daily affairs of a financial middleman

The archives of Gebhardt and Van Heteren do not only provide an insight into the overall development of their careers, but also into the daily practice and problems encountered by this type of financial entrepreneurs. Gebhardt’s papers allow for the most detailed examination, since they contain full ledgers over a longer period. Most of the observations in this section will thus be based on his accounts, with Van Heteren’s papers as an important backdrop.

The size of a military solicitor’s business was determined primarily by the number of companies he (or more than occasionally she) served. These companies provided the solicitor with a fixed salary, while the size of advances covering the arrears of the provinces determined the amount of money received in interest. Together, salary and interest payments formed the main sources of income in this line of business. If arrears would become too large, the accumulation of debts by officers would increase the risk of non-payment or even bankruptcy, which could lead to large losses. Handling the personal financial affairs of officers could be an additional service for which solicitors received a compensation, although in the case of Gebhardt it seems that he often did not charge more than expenses and saw this side of his activities more as a service to strengthen his personal relations with his clientele. Van Heteren was involved in many similar small, sometimes very personal transactions of his clients, for example selling paintings to the Duke of Marlborough, or assisting in the buying of three pearl necklaces by one of his clients. Following a typical pattern of gift-exchange, Van Heteren often asked small personal services of his clients as well, in this way further strengthening their relations. For example, the secretary of the ambassador of the Dutch Republic in France on his request sent him a large number of commemorative medals, of which Van Heteren was an avid collector. In all likelihood, these small services acted as grease for maintaining long-term economic relationships built on trust and mutual favors.

The main activity they engaged in, however, was the actual ‘military soliciting’. Table 4.1 contains a reconstruction of the size of Gebhardt’s advances on troop payments over a

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98 The observations in this and the following paragraph are based on Gebhardt’s ledgers, NA, Archief Paulus Gebhardt, no. 12-23. ‘Grootboeken’.
99 NA, Familiearchief Van Heteren, nos. 31 and 42. ‘Liquidatie met Pieter Fariseau’ and ‘Transacties met diverse andere personen’. It is not clear whether the paintings mentioned here came from Van Heteren’s own collection, or whether he merely assisted in their acquisition.
100 NA, Familiearchief Van Heteren, no. 49. ‘Liquidatie met Nicolaes Ruysch’.
Table 4.1 Gebhardt’s expenses on troop payments for a number of selected years

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1691</td>
<td>$1,232,599</td>
<td>1703 (Jan.-Jul.)</td>
<td>$873,562</td>
</tr>
<tr>
<td>1695</td>
<td>$1,450,157</td>
<td>1704</td>
<td>$173,036</td>
</tr>
<tr>
<td>1699</td>
<td>$212,915</td>
<td>1711</td>
<td>$78,944</td>
</tr>
</tbody>
</table>


Chart 4.3 Money received by Gebhardt through letters of exchange, February 1702-August 1704 (three monthly moving averages)

Source: NA, Archief Paulus Gebhardt, no. 37. ‘Register ontvangen en verzonden wisselbrieven’. 
number of selected years. The figures show both the large size of his financial transactions at
the height of his business during the 1690s and in the first half of 1703, as well as the sharp
drop of business activities in 1699 and 1704. The suddenness of collapse after the first quarter
of 1703 is also shown by the amount of money Gebhardt received through letters of exchange
between February 1702 and August 1704 (see chart 4.3). The sharp variations between
months reflect the irregularity in payment by the Receivers Offices. Nonetheless, the trend is
clear. The amount of money Gebhardt received by this means dropped from a monthly
average of almost \( f_{110,000} \) from January to March 1703 (with a highpoint of over \( f_{140,000} \)
in February 1703 alone) to just over \( f_{30,000} \) in the summer of that year and even less for
most of 1704.\(^\text{102}\)

The social gains made by Gebhardt and Van Heteren during their involvement in
soliciting suggests that they were able to make substantial profits. However, the exact size of
their incomes from soliciting remains hard to estimate. One relatively secure source of income
from soliciting was the fixed salary that the solicitor received per company. This salary was
included on the payroll, and thus in principle determined by the war budget. During the Nine
Years’ War, a solicitor’s salary was set at twenty-eight guilders per pay month of six weeks
for a cavalry company and twelve guilders for an infantry company. However, individual
solicitors and captains could negotiate substantial discounts or bonuses. An entry in the ledger
for 1696 shows the salaries Gebhardt received from the fifteen companies he solicited for the
Province of Groningen. The first two pay months, he received \( f_{26} \) for fourteen companies on
horse, and \( f_{28} \) for the fifteenth. For the six other full pay months, the same rate of \( f_{26} \) was
written down for all companies. For the last four weeks of December, comprising the so
called ‘short month’, Gebhardt received another \( f_{114} \) per company, signifying a large
financial gratification as part of his standard arrangement. In all, his salary over the year for
those fifteen companies amounted to \( f_{4,834} \).\(^\text{103}\) Given the total size of his business at this
point, including companies in the pay of Holland besides the Friesland companies, it is a safe
estimate that his total income from salaries must at least have been double this amount.
Gebhardt’s personal expenses make it quite credible that his income lay within this range.
Between 20 January 1694 and 3 April 1695, Gebhardt transferred over \( f_{11,500} \) from his
business account to his private account.\(^\text{104}\) His private account for the following year notes

\(^{102}\) The two peaks in September 1703 and April 1704 were of an accidental nature, consisting of the \( f_{32,000} \)
payment of arrears for one of his former regiments and a \( f_{25,000} \) transaction handled for a diplomat in
Gebhardt’s network.

\(^{103}\) NA, Archief Paulus Gebhardt, no. 16. ‘Grootboek 1696’, ‘Proefijt op de Sollicitatie tot Groningen’.

\(^{104}\) NA, Archief Paulus Gebhardt, no. 15. ‘Grootboek 1694-1696’, 320.
personal expenses of over f3,000 for the 4.5 months between 15 August 1696 and the end of that year, and over f10,709 for the whole of 1697. For the latter year, his private account includes an income of f3,225 from non-soliciting practices, such as investment in obligations. The remaining f7,484 was drawn on his business account.\footnote{NA, Archief Paulus Gebhardt, no. 16. ‘Grootboek 1696’, and no. 17. ‘Grootboek 1697-Juny 1698’, ‘mijn particuliere reeckening’.} Gebhardt’s income must have dropped substantially after 1703. However, even if the eleven infantry companies and four cavalry companies of 1704 paid him nothing more than a regular salary of f12 and f28 per pay month respectively, excluding bonuses and income from interest, this still would have given him an ample yearly salary of over f2,000.

More difficult to extract than income from salaries is the income Gebhardt drew from interest on advances. The most important source on the size of his outstanding loans is the ‘liquidation book of interests’ that he kept over the complete period of the Nine Years’ War. In this book, he noted the amount of money he advanced per company, the length of arrears, the rate of interest, the amount of interest payments that he subtracted from the payment ordinances in advance (based on an estimation of the length of arrears), and the real sum owed to him by a company after the ordinance had finally been cashed. On this basis, it is possible to calculate the sum received by Gebhardt in interest payments over the Nine Years’ War. The interest rates he charged to his companies during this period varied from 4.3 percent to 5.2 percent, and arrears could run up to 2.5 years, although usually they remained around 1.5 years. Over the entire period of the Nine Years’ War, Gebhardt received a total of over f314,000 in interest payment. A yearly breakdown is presented in chart 4.4.

However, a major part of this sum did not constitute income to Gebhardt personally, but had to be paid by him to his own creditors. How much can be gauged from an – unfortunately exceptional – remark in the ledger of 1696, where Gebhardt calculated that at the closing of the accounts for that year, his own capital invested in his business amounted to f44,083.\footnote{NA, Archief Paulus Gebhardt, no. 16. ‘Grootboek 1696’, balance.} Based on the figures in his liquidation books, the total sum advanced during the same year can be estimated at around f425,000. This means that of the total sum advanced, Gebhardt provided only about ten percent out of his own capital, borrowing the rest. His profits thus for a large part depended on the margin between the interest rates he negotiated for himself at the market and the rates he received from the officers to whom he transferred this credit. A register of payment ordinances used by Gebhardt as guarantees for his loans on the capital
market in the years 1698-1705 notes the interest rates he paid to his creditors. These fluctuated with the changing market conditions. Between the end of the Nine Years’ War and the start of the War of the Spanish Succession, obtaining credit was relatively easy and Gebhardt managed to loan at low rates of between 2.5 and 3.5 percent. At various points he even managed to renegotiate his interest rates after a year, bringing them down in one case from 3 to 2.75 percent, and in July 1700 even from 3 to 2.5 percent. However, similar renegotiations after the outbreak of the War of the Spanish Succession show a shift in interest rates in the opposite direction, with creditors that originally had charged 3 to 3.5 percent now raising their interest rates to 4 percent, and loans in 1702 mostly concluded at 4.5 to 5, and in one case 5.2 percent.107 Earlier, it has been shown that Gebhardt himself charged interest rates between 4 and 5.2 percent during the Nine Years’ War, and between 4.5 and 5.85 percent during the War of the Spanish Succession, leaving a margin that in all probability at most times fell below one percent.

Apart from providing credit for paying the troops solicitors were involved in many other financial transactions of the companies they served, especially in the settling of supply contracts. For Hendrik van Heteren, during the War of the Spanish Succession this aspect of

107 NA, Archief Paulus Gebhardt, no. 78. ‘Register van soldij-ordonnanties, verbonden als panden ter minne, 1698-1705’.
his business involved the major part of his investments, reaching a total of over f 4 million in the years 1706-1711. Since the terms of the contract gave him the right to a one percent fee on the total amount of money received, this must have provided him with the attractive sum of over f 40,000, not counting the over f 10,000 guilders he received in compensation for expenses over the same period. His correspondence with Martinus Robijns, one of the main suppliers of oats and hay for the Dutch campaigns in the Southern Netherlands, contains negotiations over deliveries, down payments, and discounts. An account over the period 1706-1708 shows Van Heteren doing business with twenty-four regiments, himself using the financial intermediation of no less than thirty-one other military solicitors located in cities as far apart as Leeuwarden, Groningen, Maastricht, Zwolle, Arnhem, Amsterdam, and The Hague. By seeking associates over the entire area of the Republic, a businessman like Van Heteren could counteract the organizational problems created by the federalist structure of Dutch financial administration.

Most of the daily practice of solicitors actually consisted of overcoming the problems connected to transferring large sums of money over long distances. How local differences in economic and political conditions could aggravate the already large difficulty of physically transporting money to war areas, is shown by two debates that took place in the States of Holland on 14 July 1689. The first debate highlights the problems involved in international money transfers. Johan Charles van Velthoven, general mint master of the Spanish Netherlands, had filed an official complaint about the negative impact of the influx of large quantities of species needed to pay the troops fighting on its soil on Dutch behalf. The introduction of Dutch coins with a different weight than the coins used in the Southern Netherlands created much confusion with local traders. Van Velthoven proposed to arrange for the transfer of the required sums through letters of exchange enabling payment in local coins, and to split the costs equally between the States of Holland and the Spanish Crown. This arrangement had some real advantages, but depended on the ability of solicitors to find bankers in the Southern Netherlands willing to accept their letters. The proposed arrangement between the two states never got off the ground.

A second discussion that took place on the same day concerned difficulties in transferring money across provincial borders within the Dutch Republic itself. At the meeting of the States of Holland, the deputy of Friesland told the story of Aelber Meyert. This

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108 NA, Familiearchief Van Heteren, no. 63. ‘Brieven Martinus Robijns’.
109 NA, Familiearchief Van Heteren, no. 118. ‘Administratie Zeger Gorisz etc.’
messenger of the province had embarked in Leeuwarden with the sum of £43,000 for the payment of the Brandenburg troops on the Friesland payroll, hoping to bring this money to Rotterdam. But after disembarking in Edam, eight men had boarded the ship

‘and had cut to pieces the covers and locks of the cases in which the money was kept, and had hauled the skipper to Monickendam where the under bailiff had ordered the unloading of the money which he took into security.’

Naturally, the Friesland representative demanded the immediate release of the money and the punishment of the culprits to its interception. However, the States of Holland decided to start a thorough investigation, first wanting to hear the representatives of Monickendam themselves.\(^\text{111}\) Apparently, the outcome of this investigation was not in favor of Friesland. On 1 December 1689 the States of Holland discussed a request by the solicitor of the Prince of Hessen-Kassel (possibly Gebhardt),

‘maintaining that it was a necessity for him to receive every six weeks various sums of money from the Province of Utrecht as well as Overijssel for the payment of the troops that his Royal Highness had employed for this state, but that it was impossible for him to accomplish this payment without bringing this money into this province’.

Having been warned that imported specie was seized ‘by the officers of the respective cities of this Province’, he solemnly requested to be allowed to bring in coin from Utrecht and Overijssel unhindered.\(^\text{112}\)

One of the most important means to alleviate such problems was to have reliable local correspondents, willing and able to assist in money transfers without charging exorbitant rates. Like most solicitors Gebhardt chose to live in The Hague, because this was the bureaucratic center both of the Province of Holland and of the Dutch Republic, and also the seat of the main bodies for central financial administration.\(^\text{113}\) However, at the same time he had to collect money from all of the seven provinces.\(^\text{114}\) On top of this he received substantial sums straight from London for ‘subsidy troops’ of the English crown. It was impossible for Gebhardt to collect money from all those different parts of the Republic in person. Often the

\(^{111}\) NA, Archief Staten van Holland, no. 5121, ‘Resoluties 1689’, 412-413, 14 July 1689.
\(^{112}\) Ibid, 607-608, 1 December 1689.
\(^{113}\) Knevel, *Haagse bureau*, 167.
\(^{114}\) Even the index to Gebhardt’s ledger for 1717, which remained empty due to Gebhardt’s death early that year, contains entries for the Receivers Offices of the Provinces of Hofland (Northern and Southern Quarter), Utrecht, Zeeland, Friesland, and Groningen.
provincial paymasters sent their letters of exchange directly to the places where money had to be dispensed, but this required contacts in the cities in question that were willing to accept those bills. Much of Gebhardt’s correspondence was directed at monitoring such transactions between provincial paymasters and his contacts in the garrison towns or cities nearer to the frontlines. Even when the money to pay the troops was available, a lack of reliable intermediaries could lead to delays. In September 1705, the Zeeland provincial receiver Adolph de Groene tried to send Gebhardt a sum of f 10,000 divided over two letters of exchange, one of which was addressed to a contact in Arnhem. But, as Gebhardt complained to the officer destined to receive this payment:

‘[T]he first is unable to pay until he will have enough money in his cash register, and in Arnhem I do not have any correspondence, and thus it would take too much time to be able to collect this sum’.\textsuperscript{115}

The notarial archive in The Hague contains numerous cases in which either Gebhardt or one of his contacts refused a letter of exchange that they did not deem trustworthy, creating all sorts of interruptions in the stream of payments.\textsuperscript{116}

Things did not fare much better with transactions in cash. Of course, payment of soldiers could not be done in letters of exchange, so solicitors had to dispose of enormous amounts of specie. Given the frequent shortage of mint with higher denomination (guilders and \textit{daelders}), payment could be done in pieces as small as f 0.05 or f 0.10 (\textit{stuyvers} or \textit{dubbelstuyvers}) or even less (\textit{deniers} or \textit{penningen}). Without the help of counting machines, receiving thousands of guilders in \textit{dubbelstuyvers} could create serious inconveniences. Such occurred in 1716 between Gebhardt and Marcus Cockeij, one of his principle Amsterdam banking contacts during the later years of his life. With large frequency Gebhardt shipped sums of f 10,000 or more to Amsterdam to be put on his account. However, in the summer of that year Cockeij raised some doubts whether the written amounts on his moneybags covered their exact contents. At first Gebhardt tried to avoid the unpleasant consequences of the demand for a recount. In a letter to Cockeij, he assured him that

\begin{footnotes}
\item[115] Paulus Gebhardt to Johan Knips, 8 September 1705, NA, Archief Paulus Gebhardt, no. 38. ‘Brievenboek 1705-1706’, 33-34.
\item[116] E.g. HGA – NA, no. 680, 290, no. 1626, 407-408, and no. 1636, 841-842, all three cases from 1703.
\end{footnotes}
‘there is no person in The Hague who receives his money with greater precaution than I do, but counting all the bags and clearing them in the way as is customary in Amsterdam lies outside my ability or that of anyone else here’.\(^{117}\)

However, Marcus Cockeij insisted, and a sample recount showed him correct. When Gebhardt again wanted to send Cockeij bags of coins, the latter forced him to demand a count from his supplier, solicitor Van Alphen. Counting four bags of *dubbelstuyvers* cost Van Alphen and his servants a full day, but no irregularities were found. In order to avoid further embarrassment, Gebhardt had to take on himself the risk of any further shortages.\(^{118}\) Even though in the end the shortage proved to be not much more than five guilders, the dispute seriously damaged Gebhardt’s relations with Marcus Cockeij and Van Alphen.\(^{119}\)

Not all conflicts however were about such a pittance. The most serious financial threat to a military solicitor was the bankruptcy of one of his debtors. Two of Gebhardt’s officers came into such financial difficulties that they stopped paying their debts. In both cases this led to judicial procedures. In September 1713 Gebhardt asked a lawyer in Leeuwarden to appeal to the Friesland court about one officer’s inability to repay his debts, amounting to a principal of £12,825, a further £2,400 in interest, and a small obligation of £250.\(^{120}\) He demanded the ‘arrest’ of his salary and the prohibition of selling the company. Such a sale would indeed have been an easy way for the officer to escape his ‘extravagantly risen’ debts and leave Gebhardt out in the cold.\(^{121}\) The prohibition was granted, and two years later the court reached a final decision. Gebhardt now was entitled to one third of the officer’s monthly salary.\(^{122}\) However, he could hardly have been satisfied at this speed of down payment, and in a letter to his lawyer Valkener he complained that in order to retrieve his money, the officer would have to pay him the rest of his life.\(^{123}\) A second case proved even more serious, since it involved major general Pritselwitz, who was on the payroll of the Province of Holland. After the end of the War of the Spanish Succession Gebhardt sent many requests to Holland’s grand pensionary Heinsius to look into Pritselwitz’s affair. According to Gebhardt, the general had

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\(^{117}\) Paulus Gebhardt to Marcus Cockeij, 2 September 1716, NA, Archief Paulus Gebhardt, no. 40. ‘Brievenboek 1714-1716’, 211.

\(^{118}\) Paulus Gebhardt to Marcus Cockeij, 28 December 1716, NA, Archief Paulus Gebhardt, no. 40. ‘Brievenboek 1714-1716’, 248.

\(^{119}\) Paulus Gebhardt to Marcus Cockeij, 30 December 1716, Ibid, 250.

\(^{120}\) Paulus Gebhardt to Johan Werner Valkener, 19 September 1713, NA, Archief Paulus Gebhardt, no. 39. ‘Brievenboek 1713-1714’.

\(^{121}\) Paulus Gebhardt to Johan Werner Valkener, 11 November 1713, Ibid, 154-155.

\(^{122}\) Paulus Gebhardt to Issaac Clifford & Carl Const van Putte, 22 June 1715, NA, Archief Paulus Gebhardt, no. 40. ‘Brievenboek 1714-1716’, 85-86.

\(^{123}\) Paulus Gebhardt to Johan Werner Valkener, 12 November 1715, Ibid, 140.
suffered severe financial injustice on the hands of some of his solicitors. As a result, ‘a man of 
high birth, merits, irreproachable behavior and more than forty years of loyal service [was] 
forced to consume his own means in the service of this country’. 124 Despite these protests 
Pritselwitz was forced to auction off f 35,000-f 40,000 worth of possessions in order to repay 
his many creditors, including Gebhardt. 125

A puzzling aspect of early modern credit relations apparent from those cases is that the 
businessmen involved seem to have shown the same zeal when prosecuting a debt of a few 
guilders as when faced with a possible loss of thousands. The very real difficulties in even the 
smallest transactions bred an almost religious attachment to every guilder on the balance. 
Perhaps, this ardor was only the natural counterbalance to the diabolical aspects that had been 
long attributed to the money trade, particularly the use of credit instruments such as paper 
money and letters of exchange. 126 For Gebhardt at least, gold had achieved a sense of 
holiness, as he expressed in a letter to his friend Adolph de Groene when the latter was 
promoted to the position of mint master of the Province of Zeeland:

‘[W]ishing that Your Honor will serve this Office (…) profiting from those sweet and 
wholesome lessons that the all-knowing Creator has established for the treatment of minting 
material and dependent requisites, forming a guide to the procedure that a true Christian has 
to employ, before he receives the stamp of the image of God on the new creation that alone 
(…) has currency in the land of the living’. 127

4.5 Networks of credit and influence

As the previous section made clear, military solicitors did not operate on their own in 
providing the money necessary for paying the troops. In fact, they were only the hinges in a 
wide network of creditors that included state officials, bankers, officers, suppliers, and a 
whole host of large and small private investors. Whereas research on the revenue raising 
capacities of fiscal military state have concentrated heavily on taxation and formal structures

125 Paulus Gebhardt to Sambeeck, 17 January 1716, NA, Archief Paulus Gebhardt, no. 40. ‘Brievenboek 1714-
127 Paulus Gebhardt to Adolph de Groene, 3 April 1706, NA, Archief Paulus Gebhardt, no. 38. ‘Brievenboek 
1705-1706’, 149.
of long-term state debt, a large part of the outstanding payments of the state always consisted of relatively unregulated forms of short-term credit. Martinus Robijns, Zeger Gorisz and Pieter Pangaert, the forage contractors in the Southern Netherlands for whom Van Heteren functioned as a solicitor, had to wait decades for their payment. Their outstanding bills were turned into obligations, and between December 1719 and March 1727 alone Van Heteren cashed over f 150,000 for them in interest payments over these. The heirs of steward Johan Hesselt van Dinter only received a payment ordinance for the f 7,546 left on military expenses made in 1703 in 1728, and had to beg another seven years for the actual payment, complaining ‘that it has caused much bitterness for the deceased steward to have had to wait for his money for such a long time, causing him to fall into great debts that now press on his heirs’. And the heirs of the bread suppliers Josua Castano and Juda Senior Henriquez even had to wait until 1740 before their accounts were (almost entirely) settled. Even the closest familial relations could break down under the strain of such financial burdens. This, for example, was the case with the partnership between Van Heteren and Willem Lormier. After more than two decades of waiting for down payments on the forage contacts that they jointly solicited, Lormier became impatient with the way in which his brother-in-law divided the payments that did come in. Falling out amongst each other Lormier proceeded to bring his case before the Court of Holland, saying that the way in which Van Heteren prevaricated in re-dividing the payments he received among his partners ‘shows clearly by what spirit the defendant is driven’, illustrating ‘his selfish and money-grabbing inclinations’. Lormier demanded a full return of all the money he had invested in the original partnership plus interest. In turn Van Heteren argued that he had stuck to the terms of the original partnership agreement, and that Lormier should accept discounts on his interest payments in accordance with current practices amongst solicitors. The differences between the two proved too large to solve by simple arbitration, irreparably damaging their personal connections.

Although the last-mentioned case does not disprove the crucial role of trust and personal ties in early modern finance, it does show that even among the closest of partners, trust and friendship were gained or lost on the basis of economic success. Only with very strong creditor networks of their own could military solicitors survive gaps in payment of many

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128 NA, Familiearchief Van Heteren, no. 123. ‘Rekening Martinus Robijns’. Actual payments on the principle came in small amounts, as is shown by a payment ordinance of f 12,000 guilders of 22 June 1719 to cover expenses agreed on by the States General on 7 September 1711. NA, Familiearchief Van Heteren Supplement, no. 60. ‘Proces Hof van Holland’.
129 NA, Familiearchief Van Heteren Supplement, no. 63. ‘Vordering Johan Hesselt van Dinter’.
130 NA, Familiearchief Van Heteren, no. 127. ‘Liquidaties voor leveren brood Paltse troepen’.
131 NA, Familiearchief Van Heteren Supplement, no. 60. ‘Proces Hof van Holland’.
years. More than those of Van Heteren, Gebhardt’s papers allow for a close examination of the make-up of such creditor networks. Central to his financial connections were a number of very large financiers. The most prominent was Willem van Schuylenburg, who not only acted as Gebhardt’s employer and as paymaster to the subsidy troops of the British crown but also provided Gebhardt with large amounts of credit. But Van Schuylenburg’s ability to do so was not limitless. There is some evidence that around the middle of the 1690s, the serious strains on the finances of the English crown had detrimental effects on Van Schuylenburg’s own financial position. In the summer of 1696 he had to try to secure a large loan on the city of Amsterdam in order to avoid ‘disorder’ among the British subsidy troops. However, this attempt to draw quick credit from the magistrate of Holland’s richest city was seriously hindered by the slowness of decision making inherent in the Dutch political system. As Amsterdam regent Jacob Boreel explained to Portland:

‘It is a truth, Mylord, not assembled pretenses or far-fetched excuses, but indeed the result of our form of Government, that to negotiate money from the city (...) in the way that is requested, necessitates the consent of the Magistrate, in order to be successful.’

Boreel promised to work hard on receiving this consent, but also warned that ‘this being dependent on the sentiments of many, I cannot give any guarantees in advance about the result’. In the end, Van Schuylenburg had to resort to others to secure the necessary loans, but this was not without its problems. In January 1697 Portland warned the British paymaster Richard Hill, who was then in Brussels in order to supervise troop payments, that he should not expect to receive ready money from Van Schuylenburg:

‘ne vous attendez pas que M’Schuylenburg pourra si tost vous fournir de l’argent, car pui que ces lettres de change ont esté protestées, il a souffert un si grand échec dans son crédit et de si grandes pertes que je crain qu’il aura de la peine à s’en remettre de longtemps.’

Although Van Schuylenburg remained one of Gebhardt’s principal creditors until the first years of the War of the Spanish Succession, his central place in Gebhardt’s financial network was gradually taken over by the Amsterdam bankers George and Issaac Clifford. The choice for Clifford seems logical. At this time ‘Clifford & Co’ was gradually establishing itself as

132 Jacob Boreel to Portland, 16 August 1695, in: Japikse, Correspondence Willem III-Bentinck. I.1, 402.
one of the major Dutch banking houses. Its prominence was partly due to its strong connections across the Channel. In 1695 George Clifford helped to transfer two million guilders from the Bank of England to the Netherlands for troop payments. A substantial part of this sum went through Gebhardt’s account.

Gebhardt’s letters form an important source of information on his relations with his bankers. Analysis of his register of outgoing letters show that even at this point, Gebhardt wrote to his bankers at least two or three times a week. The content of these letters shows that Gebhardt not only relied on their credit, but also on their extensive financial networks. For example, in 1715 he asked Isaac Clifford and Carl Constant van der Putte to advise him on arranging his money transfers from Friesland, ‘having no acquaintances over there’. His bankers were also crucial in providing information on the oscillations on the Amsterdam market for obligations. The financial distress of the end of the War of the Spanish Succession led to sharp fluctuations which could seriously effect Gebhardt’s own investments and those of his clients. Therefore, he repeatedly asked his Amsterdam contacts to keep him closely informed, ‘in order to be able to take my measures to provide security’. The separation between The Hague as the administrative centre of the Dutch Republic and Amsterdam as its main financial centre tended to reinforce the need to rely on banking contacts for quick and reliable information.

Apart from his bankers Gebhardt’s largest creditors were merchants in the frontier areas and the major cities of the Southern Netherlands. This could not have been otherwise, since most of the fighting was done in these areas. Cities like the southern garrison town Maastricht became crucial financial nodes in troop payments. The most important of Gebhardt’s Maastricht creditors was the merchant Pieter Boomhouwer, who also acted on behalf of other solicitors. Throughout the Nine Years’ War Boomhouwer handled sums between £100,000 and £250,000 a year for Gebhardt. Comparable sums were received by the Brussels bankers Gijsbert and Roelof van Bieshevel at the start of the Nine Years’ War. The shifting of the

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136 This includes letters to Marcus Cockeij, who was responsible for approximately half of Gebhardt’s banking affairs in the final years of his life. Including his letters to Isaac Clifford & Carl Constant van der Putte, his letter books contain 105 letters to his bankers for June 1713-January 1714, and 251 letters for July 1714-December 1716. NA, Archief Paulus Gebhardt, no. 39 and 40. ‘Brievenboeken’.
frontlines could have a negative impact on the continuity of relations. In June 1706 Gebhardt restored contact with Cornelis Sneps, a banker from Ghent, which had broken down ‘by the fatal coincidences of war’. In the same letter he asked Sneps to assist him in the payment of the regiment of Ernst von Salisch, which at that time had its camp in the environs of Ghent. Sneps was promised a share of 0.5 percent in all transactions.\textsuperscript{140}

Van Schuylenburg, Clifford & Co and these merchants near the frontlines formed the core of Gebhardt’s financial network. But around this core there was a large group of smaller private creditors who jointly provided a substantial part of Gebhardt’s capital. A register of payment ordinances put up as guarantee for his loans, gives an impression who these creditors were for the period between May 1698 and February 1705.\textsuperscript{141} The forty-eight persons in this register provided a total of €525,000 in credit. Excluding Willem van Schuylenburg and Clifford & Co, the total amount came at €300,000, or an average of approximately €6,500 per creditor. Individual contributions ranged from a mere €200 by Marie van Duijn, a nanny in the service of Van Schuylenburg, to €38,000 by Ernst von Salisch, who thus like the traditional German military entrepreneur provided the credit needed to bridge the arrears of the Province of Holland to himself.

Table 4.2 contains the ten largest providers of this type of loans. One of the notable facts about this list is that exactly half of the top ten creditors belonged to the political elite of the Dutch Republic. High officials also figured prominently among the rest of the creditors. These included Portland’s secretary Tromer (€8,000), state secretary Van Beaumont (€6,000), and receiver of the Northern Quarter of Holland Johan de Rhode (€4,000), who was himself responsible for the payment of ordinances to Gebhardt. The influence of Van Schuylenburg on Gebhardt’s network of creditors might be apparent from the inclusion of a number of intimates of William III, such as Tromer, and the fact that Van Schuylenburg’s place of residence Delft was well represented in the top ten. Among the smaller creditors in this register (putting up €5,000 or less) were quite a number of investors who could be considered part of the middle classes rather than the upper class, an expression of the relatively large section of society that was involved in the capital market, albeit often on a small scale. The list includes two shoemakers, a baker, a bookbinder, a female market seller and a coffee lady from a cafe near The Hague’s administrative center the Binnenhof. As the latter two suggest

\textsuperscript{140} Paulus Gebhardt to Cornelis Sneps, 8 June 1706, NA, Archief Paulus Gebhardt, no. 38. ‘Brievenboek 1705-1706’, 241.

\textsuperscript{141} NA, Archief Paulus Gebhardt, no. 78. ‘Register van soldij-ordonnanties’.
the complete male dominance of the top ten is not entirely representative of the rest of the list, although most women can be found among the smallest creditors: ten out of a total of forty-eight creditors were women, jointly providing a capital of just over f 33,000.

The prominent participation of members of the highest government circles in this type of loans is remarkable. At this time using ordinances as guarantee for loans was a controversial practice. In 1701 the States of Holland had to discuss serious problems that had arisen after the bankruptcy of solicitor Jacob Ferguson. The solicitor had put up a number of ordinances as a guarantee for his loans, which he now was unable to repay. Naturally, his lenders wanted to cash in their ordinances to compensate for their losses. But one of the captains whose ordinances had been used in this way demanded their recall so that he could receive his pay. He even fought his case before the court of Holland. When this became known in Amsterdam and other cities,

Table 4.2  Gebhardt’s ten largest creditors, 1698-1705

<table>
<thead>
<tr>
<th>Creditor</th>
<th>Function</th>
<th>City</th>
<th>Loan size</th>
<th>Interest paid between May 1698 and Febr. 1705</th>
</tr>
</thead>
<tbody>
<tr>
<td>Willem van Schuylenburg</td>
<td>Council and treasurer of the Domain of William III</td>
<td>Delft</td>
<td>f 207,600</td>
<td>f 16,809</td>
</tr>
<tr>
<td>Ernst von Salisch</td>
<td>Lieutenant general</td>
<td></td>
<td>f 38,000</td>
<td>f 2,056</td>
</tr>
<tr>
<td>Adriaan Bout</td>
<td>Military solicitor</td>
<td>The Hague</td>
<td>f 25,000</td>
<td>f 1,250</td>
</tr>
<tr>
<td>Jan Munter</td>
<td>Councilor of the Court of Holland</td>
<td>Amsterdam</td>
<td>f 22,000</td>
<td>f 1200</td>
</tr>
<tr>
<td>George and Isaac Clifford</td>
<td>Bankers</td>
<td>Amsterdam</td>
<td>f 18,000</td>
<td>f 360</td>
</tr>
<tr>
<td>Cornelis Spiering</td>
<td>Lord of Spieringshoeck, ex-burgomaster of Delft</td>
<td>Delft</td>
<td>f 14,000</td>
<td>-</td>
</tr>
<tr>
<td>Johan Kool</td>
<td>Usher of the States of Utrecht</td>
<td>Utrecht</td>
<td>f 13,000</td>
<td>f 979</td>
</tr>
<tr>
<td>Simon van Slingelandt</td>
<td>Secretary of the States of Holland</td>
<td>The Hague</td>
<td>f 12,500</td>
<td>f 760</td>
</tr>
<tr>
<td>Diercquens*</td>
<td>-</td>
<td>-</td>
<td>f 12,000</td>
<td>-</td>
</tr>
<tr>
<td>Johan Keijser</td>
<td>Wine merchant</td>
<td>Delft</td>
<td>f 11,000</td>
<td>f 940</td>
</tr>
</tbody>
</table>

* Possibly Jehan Diercquens, a rich Middelburg merchant who lived in Amsterdam.

Source: NA, Archief Paulus Gebhardt, no. 78. ‘Register soldij-ordonnanties, verbonden als panden ter mine, mei 1698-februari 1705’.
‘it created such a stir, that not only was it impossible to acquire any new loans, but even those who had already given some capital to the [solicitors] on interest decided to cancel their loans on the shortest term possible, which not only caused the [solicitors] great embarrassment, but even made it impossible for them to pay the militia’.

The States of Holland decided to exempt ordinances from recall, a decision that weighed heavily against the interests of the captains and strongly in favor of solicitors and their creditors, some of whom might have helped to write the resolution.  

A second noticeable feature of Gebhardt’s network is that other military solicitors only played a minor role as creditors. As shown earlier Van Heteren worked actively in partnership with several other military solicitors in handling fodder contracts. Solicitors formed a large part of his overall financial network, and Van Heteren himself functioned as creditor for Middelburg solicitor Abraham de Bruijn and The Hague solicitor IJsbrand van Groenestein, among others. The relative absence of solicitors in Gebhardt’s network might signify his weaker embeddings in indigenous financial circles, partially explaining his marginalization shortly after the death of William III. In contrast, it is hard to see Van Heteren’s staying power in this difficult line of business as separate from his roots in the Dutch Republican world of finance.

But strong financial networks were not the only connections that mattered for military solicitors. Their commercial activity arose from the need to bridge the distance between the worlds of political administration, finance, and the military. Good contacts in all of them increased a solicitor’s chances of survival. This point again is underlined by the differences between Gebhardt’s and Van Heteren’s careers. Military soliciting brought Gebhardt close to the centers of power of the Dutch Republic. But in many respects he remained an outsider. Being of German descent he could not fall back on an already established family network, and gradually start building his political and business contacts from there. His soliciting practices remained focused on the German companies he had originally acquired. He did not manage to diversify his soliciting practices by getting contracts with other, non-German companies. Instead he opted for a strategy aimed at securing his possessions, investing in oil mills along the Thames, different sorts of obligations, and real estate. His position did give Gebhardt access to some of the leading figures in Dutch politics. In May 1700 he handled a number of

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143 NA, Familarchief Van Heteren, nos. 137 and 138. ‘Liquidaties Abraham de Bruijn’, and ‘Akte van dagvaarding boedelbeschrijving IJsbrand van Groenestein’.
small personal transactions for Holland’s grand pensionary Heinsius.\textsuperscript{145} And at the end of his life he rented one of his houses to the secretary of the States General Francois Fagel.\textsuperscript{146} The marriage of his daughter Anna Christina to Pieter van Hurck, a lawyer at the Court of Holland, shows no great advance in social status. Although Pieter van Hurck was the son of the secretary of the Court of Holland of the same name and counted among his close relatives a burgomaster of the Holland garrison town Gorinchem and the wife of a burgomaster of Deventer, none of these connections were at such a level that they could counterbalance the negative impact of the death of William III.\textsuperscript{147} Finally, even Gebhardt’s religious choices separated him from the mainstream of the Dutch elite. His children were all baptized in the Evangelical-Lutheran Church.\textsuperscript{148} And at the end of his life he seems to have drawn closely to a variant of \textit{Collegiant} spiritualism.\textsuperscript{149} Though such religious deviation was not an insurmountable barrier to political or social advance – as can be seen from the career of the late seventeenth century diplomat and committed \textit{Collegiant} Coenraad van Beuningen – it was not particularly helpful either in a society in which adherence to the doctrines of the ruling church was still considered of great importance.\textsuperscript{150}

Van Heteren could build on a far larger ‘social capital’. Born into a family of officials he inherited a strong political network. At an early age his father secured him a job at the office of the receiver general, and not long after he obtained a post in the The Hague city council.\textsuperscript{151} Throughout his life Van Heteren continued to fulfill public functions, acting as an administrator for the Reformed Church (the privileged church of the Netherlands) and serving on the board of directors of the Leper House.\textsuperscript{152} On the board of regents of the latter institution Van Heteren cooperated with several consecutive secretaries of Holland’s Finance Offices and other high officials of the city and province.\textsuperscript{153} In both functions his financial expertise was appreciated: Van Heteren admonished the church collections and controlled the

\textsuperscript{145} NA, Archief Paulus Gebhardt, no. 19. ‘Grootboek 1699-1700’.
\textsuperscript{146} Paulus Gebhardt to Francois Fagel, 1 May 1715, NA, Archief Paulus Gebhardt, no. 40. ‘Brievenboek 1714-1716’, 74-75.
\textsuperscript{147} NA, Familiearchief Van Hurck en Barnevelt, no. 11. ‘Inventaris van goederen’.
\textsuperscript{149} This can be deducted from the three orders of religious books he placed with his book trader, in Paulus Gebhardt to Jacob Claus, 13 February 1715, 9 May 1716 and 17 August 1716, NA, Archief Paulus Gebhardt, no. 40. ‘Brievenboek 1714-1716’, resp. 52, 180, and 207, as well as from the exalted religious tone of many of his later letters.
\textsuperscript{150} On the social position of collegiants and spiritualists, see Cornelia W. Roldanus, \textit{Zeventiende-Eeuwse Geestesbloei} (Amsterdam 1938) chapter VIII.
\textsuperscript{151} Knevel, \textit{Haagse bureau}, 109-110.
\textsuperscript{152} His administration for the church can be found in NA, Familiearchief Van Heteren, nos. 148-150, that for the Leper House in nos. 151-159.
\textsuperscript{153} NA, Familiearchief Van Heteren, no. 153. ‘Lijst namen regenten leprooshuis’.
ledgers of the Leper House, as well as advancing money for supplies.\textsuperscript{154} Almost caricaturing Max Weber’s ‘protestant ethics’, in 1738 Van Heteren took upon himself the task of sharpening the rules of order of the Leper House. He did so with great vigor, proposing to raise the fine for all possible offenses such as insulting one of the regents – punishable by a six guilders fine to be paid either to the institution or to the insulted regent personally and in the worst case by a three months expulsion from the house – as well as insulting other inhabitants of the house, drinking and disorderly behavior, or bringing in a dog.\textsuperscript{155} While thus fulfilling his social and religious obligations towards the poor, Van Heteren at the same time strengthened the connections that allowed him to continue his personal financial advance in times of war or peace. In 1749 he died a well established member of The Hague’s urban elite.

4.6 Military soliciting in the age of financialization

The end of the War of the Spanish Succession opened a period of financial turmoil and new possibilities for financiers. Turmoil arose from the fact that perhaps for the first time in the history of the Dutch Republic real doubts arose over the creditworthiness of the state. In 1715 the accumulated debts of the States General had risen so high that the Treasury of the Generality was closed and all payments stalled for a nine months’ period.\textsuperscript{156} Even the Province of Holland ran into arrears of one and a half years. Many of the smaller provinces were financially in far worse shape.\textsuperscript{157} The last phase of the War of the Spanish Succession had been a difficult period for those involved in military finances, as was illustrated most poignantly by the collapse of the firm Van der Heyden & Drummond which had functioned as a clearing house for transactions connected with troop payments between England and the Netherlands.\textsuperscript{158} As the case of Van Heteren shows, military solicitors often struggled many decades to receive payment for all the outstanding bills of the War of the Spanish Succession. The general sense of malaise that surrounded state finances in these years even seeped

\begin{itemize}
\item\textsuperscript{154} NA, Familiearchief Van Heteren, nos. 150-151. ‘Aantekeningen opbrengsten collecten’ and ‘Aantekeningen financiën leprooshuis’.
\item\textsuperscript{155} NA, Familiearchief Van Heteren, no. 158. ‘Uitbreiding reglement van orde’.
\item\textsuperscript{156} Johan Aalbers, De Republiek en de vrede van Europa. Volume I: Achtergronden en algemene aspecten (Groningen 1980) 3.
\item\textsuperscript{157} Idem, 4-5, and E.H.M. Dormans, Het tekort. Staatsschuld in de tijd der Republiek (Amsterdam 1991) 82.
\end{itemize}
through in Gebhardt’s private correspondence, perhaps strengthened by the ill fortune of his own ventures during the preceding decade. In one of his letters Gebhardt congratulated an in-law with a recent change in the government and finances of Culemborg, a border city that had been sold to the Dutch Republic by a German prince in financial distress. But this congratulation was merely an excuse for a long allegory on the problems of Holland’s government and finances:

‘With great pleasure I have witnessed the well doing of Culemborg’s united government, and the financial health which is a result of this. Our clockwork in Holland is of an incomparable size, containing a host of dependent wheels to govern so many arms. But ever since our clockmaker [William III?] has died, the arms have gotten out of harmony, and the oil has dried up. The consuming rust is master and nearly makes all hands stop. And although there are those who by the movement of a pendulum want to set to work this clock, it only functions for a couple of minutes, and in this way it is impossible to redress [its defects], unless a wise artist will cleanse it from its rust, oil it, and repair the broken parts.’

However, for many others financial turmoil also opened new roads for speculation. The high interest rates at which the state was forced to attract credit, concentration of state obligations in fewer hands, growing opportunities to invest in foreign state debt, and the international hausse in speculation connected to the famous South Sea Bubble, all fueled the ‘financialization’ of the Dutch economy. It is noteworthy that some of the main Amsterdam banking houses of the eighteenth century found their origins during or just after the War of the Spanish Succession; Andries Pels and son was founded in 1707, the direct predecessor of Muilman & Sons in 1712, and both Hogguer and Hope & Co around 1720. The loss of dynamic of the productive sectors of the Dutch economy from the 1720s onwards increased the weight of foreign investment in Dutch financial portfolios, attracting international financiers and strengthening the role of the Amsterdam capital market as major center of capital export. This process was aided by the strong integration of the Amsterdam and London capital market, which had progressed in a step by step fashion from William III’s

159 Pendulum (in Dutch: ‘slinger’) is probably a pun on the name of Holland’s eminent statesman Van Slingelandt, who around this time launched a number of proposals to redress the sorry state of state finances.
crossing of the channel onwards. By 1723 shares of the English chartered joint stock corporations were traded simultaneously on the stock exchanges of Amsterdam and London.\(^{164}\) This context helps to explain how in the course of the eighteenth century the activities of military solicitors became even more strongly concentrated in the hands of a limited number of financiers with connections on the Amsterdam capital market. The intermarriage between government and big finance also created growing concerns over the malicious activities of a new moneyed aristocracy that put its private interests above those of the nation. Even if this criticism was not expressed as vociferously in the Netherlands as in Britain, it still constituted one of the major themes in the economic and political debates of the time.\(^{165}\)

In the decade and a half following the War of the Spanish Succession the energetic statesman Van Slingelandt tried to break through the financial and administrative deadlock that the war had created. In his ‘Memory (...) of redress of finances’, he concluded

\[\text{‘that the last war, in which the state has made greater efforts than her forces allowed for, has deranged the already very troubled finances of the Province of Holland and West Friesland to such extent that the whole state is in danger to collapse at the first unfortunate moment that will arise’}.\(^\text{166}\)

In order to counter this problem he launched a long list of reform proposals aimed at the fragmented structure of the state apparatus, military command structure, and army finances. It was in this context that the States of Holland in 1721 discussed a proposal to erect a Military Office,

\[\text{‘by which, with benefit (...) to the Province of Holland and with greater order and service to the state, could be paid the ordinary wages of the militia, the artillerists, the salaries of the generals, colonels, engineers, reformed officers, etc. (...), as is done at this time by the respective solicitors’}.\(^\text{167}\)

\(^{164}\) Larry Neal, \textit{The rise of financial capitalism. International capital markets in the age of reason} (Cambridge 1990) 141.


The proposal went considerably further than the one of 1673. It anticipated a system of payment ran by four directors, assisted by two clerks, as officials of the province. According to the plan:

‘The establishment of this office should be done at the credit of the Province, which should raise on interest a sum of f 5,718,702 (…) with which sum could be paid the outstanding wages, salaries, pensions, etc. for one and a half year consecutively, which is approximately the time that the Province is currently in arrears to the militia.’\textsuperscript{168}

Reflecting the difficult circumstances of the previous decade, the main advantage mentioned in the document was the prevention of ‘the mutual bankruptcies’ of officers and solicitors that were always ‘of great disadvantage to one of the two’. Furthermore, the new system would greatly simplify the business of supply and other financial affairs of the regiments, ‘because regiments that have outstanding bills do not have to go to more than one place, while they now often have to trade with four or five solicitors’. Finally, the writers of the report expressed their hope that cutting out the solicitors would enable the state to negotiate lower interest rates on the capital market than were asked under the current system.\textsuperscript{169}

However, those arguments largely depended on a very rosy take on the actual financial position of the province. In order to liberate themselves from the hold of the solicitors, the provincial authorities had to be willing to pay more in down payments than they already had to contribute to that year’s war budget.\textsuperscript{170} This proposal came at a time when financial problems abounded. At f 306 million Holland’s debt was hardly reduced from its post-war highpoint. A proposal made in 1720 to clean up the provincial finances had come to nothing.\textsuperscript{171} On 14 April 1723 the States of Holland discussed a letter from solicitors protesting against the proposed reform. The request, extraordinarily long and signed by twenty-eight solicitors, took recourse to every argument that one would expect from a group of influential financiers seeing an important source of their profits threatened. The execution of the proposed reform, they alleged, would be ‘of ruinous and unmanageable consequence in relation to their particular [interest] and [that of] the country in general’. The solicitors then gave a long elaboration of both points, though dwelling considerably longer on the dreaded consequences for their private interests. In their opinion the captains, when asked, would not

\textsuperscript{168} Ibid, fol. 1.
\textsuperscript{169} Ibid, fol. 3-4.
\textsuperscript{170} NA, Archief Staten Generaal, no. 8161. ‘Staat van Oorlog 1721’.
\textsuperscript{171} Dormans, \textit{Tekort}, 81 and 85.
want to change to a more centralized form of payment, and the same would go for private creditors. Experience with attempts to raise quick credit had shown ‘that everyone wants to give his money rather to the solicitors than to the country’. After calling in mind their great contribution to the survival of the Dutch army during the last war, they added the hardly concealed threat of capital flight, saying that ‘many would be easily forced by necessity to leave the province or their fatherland in order to find their livelihood elsewhere’. They displayed a great sense of drama when describing the sense of betrayal they felt, explaining that

‘it would be the hardest thing in the world that those who have behaved themselves as loyal solicitors and subjects, having sacrificed their money and credit to the service of the country’s militia in the most dangerous moment of the heaviest war ever known (…), now, when they are only just experiencing the effect of a pleasant peace (…) [would be] stripped of their office’.

After spending more than half of the letter complaining about their own fate, the request then stated boldly that execution of the proposal would lead to disaster. The authors reminded the States of the ‘excessive sum of money and credit that is required, which the country itself, with all due respect, for many times was unable to furnish’, proceeding to state ‘that without the military solicitors, the militia would have been destroyed’.  

This way of putting the argument was a bit too much to stomach even for a political body quite used to the crassest promotion of self-interest. Two days later, the States of Holland declined the request on the basis:

‘[T]hat in every way it is transparent that the first [private rather than public interest] is the motivation for the solicitors’ request, that the loss of profit following the discontinuation of their employment is made to seem a special damage, and even their ruin, using inappropriate expressions to do so’.  

On 2 June 1723 the solicitors again requested a chance to present their case on the disadvantages of the new system. Prudently focusing solely on the damage it would do the public interest, they booked considerably more success and the project was shelved.  

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172 NA, Archief Staten van Holland, no. 157. ‘Resoluties 1723’, fo. 375. Request of the Military Solicitors to the States of Holland, 14 April 1723, and resolution of 14 April 1723.

173 Ibid, 382.

174 Ibid, 426.
Probably the financial situation of the Province did most of the convincing. All too aware of the dire straits into which the Dutch Republic was now sailing, the regents lacked both the means and the political determination to break out of their dependency on financial middlemen in troop payments.

This failure of reforms in the system of troop payments in the early 1720s was not followed by another serious attempt to go beyond military soliciting. The international position of the Dutch Republic helped to create the circumstances for relative stability in military organization. After the Peace of Utrecht, the Dutch Republic effectively withdrew from armed confrontation on the European mainland. It kept aloof from the War of the Polish Succession (1733-1738), and only entered the War of the Austrian Succession (1740-1748) in earnest in its final year. But as Olaf van Nimwegen has already shown, this did not lead to a complete neglect of the armed forces. In fact, the period from the 1720s to the late 1740s can best be described as one of armed peace in which the Dutch Republic maintained a significant army in order to guard its ‘barrier’ of garrison towns in the Southern Netherlands. When it entered the War of the Austrian Succession, Dutch military organization was still more or less up to date.175 This could not in small part be ascribed to the fact that when need arose, Holland could still raise enormous funds to pay for rapid expansion of the armed forces. In 1742 the representatives of the city of Rotterdam countered the arguments of neutralists within the States of Holland with the argument: ‘Bad finance no real objection. The money has to come from wherever possible. Never easier to obtain money than for the defense of the country.’176 Overall, Holland managed to raise f 115 million for the war, feeding into a new bloom period for military solicitors.177

While the relative success of Holland during the War of the Austrian Succession in raising the required funds did prove the elasticity of the system of troop financing, the long period of strung state finance did do serious damage to the public image of military solicitors. An anonymous tract, probably written by a captain in the late 1730s, warned officers for the tricks used by military solicitors to muddle their accounts at the captains’ expense.178 The writer complained that ‘the general abuses are so widespread, that only few of them are still noted’. As examples of illegal practices he mentioned among others the (prohibited) charging of interest on interest, charging for costs that according to regulation should be on the expense

176 Quoted in ibid, 92.
177 Ibid, 96.
178 The whole text of this tract was printed by Zwitzer in his ‘Controle op de rekeningen’, 86-95.
of solicitors, and refusal to return interest when solicitors failed to pay in time. All those practices demanded ‘careful inspection of a solicitor’s account, the method of which is fully unique and [used] nowhere but in the act of soliciting, particularly forming a labyrinth to someone who is not well versed in this subject.’ But financial problems did not arise exclusively from the shady dealings of solicitors. Even at times of peace arrears could reach such proportions that they threatened the financial position of a whole string of suppliers and financiers. Effectively only large scale solicitors were able to secure the risks that in these conditions were involved in government contracting, giving them unwarranted influence on the process of public tendering and in some cases even allowing them to place themselves between the state and contractors as the real tendering agents. How far things could get out of hand in the private dealings between captains and solicitors is shown by the case of the captain Rudolf de Salis. This captain, whose company resorted under the Province of Utrecht, turned to the Province of Holland on 24 October 1725. Being under even more serious financial strains than Holland, arrears of the province to De Salis’ company had run up to f 89,433. This had forced him to indebt himself deeply with a number of solicitors, bankers, suppliers, and other ‘good citizens’ who now started to demand repayment. In despair De Salis turned to the Province of Holland to guarantee another loan from Holland’s solicitors to acquiesce some of his most obtrusive creditors. ‘To rescue him from his labyrinth’, he explained, ‘he would be helped a great deal if henceforth he could pay to his screaming creditors a sum of twelve thousand guilders’. Two Holland-based solicitors, Heeneman and Vrind, took upon themselves the redemption of De Salis’ debt. Such debt problems remained rather common, as is shown by a resolution of 24 July 1753 which prohibited solicitors to grant credits to captains and other officers that exceeded the sum of the payment ordinances in their possession.

That De Salis turned towards Holland solicitors when his own province could not provide proper payment is indicative for a wider trend of the second half of the eighteenth century. Reflecting the growing regional imbalances in financial strength, more and more soliciting contracts were concentrated into the hands of Holland investors. At the same time, centralization of contracts into fewer hands took place within this province as well. The

179 Ibid, 95.
number of new solicitors appointed declined drastically in the course of the eighteenth century. Between 1734 and 1794 fifty-eight new solicitors were officially appointed by the States of Holland. More than half of those new appointments took place in the 1730s and 1740s with a peak in 1747, when Dutch entry into the War of the Austrian Succession led to the hurried admission of ten new solicitors. In 1753 a resolution limited the maximum number of solicitors employed by the province to twenty-eight. With characteristic caution, rather than firing a number of solicitors the implementation of this reduction was spread out over a long period by simply refraining from filling the position of solicitors who passed away. Other provinces tried to cut the number of solicitors in more dramatic ways. Just a year after coming to power stadtholder William IV introduced a ‘Reforming Statute’ for the Province of Groningen that, among other clauses for financial redress, ordered:

‘All soliciting functions, considered useless services, will be mortified without any of them being filled at a later stage, and payment of the militia will henceforth occur directly from the provincial treasury. The salaries of the solicitors will come at the benefit of the province, and as much as possible be employed to ensure punctual payment.’

Since this reform came at a time when the Province of Groningen was completely unable to fulfill its financial obligations towards its troops, in effect this measure did not mean replacement of military soliciting by a state run system, but forced companies to take recourse of Holland solicitors.

In his study of the army under the Dutch Republic, Zwitzer concludes that by the end of the eighteenth century ‘the office of soliciting had become the business of a limited number of persons’. By 1794 only thirty-one military solicitors operated in the whole of the Republic. Of those, fourteen lived and worked in The Hague, five in the Province of Guelders, two in Zeeland, one in Utrecht, five in Friesland, two in Overijssel, one in Groningen, and one in Drenthe. By far the most companies of all provinces, as well as the foreign troops in the service of the Dutch Republic, were ‘served’ by a small group of Holland solicitors. Although brokerage practices had survived the eighteenth century, the role of intermediaries in troop payments had shifted from the rather large group of non-specialized or semi-

183 NA, Archief Staten van Holland, no. 5775. ‘Benoeming solliciteurs-militair 1731-1794’.
185 Quoted in Jacobus Kok, Vaderlandsch woordenboek. Volume XVIII (Amsterdam 1788) 662-663.
186 Zwitzer, ‘Militie van den staat’, 97-98.
specialized investors of the early seventeenth century to a relatively small group of large scale professional financiers, half of whom were based in The Hague.

Conclusions

The Dutch system of troop payment through military soliciting showed great resilience. Despite perennial complaints about inefficiency, corruption, the intermingling of public and private interests – standard complaints about private involvement in government finance and contracting throughout early modern Europe – and despite the perceived advantages in cost and control over the troops from a system of ‘direct payment’ by the state, brokerage practices survived the 1673 and 1721 reform attempts. Military soliciting was only replaced by payment through a small number of state appointed directors in 1795, when a revolution triggered by French arms shook up the whole federal structure of the old Republic. Perhaps the simplest explanation for this persistence is that, like many other areas of federal-brokerage organization, the system worked remarkably well. Throughout the seventeenth and much of the eighteenth century it allowed the Dutch Republic to mobilize effectively the main factor that underpinned its military strength – large amounts of credit to pay for an army out of all proportion to the size of its population. Military solicitors were indispensible cogs in what Jan Glete has described as ‘an impressive fiscal-military machine that raised more resources per capita than any other seventeenth-century state and organized these resources into large permanent armed forces of high quality’. 187

Continuity in army payment resulted from the direct relationship that these solicitors provided between the state and the capital market. Handling enormous sums and creating new outlets for financial investment, they functioned as the tubes connecting the two communicating vessels of government debt and early modern capital markets. From the reforms of 1676 onwards soliciting became restricted to a small layer of professional financial entrepreneurs operating through networks of private creditors. The cases of Gebhardt and Van Heteren show how these networks were built and maintained, but also how the vicissitudes of government finance could destroy connections that were seemingly secure. The relatively open political structures of the Dutch Republic allowed for outsiders such as Gebhardt to become involved in major financial contracts, and make considerable money out of this.

187 Glete, War and the state, 172.
However, to maintain a soliciting business over many decades required strong embeddings in the Dutch world of finance, available to the Van Heteren but not to the relative outsider Gebhardt.

Van Heteren’s career stands out as that of a typical eighteenth-century financial aristocrat. Born into a family of Holland officials and solicitors, he secured himself access to the world of politics and finance, built a fortune out of the War of the Spanish Succession, actively diversified his investments after the Peace of Utrecht, secured his position by marriage and charitable functions, and remained in business until his death just after the War of the Austrian Succession. The process of concentration of military contracts that started in 1676 continued during Van Heteren’s life, ending in the final decades of the eighteenth century in a situation in which most army finances were ‘solicited’ by only a small group of financiers based primarily in Holland. However, this late process of centralization was not indicative of the strengthening of the Dutch central state following a transition from brokerage structures to nationalization. Rather, it signified uneven development within the framework of the federal-brokerage state itself, resulting from the weakening of the financial position of the more peripheral provinces while Holland could still bask in the afterglow of its financial markets. It was one more expression of the growing severity of the organizational problems faced by the Dutch state.