

# *The Paris Business World and the Seaports Under Louis XV*

*Speculators in Marine Insurance, Naval Finances and Trade*

by J.F. BOSHER\*

French overseas trade in the eighteenth century was carried on, as always, by merchants living and working in the port cities. The economic life of these cities is one of the great fields in French history today and there are already substantial, sometimes brilliant, studies of Marseille, Nantes, Bordeaux, Rouen, and Le Havre. Useful work has been done on Saint Malo, La Rochelle, Bayonne, and Sète, and we may certainly look forward to others.<sup>1</sup> All of the historians in this field touch upon the subject of how Paris affected the business of the ports. On some aspects of this fascinating and complicated subject much information has come to light but few of the main questions have yet been satisfactorily answered. How much business did the Paris bankers do in the ports? What part did the Crown's financial agents, such as the naval treasurers, play in maritime trade? Why did Paris, with all its wealth and business life, fail to become a centre of marine insurance for French shipping?

## I

This last question is particularly interesting because there were attempts to found large marine insurance companies in Paris in the middle of the eighteenth century. Furthermore, during the peaceful 1720s and later, French merchants faced the competition of Dutch and German

\* Department of History, York University.

<sup>1</sup> Charles CARRIÈRE, *Négociants marseillais au XVIII<sup>e</sup> siècle* (Institut historique de Provence, 1973), 2 vols; Jean MEYER, *L'Armement nantais dans la deuxième moitié du XVIII<sup>e</sup> siècle* (Paris, 1969); Paul BUTEL, *La Croissance commerciale bordelaise dans la seconde moitié du XVIII<sup>e</sup> siècle* (thèse de lettres, Paris, Service de reproduction des thèses, Université de Lille III, 1973), 2 vols.; Pierre DARDEL, *Commerce, industrie et navigation à Rouen et au Havre au XVIII<sup>e</sup> siècle* (Rouen, 1966), and *Navires et marchandises dans les ports de Rouen et du Havre au XVIII<sup>e</sup> siècle* (Paris, 1963); Jean DELUMEAU, *Le Mouvement du port de Saint Malo (1681-1720)* (Rennes, 1966); Henri ROBERT, «Les Trafics coloniaux du port de La Rochelle au XVIII<sup>e</sup> siècle (1713-1789),» *Bulletin de la Société des Antiquaires de l'Ouest* (1949): 135-79; F. JAUPART, *L'Activité maritime du port de Bayonne au XVIII<sup>e</sup> siècle* (Bayonne, reprinted in part from the *Bulletin de la Société des Sciences, Lettres et Arts de Bayonne*, vols. 1966 to 1969); and Louis DERMIGNY, *Cinq siècles du port de Sète* (Sète, 1958), *Cargaisons indiennes: Solier et Cie (1781-93)* (Paris, 1959-60), 2 vols., and *Le Commerce de Canton au XVIII<sup>e</sup> siècle* (Paris, 1964), 4 vols. There are, of course, many excellent older works listed in the bibliographies of the books just cited.

rivals who enjoyed the services of large insurance companies at Rotterdam and Hamburg as well as of the usual private underwriters, and of British rivals whose capital city was already becoming the principal centre of marine insurance in western Europe. Not only the famous Lloyd's company but two others, the London Assurance and the Royal Exchange, had grown large and stable ever since their founding in 1720, and the ever-increasing numbers of independent underwriters formed a loose society of their own in 1774.<sup>2</sup> This great insurance market was open to French merchants, we are told, until the beginning of the wars with Britain in 1793, but why did they not turn to Paris, a French city of comparable size and wealth? This was certainly not because merchants were satisfied with insurance offered in the French ports, for it was so restricted and uncertain that ships were usually covered by two, three, or more policies purchased in as many different cities.

To be useful, insurance on ships and cargoes had to be financially sound, available when needed, and as cheap as possible. These qualities depended partly on good management and partly on large financial reserves such as could be found only by organizing on a large scale. But insurance in France was organized on a relatively small scale because for each port it was in the hands of local merchants who managed it as an adjunct to their trade. They were loosely organized in chambers of insurance, like specialized chambers of commerce, and each policy was usually sent around the town from merchant to merchant, each man signing for a fraction of the insured sum until enough had been subscribed. Unfortunately these merchant underwriters, particularly the failing or bankrupt ones, did not always honour their signatures. At the best of times, the insured customarily received three or four percent less than the sum insured, whereas London underwriters more and more tended to pay the full sum. In wars like those of the middle eighteenth century French premiums soared to 60 percent or more of the sum insured; insurance became unobtainable, many ships had to sail without it, and the market broke down in a frenzy of litigation.<sup>3</sup> Many French underwriters collapsed in 1774 during the War of Austrian Succession.<sup>4</sup> In the Seven Years War, a Bayonne merchant wrote as early as spring 1757 to the Governor of Cape Breton Island (Ile royale), "Insurance is at such a frightful price

<sup>2</sup> A.H. JOHN, "The London Assurance Company and the Marine Assurance Market of the Eighteenth Century," *Economica*, n.s. XXV (1958): 126-41; A.H. JOHN, "Insurance Investment and the London Money Market of the 18th Century," *Economica*, n.s. XX (1953): 137-58; C. WRIGHT and C.E. FAYLE, *A History of Lloyds, London* (1928); C. Ernest Fayle, "Shipowning and Marine Insurance," in *The Trade A Study of British Overseas Trade during the French Wars 1793-1815*, C. Northcote PARKINSON, ed., (London, 1948), pp. 25-48; Barry SUPPLE, *The Royal Exchange Assurance: A History of British Insurance 1720 — 1970* (London, 1970); and H. AMSINCK, "Die erste hamburgische Assekuranz-Compagnie und der Actionhandel in 1720," *Zeitschrift des Vereins für hamburgische Geschichte*, IX, pp. 465 ff.

<sup>3</sup> Marine insurance is discussed by Carrière, Meyer, Butel, and Dardel in works cited above in footnote 1.

<sup>4</sup> A.H. JOHN, "The London Assurance Company," *Economica*, n.s. XXV (1958), p. 136.

that it makes people tremble to fit out ships for Louisbourg..."<sup>5</sup> Two years later, on 19 January 1759, Magon at Saint Malo wrote to Gradis at Bordeaux, who was preparing a fleet for the trans-Atlantic colonies, "our insurance company will not insure even at 60% now, much less at 55% as you ask."<sup>6</sup> The London companies, on the other hand, generally did well in wartime and rarely if ever closed their doors; one of the reasons was that their collective resources were, for the age, enormous. Insurance in the French ports, whatever the deficiencies of its organization, suffered mainly by the fact that no single port, indeed no two or three together, could match the financial resources of London or the main Dutch ports — but Paris could.

In Paris, as in the ports, merchants and bankers were in the habit of individually subscribing to insurance policies, but this market never grew large, never gave rise to a chamber of insurance like those in the ports — at least not for long — and never sustained a large, successful, and dependable company. Even the *Chambre d'Assurances Maritimes et Grandes Aventures de France* established by Louis XIV on 2 May 1668 lasted for only a few years.<sup>7</sup> The reasons for this may perhaps emerge in a study of the companies founded in the mid-eighteenth century. There were a least four of these, and for the first of them I have found only a note, hardly worth mentioning except as an aid to future research. The reference is to documents signed on 10 January 1747 providing for "the establishment of an insurance company in Paris and in all the maritime cities where the good of commerce requires it."<sup>8</sup> These documents were signed by two promoters or founders, Verdier and Heraud de Courcy, and by one of the shareholders, a certain Charles-Denis Perthuis, a Quebec merchant settled in Paris.

A second company was founded three years later under the inspired direction of Claude Hilaire Maisonneuve (or de la Maisonneuve), the son of an *agent de change* of Lyon.<sup>9</sup> Maisonneuve had acquired a good knowledge of insurance by studying the subject over a long period, it appears, and soon after the War of Austrian Succession he and two associates invited "all good merchants" to subscribe to a marine insurance

<sup>5</sup> Public Record Office (London), H.C.A. 30 264: B. Duvergier (Bayonne) to Chevalier de Drucourt, 10 March 1757.

<sup>6</sup> Archives départementales de l'Île-et-Vilaine (Rennes), I F 1897: Magon to Benjamin Gradis, 19 Jan. 1759.

<sup>7</sup> Jean DELUMEAU, "Exploitation d'un dossier d'assurances maritimes au XVIII<sup>e</sup> siècle," *Mélanges en l'honneur de Fernand Braudel* (Toulouse, 1973), II, pp. 135-63.

<sup>8</sup> Archives nationales (Paris), minutier central des notaires (henceforth M.C.), étude XCIII 17, 6 Feb. 1750, *inventaire après décès* for Charles-Denis Perthuis who held a share of 6 *sous* in this company.

<sup>9</sup> This company and the following one of 1753 are usefully discussed in Herbert Lüthy, *La Banque protestante en France* (Paris, 1961), pp. 351-54, but Lüthy too hastily assumed that they were the same company and he does not mention the bankers company of 1755. On the Maisonneuve family, see M.C. (Paris), LXVII 650, 18 Aug. 1763, marriage contract for a brother, Gabriel Maisonneuve, then "secrétaire de la compagnie d'assurances générales," that of 1753.

company before Christmas Day 1749.<sup>10</sup> On 29 January 1750 these three and five others signed an agreement of twenty-one articles of which the third stated that a committee of seven directors and three consultants would be elected at the first general meeting. Articles five to ten provided for branches in the ports of the kingdom, the directors of which were to receive commissions of two percent of insurance premiums or other contracts they negotiated, except *à la grosse aventure* loans on which they might receive only one-half percent. The eight original members of the company, except one, described themselves as merchants (*négociants* or *armateurs*), but in the course of 1750 and 1751 the membership grew by the addition of some three or four score Paris businessmen who for the most part described themselves as *intéressés dans les affaires du Roi*, *fermiers du Roy*, *bourgeois de Paris*, *secrétaires du Roy*, or some such title. There was even a *trésorier de la Reine*, an *ancien directeur des postes de l'armée d'Italie*, a *contrôleur de la Marine*, and a *chef de fruiterie de Sa Majesté*.<sup>11</sup>

Maisonneuve thought of himself as a merchant and believed that merchants should be in control. A conflict developed in 1751 between two groups which Maisonneuve later described as *les financiers* and *les commerçants*, and to settle some points at issue between them, one of the consultants, Pierre-François Goossens, who had a foot in each camp, being a merchant and merchant banker as well as a financier investing in naval supplies, suggested that a committee should be appointed.<sup>12</sup> At the meeting of 16 June 1751, a committee of thirteen was chosen including Goossens himself as chairman. This committee soon decided the issue in favour of the *financiers* who were in the majority. Two of their leaders, Alexis Regny and Jean-Henry Bousquet (or Bouquet), persuaded Maisonneuve and the other directors to resign and then drew up a new set of ninety-three regulations which they induced the general meeting of the company to approve on 3 August 1751.<sup>13</sup> Henceforth the company was controlled not by merchants but by *financiers*, *traitants*, *fermiers* and *rentiers*. This new managing element was too inexperienced in insurance, in Maisonneuve's view, and on 7 June 1752 he submitted a memorandum on their errors and predicted disasters which, indeed, soon befell the company. It suspended its business in the summer of 1756, tried in vain to buy reinsurance in England and Holland on its outstanding policies, and began to wind up its affairs. Some years before, some of those

<sup>10</sup> M.C. (Paris), CXVIII 459, 29 Jan. 1750. The name at this stage was *La Chambre d'Assurance et Grosse Aventure*, but it was soon loosely referred to as *La Compagnie d'Assurances*. For convenience I have translated *intérêt* as "share" and *intéressé* as "member" because in this as in most companies at the time subscribers to a company were active partners or participants, not shareholders (*actionnaires* holding *actions*). Members took part in the management of the company, and their liability was not, it seems, limited.

<sup>11</sup> M.C. (Paris), étude CXVIII 460, 6 Feb. 1750 *passim*. For these names see Table 1.

<sup>12</sup> Maisonneuve's brief discussion of the issue is in a printed *Memoire à consulter pour le sieur Maisonneuve*, 23 pp., (Bibliothèque nationale, Paris, mss. Joly de Fleury 303), p. 8.

<sup>13</sup> A copy of the new regulations may be found in A.N. (Paris), Z<sup>1D</sup> 129 and another in M.C. (Paris), étude CXVII 459, 460.

whom Maisonneuve described as *commerçants* had left the company: Laurent Woulfe and Nicolas-Robert Darcy, two Jacobite bankers, on 18 August 1751; another group of five led by Goossens on 8 October 1751; and Maisonneuve himself with several others in 1753. In April 1755 their quarrel with the company was taken before the Admiralty Court of France where Maisonneuve accused Regny and Bousquet of spreading malicious gossip about him and other members of the company in letters to Bordeaux.<sup>14</sup>

When Maisonneuve quit the company it was to found another and this he did. In a printed circular which he sent out with letters to various Paris businessmen, he claimed this new company was intended to carry on insuring ships even in wartime, something the companies in the ports did not always do, and he also intended it to insure buildings against fire.<sup>15</sup> He called it, *La Compagnie d'Assurances Générales Maritimes et Incendiaires*, secured the patronage of the Admiral of France, the Duc de Penthièvre, and drew up nineteen founding articles providing for an organization much like the one laid down originally for the previous company: business agents in the ports, shares and members, a board of directors (*syndics*), and so on. The founding articles were approved by a general meeting of 27 September 1753 and the company immediately began to insure ships.<sup>16</sup> It continued to do so until heavy losses forced it, like the previous company, to suspend its business during the Seven Years War.<sup>17</sup> By this time Maisonneuve had withdrawn exactly as he withdrew from the previous company and for similar reasons.

The interesting thing about the company of 1753 is that, like the previous one, it was composed mainly of financiers, bourgeois, and officials. Three of the six named as *syndics* on 22 March 1754 described themselves as *intéressés dans les affaires du Roy*; one as *conseiller du Roy commissaire à la conduite des gendarmes à la Martinique*; one as a banker; and only Maisonneuve signed as a merchant.<sup>18</sup> A year later, on 5 March 1755, four new *syndics* included another *intéressé...*, an *agent de change*, a retired *garde du corps* and one who listed himself as a merchant but was listed in the *Almanach royal* as a Paris banker.<sup>19</sup> They soon became embroiled in a quarrel with Maisonneuve and he withdrew his

<sup>14</sup> A.N., Z<sup>1D</sup> 130. The group following Goossens signed a *procuration* for him before the notary Marchand on 28 Aug. 1751. For Goossens' identity see my notes, "Le Ravitaillement de Québec en 1758," *Histoire sociale-Social History*, V, 9 (April 1972), p. 81.

<sup>15</sup> Bibliothèque nationale, mss. Joly de Fleury 303, *Programme de la Compagnie sous le titre d'Assurances générales, établie à Paris par acte d'association homologué à l'amirauté générale de France, au siège de la Table de Marbre, par sentence du 15 Déc. 1753*, 3pp. printed.

<sup>16</sup> B.N., mss. Joly de Fleury 303, fols. 365-369, Maisonneuve to de le Roue, 28 Nov. 1753. The founding act of this company is in A.N., Z<sup>1D</sup> 129 and in M.C., étude XLV, 27 Sept. 1753.

<sup>17</sup> Prevost's account show gains of 55,525 *livres* and losses of 101,785 *livres* (A.N., Z<sup>1A</sup> 915).

<sup>18</sup> Some members of this company are listed in Table 2.

<sup>19</sup> These were Louis Dufour de Montlouis, Jacques-Raymond Daly, Jean-Charles Boucher, and Louis Valmalette.

investments and retired in December 1756. Whether or not he saw this second company as torn between *commerçants* and *financiers* — this is not clear — the issue in this quarrel was whether to change the company's policy after August 1755 when the British began to seize merchant ships, or whether to carry on as usual, as the membership generally wanted to do.<sup>20</sup> Maisonneuve advised distinguishing between sea risks, which he was prepared to go on insuring, and war risks, which he was not; he also wanted the company to insist on recovering premiums due in a port before paying insurance due there. These ideas he put into effect in 1755 and 1756 until he was driven out of office and quit the company. All this was later made clear in an anonymous memorandum written by one of the members anxious to persuade others to meet the financial disasters of the company by inviting Maisonneuve to return, but he did not return.<sup>21</sup>

These two companies did not dissolve or formally go bankrupt and no union of creditors was formed; they merely closed their doors throughout most of the Seven Years War and suffered an agonizing period of litigation, some ninety-two cases involving the 1750 company alone. Only seventeen of these had been settled by the end of 1762.<sup>22</sup> In some cases the companies dragged merchants through the courts to extract from them a wartime premium of 35 percent applicable from June 1755, when the British fleet had seized the first French warships, instead of from 27 August when the Admiralty had given orders to seize all French ships in general.<sup>23</sup> With this unpromising beginning the two companies revived after the Seven Years War and limped on until the American War of Independence, insuring ships and cargoes wherever possible but never doing very well. In 1770 the creditors of the bankrupt postal cashier, Billard, had little hope of recovering the 72,000 *livres* from the 1753 company listed among his assets because, they wrote, "cette entreprise est tombée dans le plus grand discrédit et pour en retirer quelques bénéfices et la relever il y faudrait mettre des fonds considérables qui seroient

<sup>20</sup> On 6 May 1757 the Députés de Commerce in Paris recommended 10 June 1755 for the seas around Canada and Newfoundland and 26 August 1755 for the rest. (A.N., F<sup>12</sup> 711).

<sup>21</sup> A.N., Z<sup>1A</sup> 915 (Prevost papers), ms. unsigned and undated, 6½ pp.

<sup>22</sup> M.C., étude CXVIII 460, minutes for 20 Dec. 1764. The archives and libraries of Paris and the ports hold much material printed and manuscript on the legal battles over insurance at the end of the Seven Years War. One factum, *Observations pour les syndics et directeurs des deux chambres d'Assurances de Paris*, 1765, (B.N., Fz 1285), summarizes the financial history of these companies in part. The 1750 company was, it relates, capitalized at 4,600,000 *livres* and earned 1,400,000 *livres* but during the war suffered losses of 883,126 *livres* on ships seized by the British and 117,692 *livres* on ships "which perished while fleeing from the enemy." The 1753 company capitalized at four million *livres*, paid out about 1,200,000 *livres* on ships seized or lost at sea, and earned 500,000 *livres* which were not clear profit but merely earned in premiums. It is clear that the capital sums were merely subscribed by signatures; the members did not actually pay the money and making them pay when the "subscribed" capital was needed was one of the greatest problems.

<sup>23</sup> Much of this quarrel is explained in *Memoire pour les Sieurs Beaupied Dumesnil, Thourons frères, Gasan & autres contre les Directeurs & Syndics des Chambres d'Assurances de Paris*, 23 pp. with British documents appended to prove the British Admiralty's intentions (Arch. dép. de la Charente maritime, La Rochelle, 4 J 2269).

encore bien aventurées."<sup>24</sup> In general, these companies seem to have played the same role in the field of insurance that John Law's company played in the field of French central banking; that is, their initial attraction for businessmen, their failures and long agonies, stood as a lesson and a warning against other ventures in the field. Why, then, did they fail?

Maisonneuve would no doubt have said, if asked this question, that the membership of these companies ruined them. A careful analysis of the membership — some four score names for each company — would be interesting, but it would also be long and tedious because so many of the members were small speculators who left little trace in historical records. Take, for instance, Bert de Saint Germain, originally from Lyon, calling himself an *intéressé dans les affaires du Roy* and dabbling in army supplies. He took fifteen shares (*intérêts*) in the 1750 company with a total face value of 45,000 *livres*, yet two years later his house and lands of Saint Germain de Val were sold up by royal commissioners presumably for debt, and he died in 1767 leaving three grown-up but unmarried daughters with little more than the furniture in their dwelling above a candlemaker's shop.<sup>25</sup> Another example is Marin Bradel, one of the first members of the 1753 company, born into a family of Norman *labourers* and buried as "ci-devant intéressé dans les sous-fermes du Roy" in the presence of three nephews who were *avocats au Parlement* and one of them also a secretary to Barentin, First President of the *Cour des Aides*.<sup>26</sup> Many others were the sons of families able to start them off in life with royal offices, such as Thomas-Léonore Germain (1720-76) of the 1753 company, *avocat au Parlement, secrétaire du Roy*, son and brother of goldsmiths-to-the-King, brother-in-law of a doctor at the Faculty of Medicine;<sup>27</sup> or again, Boivin d'Hardancourt of the 1750 company, also *secrétaire du Roy*, nephew of a Director of the Indies Company and related to a Receiver General of Finance, Fillion de Villemure, who also joined the company.<sup>28</sup> More colourful were the minor *brasseurs d'affaires*, big businessmen such as the Delaleu brothers, sons of a Flemish merchant who obtained for one of them a dowry of 80,000 *livres*, brothers of a Colonel Captain of the Paris Guards, relatives of a well-known Farmer General of Taxes, Dupleix de Bacquencourt, speculators in property and jobbery, fast acquiring houses and royal offices by the time their business collapsed under the weight of their debts in 1765;<sup>29</sup> and again, the dashing cashier of the postal farms, Billard, one of the syndics of the 1753 company, who invested several millions of his employers' funds in every enterprise he could find before going bankrupt in 1769.<sup>30</sup>

<sup>24</sup> A.N., T 2<sup>5-6</sup>, *État général des effets actifs du Sieur Billard...* ms.

<sup>25</sup> A.N., Y 13119, *scellé* of 23 Aug. 1767; inventory in M.C., CXXI, 4 Sept. 1767.

<sup>26</sup> M.C., CXVII, 1075, Bradel died 12 Jan. 1782.

<sup>27</sup> A.N., Y 15386, *scellé* of 25 July 1776, the day of his death; inventory in M.C., maître Dupré, 6 August 1776; also A.N., V<sup>2</sup> 43, 3 Feb. 1758.

<sup>28</sup> A.N., Y 14405, *scellé* of 3 Dec. 1758; inventory in M.C., LXIX 681, 22 Dec. 1758.

<sup>29</sup> Charles and Joseph DELALEU, M.C., CH 438, 8 april 1765, *acte d'abandon* and the *union des créanciers* dated 17 May 1765; A.N., V<sup>2</sup> 41, 24 April 1738.

<sup>30</sup> The case of François-Pierre Billard is summarized in my article, "The French Crisis of 1770," *History* (London), LVII (Feb. 1972), p. 25.

What most of the members of both companies had in common was a consuming ambition to make a quick fortune, not in trade, least of all maritime trade, which required experience, knowledge, and continuous hard work, but in *les finances*, as it was understood in the eighteenth century; that is, in gathering, spending and manipulating government funds with all that this implied. For these men, the marine insurance companies were speculative ventures in which they bought their shares (*intérêts*) mainly on credit by signing for them. For example, the royal Treasurer General for the *ponts et chaussées*, Gabriel Prévost, held twenty *certificats* representing an investment of 60,000 *livres* in the 1753 company, but had put up no more than 3,000 *livres* of this in cash.<sup>31</sup> Their credit, which was a bottom nothing more than the confidence they could inspire in others, depended partly on an impression that there were rich or noble relations in the background, partly on the prestige of royal offices usually purchased on credit but seeming to give promise of greater things to come, and partly on the mysterious flurry of business in which they seemed to be engaged with one of the military supply companies, the tax farms or subfarms, the suppliers to royalty, or the real estate or estate management enterprises. They had no intention of working steadily at marine insurance; after awhile the members of the 1753 company did not bother to attend meetings and even the directors neglected company business.<sup>32</sup> Not for them the laborious life of the counting house where merchants spent most of their time. The famous merchant-banker of this period, Jean-Joseph Laborde, tells how he began life with the clerks in his cousin's trading firm at Bayonne, a five-year apprenticeship without pay, working at his desk from five in the morning until midnight, never going out except to church and constantly persecuted by his employer's wife. "You will not know," he wrote to his son later, "how much [effort] it costs in Trade to earn large sums of money. Things are not at all the same in Finance wherein immense and rapid fortunes are to be seen."<sup>33</sup> Laborde in later life was proud of being a merchant and merchant-banker rather than a financier, and when he lent his money to the Crown or managed the Crown's business in his capacity as Court Banker, he wanted it to be known that he did so as a merchant-banker. He despised the financiers who made quick fortunes manipulating Crown funds.

Marine insurance in the eighteenth century, like banking, was properly an affair of merchants, not of financiers. The managers of successful insurance companies in London, Rotterdam, and the French ports were merchants and so were most of the private underwriters. Who but merchants could judge the risks at sea, assess the value of ships and cargoes, and deal on an equal footing with other merchants? As the great Bordeaux magistrate, Montesquieu, put it in his reflections on the 1750 insurance company.

<sup>31</sup> A.N., Z<sup>1A</sup> 915, printed form of the notary Armet (Paris), 19 June 1758.

<sup>32</sup> *Loc. cit.*, undated unsigned manuscript memorandum.

<sup>33</sup> J.J. DE LABORDE, *Mémoires*, admirably edited by Yves Durand in the *Annuaire-Bulletin de la Société de l'Histoire de France*, 1968-69 (1971), pp. 116 and 119.

In the seaports a company of merchants gathers together to underwrite insurance. They know their work and inform each other; they know whether the ship they are insuring is good or bad, whether the crew is good or bad, whether the captain is experienced and wise or ignorant and confused, whether the shippers are suspect, of good reputation or likely to be dishonest, whether the voyage is to be long, whether the season is beginning well or not; they know everything because everyone makes it his business to find out. In Paris they know nothing and for the Company to know all that, it would lose as much in the cost of postal charges and correspondence as it would earn in premiums.<sup>34</sup>

There were, it must be said, a certain number of merchants in the insurance companies of 1750 and 1753 but besides the geographical defect mentioned by Montesquieu, they suffered from their small numbers, they and their kind being out-voted and over-ruled by the rest. Furthermore, some of them were not wholly merchants in Laborde's sense of the term. Goossens was trading in naval timber and other supplies and in naval finances, and Pierre-Guillaume Merlin was promoting such ventures as a privateering company in which he was the front man for high royal officials. Then, at least six of them, including Goossens and Merlin, went bankrupt during the Seven Years War and may be suspected of joining the insurance companies on speculation to repair their sagging fortunes or, at least, to secure quick profits.<sup>35</sup> The principal Paris merchants and merchant-bankers for the most part kept away from these insurance companies and in 1755 decided to form one of their own.

The Paris bankers' company, called simply *La Compagnie d'Assurance*, was the fourth company to be formed there in less than a decade. It was founded for a term of four years by an act of 6 and 7 July 1755 comprising twenty-eight clauses; this act was signed by eighteen members of whom nine signed for firms in which they were partners.<sup>36</sup> They described themselves collectively as "banquiers et négociants de Paris" and at least fifteen of them were listed in the *Almanach royal* as "banquiers pour les traites et remises de place en place." We recognize them as prominent Paris bankers with maritime interests, most of whom were in trade as well as lending money to other merchants. Among them were two disappointed members of the earlier insurance companies: Louis Valmalette, a member of the 1753 company and Goossens, who quit the 1750 company and never joined the one formed in 1753. One of the differences between this bankers' company and the previous two was that each of these Paris bankers already had connections with shipping merchants in the ports and the company intended to maintain these direct links, drawing prominent merchants of seaports into the company not as agents but as equal partners. All members were to be jointly liable, *solidaires*, as the founding act declared in its first clause. The plan was to limit the Paris membership to twenty and invite thirty members in the seaports.

<sup>34</sup> MONTESQUIEU, "Mes Pensées," no. 341, in *Oeuvres complètes*, (Paris, Macmillan (Éditions du Seuil), 1964), p. 889.

<sup>35</sup> Laurent Woulfe, Jean Sellon, Amy Pictet, Nicolas-Robert Darcy, Pierre-Guillaume Merlin, and Pierre-Francois Goossens.

<sup>36</sup> A copy of the founding act may be found in A.N., Z<sup>1D</sup> 130 and another in M.C., LXXXIV, 7 July 1755. The founding members are listed in Table 3.

Table 1. — LA CHAMBRE D'ASSURANCE ET GROSSE AVENTURE, or LA COMPAGNIE D'ASSURANCES, founded on 29 January 1750: the principal members<sup>37</sup>

<i>The Founding Members</i>	
Nicolas Boulliaud (or Bouillaud), <i>armateur de Paris</i>	Jacques Le Roy, <i>négociant</i>
Pierre Bourdeaux, <i>négociant de Paris</i>	Henry-Nicolas Morin de la Sablonière, <i>écuyer, intéressé dans les affaires du Roi</i>
Pierre-François Dayrolles Desangles, <i>négociant de Lodève en Languedoc</i>	Joseph-Pierre Piquefeu de Longpré, <i>secrétaire du Roi</i>
Claude Hilaire de Maisonneuve, <i>négociant de Paris et Lyon</i>	Constantin-Joseph Perrier, <i>ancien receveur général des domaines et bois</i>
Guillaume de Materre, <i>avocat au Parlement et armateur</i> (withdrew on 16 Sept. 1751)	Amy Pictet, <i>banquier de Paris</i>
Jean-Baptiste Montaigu, <i>seigneur de la Roche</i>	Alexis Regny, <i>bourgeois de Paris</i>
Charles-François Remy, <i>négociant de Paris</i>	Jean Sellon le jeune, <i>banquier de Paris</i>
Hugues Simon, <i>négociant</i>	Balthazard-François de Villeneuve, <i>intéressé dans les fermes du Roi</i>
<i>The Committee of 16 June 1751</i>	
Louis-Claude Boivin d'Hardancourt, <i>secrétaire du Roi</i>	<i>The Committee of 19 May 1752</i>
Jean-Henry Bousquet, <i>bourgeois de Paris, listed in 1757 as négociant de Paris</i>	Jacques Accarias de Serionne, <i>secrétaire du Roi</i>
Pierre-Isaac Dupont, <i>bourgeois de Paris</i>	Jean-Henry Bousquet, <i>bourgeois de Paris, listed in 1757 as négociant de Paris</i>
Nicolas-Antoine Fleureau, <i>écuyer, intéressé dans les fermes du Roi</i>	Armand-Jean-Fevre Dannoy, <i>secrétaire du Roi</i>
Pierre-François Goossens, <i>intéressé dans les fournitures de la Marine</i>	Frédéric-Louis Delescluze, <i>député du commerce de Lille</i>
Antoine-Jean-Baptiste Le Prevost de Quesnel, <i>bourgeois de Paris</i>	Antoine-Jean-Baptiste Le Prevost de Quesnel, <i>bourgeois de Paris</i>
	Joseph Marion, <i>député du commerce de Saint-Malo</i>
	Amy Pictet, <i>banquier de Paris</i>
	Alexis Regny, <i>bourgeois de Paris</i>

Table 2. — LA COMPAGNIE D'ASSURANCES GÉNÉRALES MARITIMES ET INCENDIAIRES founded on 27 September 1753: some of the principal members<sup>38</sup>

<i>The Managing Committee on 22 March 1754</i>	
François-Pierre Billard, <i>intéressé aux affaires du Roi</i>	Claude Bonnet, <i>payeur des rentes</i>
François Bordier, <i>intéressé aux affaires du Roi</i>	Jean-Felix Gourdain, <i>écuyer</i>
Marin Bradel, <i>intéressé aux affaires du Roi</i>	Louis-Honoré, comte d'Houel, <i>ci-devant ministre du roi extraordinaire en Allemagne</i>
Claude Hilaire de Maisonneuve, <i>négociant de Paris et Lyon</i>	François-Octave de Milleville, <i>contrôleur général des domaines et bois</i>
Patrice-Pichaud Dupavillon, <i>conseiller du Roi, commissaire à la conduite des gardes à la Martinique</i>	André-Charles Modeux de Saint Wast, <i>écuyer</i>
Jean-Marie Mongirod, <i>banquier</i>	Gabriel Prevost, <i>trésorier général des ponts et chaussées</i>
	Poulain de Vaujoye
	<i>Other Notable Members</i>
	Claude Billard Dumonceaux, <i>écuyer, payeur des rentes</i>
<i>The Managing Committee on 22 February 1759</i>	

<sup>37</sup> The founding act and extensive minutes of meetings are recorded in M.C., CXVIII 459 and 460; another copy of the act and other references in A.N., Z<sup>1D</sup> 129. A few of the members of all three insurance companies turn up in Herbert LÜTHY, *La Banque protestante* (Paris, 1961), II, and in J.F. BOSHER, *French Finances, 1770-1795* (Cambridge, 1970).

<sup>38</sup> The founding act is in A.N., Z<sup>1D</sup> 129 and another copy in M.C., XLV, 27 Sept. 1753.

Jean-Charles Boucher, <i>ancien garde du corps</i>	Antoine de Lacombe, <i>fermier du Roy</i>
Jacques-Raymond Daly, <i>agent de change</i>	Jean Lasseray, <i>marchand, bourgeois de Paris</i>
Philippe-Nicolas Demollière, <i>payeur des rentes</i>	Pierre-Louis de Saint Janvier, <i>payeur des rentes, shareholder in the caisse d'es-compte of 1778</i>
Louis-Claude Dupin de Francoeil, <i>receveur général de Metz</i>	Louis de Valmalette, <i>négociant</i>
Jean-Olivier Boutray, <i>écuyer, ancien échevin de Paris</i>	Nicolas Piault, <i>intéressé aux affaires du Roi</i>
Jean-Baptiste Darcy, <i>secretary of the company, 1756-1766</i>	Claude Torrent, <i>négociant</i>
Thomas-Léonore Germain, <i>avocat au Parlement</i>	Etienne Bignon, <i>négociant</i>

Table 3. — LA COMPAGNIE D'ASSURANCE, founded on 6 and 7 July 1755<sup>39</sup>

Christophe-Jean Baur (of the firm <i>Tourton et Baur</i> )	Louis-Daniel Ragueneau de la Chesnay
Gabriel-Jullien Bouffé (of <i>Bouffé, Dangirard et fils aîné</i> )	Philippe-Benjamin Ragueneau de la Chesnay
Louis Chabbert (of <i>Chabbert et Banquet</i> )	These brothers, Protestant bankers in Paris, had another brother, Henry-Charles, "demeurant à Beverley, comté d'Yorck en Angleterre" in 1772 (see Arch. nat. Paris, minutier central, étude LXXXIII, 536, 7 June 1769, <i>partage</i> )
Jean Cottin (of <i>Jean Cottin l'aîné et fils</i> )	Louis Tourton (of <i>Tourton et Baur</i> )
Henry Dumas (of <i>Dumas, Ricateau et Compagnie</i> )	Louis Valmalette (from the insurance company of 1753)
Sauveur Duvergier	Pierre-Julie Dariu
Simon-Arnage Gilly de Montaud	Louis Lafreté (of <i>Lafreté frères Aribert et Compagnie</i> )
Pierre-François Goossens (from the insurance company of 1750)	Jacques Desbrière (of <i>Veuve Desbrière et fils</i> , with extensive interests in maritime trade)
Jean-Pierre Kolly (big naval supply merchant)	
Marc Lullin (of <i>Jean Lullin, frère et associé</i> )	
Jean Masson de Malboue	

On 5 July 1755, two days before the signing of the founding act, one member firm, *Chabbert et Banquet*, wrote to a client firm in Bordeaux, *Gradis et Compagnie*, to ask whether they would like to join.<sup>40</sup>

The invitation to such merchants as *Gradis* was to join a company that would inevitably be dominated by Paris merchant-bankers, and *Gradis* refused. Probably others also refused. There is evidence that some of the Paris members soon reverted to their own private underwriting, which was expressly forbidden by article twenty-one of the founding act, on pain of a thousand *livres* fine, and no sign of the company's renewal during the summer of 1759 has come to light. It was supposed to expire on 1 August 1759 unless renewed first. But the late summer of 1759 was a time of great strain in French business and financial circles as well as at sea, hardly a time to renew a marine insurance company. At least two members of the company went bankrupt, *Dumas, Ricateau et Compagnie*

<sup>39</sup> The founding act is in M.C., LXXXIV, 7 July 1755 and another copy in A.N., Z<sup>1D</sup> 130. All or nearly all of the members were Paris merchant-bankers. On Gilly de Montaud, see CHAUSSINAND-NOGARET, *Les Financiers de Languedoc* (Paris, 1970), and for some of the others, LÜTHY, *op. cit.*, II.

<sup>40</sup> Paul BUTEL, *La Croissance commerciale bordelaise*, I, p. 702.

in May 1758 and Goossens in November 1759 after the Crown's partial bankruptcy. I suspect this insurance company lasted only for the four years of its first term. The Paris company known to have been insuring in the 1770s was probably one of the earlier companies whose members could not hope to do much underwriting as individuals and were able to stay in the field only in company.<sup>41</sup>

The history of the Paris insurance companies, when it comes to be written, will show — or so it now seems — a persistent failure owing to the salient character of the Paris business community. As Montesquieu wrote in his notes at Bordeaux soon after the company of 1750 was formed, "The insurance company in Paris [of 1750] has no common sense; it is clear to me that it cannot succeed." One of Montesquieu's reflections on the subject, which he noted with a view to considering it for a revised edition of *The Spirit of Laws*, begins, "There is no one so stupid in matters of trade as the Parisians. They are businessmen [*gens d'affaire*] who, having become suddenly and easily rich, imagine that it will be easy to enrich themselves even further. They even believe that they owe their wealth to their brains."<sup>42</sup> Paris businessmen were for the most part speculators, especially those interested in maritime trade. There was, of course, as all merchants knew, a large element of speculation in the trade of the ports where profits depended upon fluctuating prices and markets at home and overseas, on the hazards of war and the sea, and on other unpredictable factors. Yet the speculations of a merchant shipping goods from port to port, even gold and silver bullion or Spanish pieces of eight, were very different from the speculations of a royal tax collector or paymaster looking for a quick return on short-term investments of the Crown funds in his keeping, or the Crown official using his authority and the prestige of his position to promote a trading venture in collaboration with a front man, a *prête-nom*. To the eighteenth-century merchant, and to many disinterested observers, trade seemed honest and *les finances* dishonest. In this sense, Paris had a corrupting influence on the ports by the behaviour of government officials and financiers who were so often speculators on the side.

## II

Most government officials, officeholders, and financiers who could venture into maritime trade did so, some furtively and others openly. The story of the scandalous *affaire du Canada* in which the royal Intendant at Quebec and some fifty of his subordinates were prosecuted for the fortunes they made in trading during the Seven Years' War reveals not the conspiracy of corrupt individuals, as has always been said, but the normal behaviour of the Bourbon government's servants in the eighteenth century.<sup>43</sup> This may be seen, to take another example, in the lives of the

<sup>41</sup> *Loc. cit.*

<sup>42</sup> MONTESQUIEU, *Loc. cit.*

<sup>43</sup> This interpretation is explained in my forthcoming article, "The French Government's Motives in the *affaire du Canada*," *The English Historical Review*.

agents which the Treasurers General of the Marine and Colonies posted in the ports of France and the colonies. They went into trade in the same spirit of speculation as other financiers went into marine insurance and thought of their posts as presenting opportunities. A clerk in the Treasurers General's office wrote a revealing letter to another who had just been offered the Rochefort post, "[this post] may be worth as much as the one you have now, not only for its salary [*appointments*] but also for the trade it may enable you to carry on with the colonies."<sup>44</sup> Some examples may help to put the insurance companies into proper perspective.

The Treasurers General's agent, usually called *Trésorier de la Marine*, was a salaried agent of the Treasurers General in Paris whose formal authority (*procuration*) he held, but his position or prestige such as it was, served all too often as a basis for an extensive private business. Jean-Baptiste Violette at Saint Malo fitted out several fishing vessels which sailed annually to the Newfoundland banks or to Louisbourg during the early 1750s.<sup>45</sup> Cargoes of fish were sold for him at Marseille where he dealt with the firm of *Famin et Montagne*, who sent him return cargoes of soap and other goods to sell in the colonies. He sent off consignments of goods to the West Indies in other men's ships and during the Seven Years War invested in privateering. At Bayonne, Jean Bourdette also went into shipping but on a much larger scale, sometimes in association with *Frigière et Barthez* of Bordeaux and with various Bayonne shipping firms, notably Jean Barrere, Dominique Lannes, and his own brother-in-law, Dhiharce Dalsuyt de Hasparren.<sup>46</sup> The traces of shares in ships and expeditions are numerous in the inventory made at his death. In addition, he was active in procuring timber for the fleet, especially after the Seven Years War in association with one of the biggest general contractors for naval timber, Jean-Louis-Michel Petel. Bourdette at his death was preparing a set of silver tableware market with Petel's coat of arms to send him as a gift. Among the interests of Jacques-Antoine Menard, the treasurer at Rennes, were a one-quarter interest in a ship, *La Complaisance de Saint Malo*, and in 1763 he bought a one-sixteenth interest in another, *Le Duc de Choiseul*.<sup>47</sup> At Lorient, Laurent Bourgeois invested in a contract of 1763 with *Arnous frères* to exploit woodlands for naval tim-

<sup>44</sup> Arch. dép. de la Charente Maritime [La Rochelle], B 4055, Couteau to Brunet de Béranger, 27 Sept. 1763.

<sup>45</sup> Arch. dép. de l'Île-et-Vilaine, minutes of notary Thomas Etesse, 1 Feb. 1764, *scellé* and inventory for Violette; minutes of notary Le Bellegon père, 2 March 1754 and of notary Pitot for 1750 *passim*; 9 B 504\*, 1 March 1751, PARIS-JALLOBERT, *Anciens registres*, the standard reference work, is mistaken in its genealogy of Violette, who was born 13 April 1708 at Saint Malo, son of Jacques Violette and Perine Hebert; he married Anne-Françoise Pelle on 19 Feb. 1737 and died on 24 Dec. 1763.

<sup>46</sup> Jean Bourdette, son of Dominique Bourdette (also naval treasurer) and Dominique Sorhaïnde (married 23 Sept. 1711), became treasurer by *procuration* dated 19 April 1747 and died on 6 June 1765. (His death inventory, 315 pp., is in Arch. dép. des Basses-Pyrénées [Pau], III E 3884 [de Monho], 28 April 1766.)

<sup>47</sup> Jacques-Antoine Menard (or Mesnard) born on 15 Oct. 1711, son of Michel Menard, sieur des Loges and of Nicole Rousseau and died on 27 Nov. 1767 at Rennes. He was already *Receveur des tabacs* when made naval treasurer by *procuration* on 8 and 10 Jan. 1756. (His death inventory is in Arch. dép. de l'Île-et-Vilaine [Rennes], 2 B 588.)

ber.<sup>48</sup> At Rochefort, Breard held notes of a Martinique merchant, Gothman de Luppe, totalling 305,000 *livres* and invested half a million *livres* in the cannon foundries of La Chapelle and de Josnelière.<sup>49</sup> Of course the treasurers also invested in real estate, in venal offices, and in royal and private *rentes* — Bourdette was rich in *rentes*. They were by no means wholly merchants, or even merchants at all in the ordinary sense of the term; they were ambitious financial speculators in search of a profit wherever it was to be found. Two special cases will illustrate this point further.

In 1762, near the end of the Seven Years War, the Treasurers General in Paris sent one of their clerks, a certain Jean-René Brunet de Beranger, to clear up the accounts of previous agents in some of the Atlantic ports. He visited Lorient and other ports but lived mainly at Rochefort, ostensibly to deal with the accounts of the late treasurer, Antoine Valliet.<sup>50</sup> In 1765 he began to think of going into trade and of making a profit on transfers of funds for naval supply merchants. His friend in Paris, François Couteau, another employee of the Treasurers General, agreed with him that the service of the Treasurers General was no way to make a fortune but had doubts about trade. “[Years ago] I wanted to do something by going into trade which I did not understand; it cost me a great deal and I am not yet free of my debts”; Couteau nevertheless let himself be persuaded. In less than a year Brunet was sending him liqueur to sell in Paris and Couteau was sending Brunet cloth, stockings, shoes, and other clothing partly, it seems, for sale to the navy and colonies. They were planning to sell tobacco in the colonies, to begin a trading venture to Spain and to work for naval timber supply merchants. Brunet hired a clerk and rented a warehouse in Rochefort. He began to act as a commission agent for merchants of other ports such as Louis Pourcin, Bethman and Desclaux and Jean-André Lamaletie of Bordeaux, and Jean Corpron of Nantes. His merchant clients no longer addressed him as “*commis de Messieurs les Trésoriers généraux de la Marine*” but as “*négociant*,” and that is what he became when in 1766 he quit the treasury service.

The funds for these activities were raised by Brunet using what treasury funds he could, drawing drafts in Rochefort on Couteau in Paris and sending bills of exchange, *reconnaisances du Canada*, and other paper instruments on which payment was due in Paris or which might at least be negotiated there at a discount. They were perennially short of funds. Couteau reported that his purchases of clothing had to be paid for

<sup>48</sup> Laurent Bourgeois was naval treasurer from 1755 until his death on 10 Oct. 1785 at St. Caradec, Hennebont, Brittany, aged 63. His correspondence with the Trésoriers généraux is at Lorient in the Archives de la Marine, 1 E<sup>5</sup> 1 etc.

<sup>49</sup> Marcellin-Nicolas Breard, born 5 June 1714, son of Jacques Breard and Marieanne Marcellin, was colonial treasurer at Rochefort from April 1758 to 1776 and died on 28 Feb. 1785. He was brother of the notorious naval controller at Quebec, Jacques-Michel Breard, and his business interests were extensive; the brother was one of the officials sentenced in the *Affaire du Canada*.

<sup>50</sup> The Brunet de Beranger correspondence with Couteau is in Arch. dép. de la Charente maritime [La Rochelle], B 4053 to 4058; see also M.C., LX 352, *procuracion* dated 16 Feb. 1764.

immediately and on one occasion when he could not pay cash a manufacturer came to his house and took back a load of stockings. They borrowed from their friends, including another treasury agent in Paris, Philippe Sandré, but in December 1766 Sandré wanted his money back and Brunet was pressing Couteau to find 20,000 *livres* somewhere "in order to support my enterprise which is the best, the soundest and the most lucrative that one could have in Rochefort."<sup>51</sup> Throughout 1767 Brunet was besieged by creditors and when in November a Treasurer General came from Paris and charged him before the local court, Brunet fled and his property was confiscated for his creditors. Brunet had learned to his cost that a quick fortune in trade was not to be had and certainly not by the manipulative methods of the Paris financiers. The methods Brunet had learned in the service of the naval treasurers were summed up later by another port treasurer, Bonvallet des Brosses of La Rochelle: "The provincial treasurers and receivers draw on their chiefs [in Paris]. Little by little circulation is established. Credit grows; drafts are taken; funds are invested; financial hoarding takes place," and as he went on to explain, the treasurers and receivers in this way generated funds for their own business ventures.<sup>52</sup> Bonvallet des Brosses knew what he was talking about for he, too, had tried to get into trade and failed.

Bonvallet's is a more spectacular case than Brunet's. When he inherited the post of treasurer sometime in the early 1760s it had been in his family since the beginning of the century and they had acquired other offices such as *Receveur des décimes* held by his father; in 1768 his brother bought an office of *Trésorier de France* from the naval treasurer at Rochefort, Breard.<sup>53</sup> About the same time, shortly after Brunet de Beranger's brief career, which they must have watched with interest — he even owed them money — Bonvallet and his brother formed a trading firm under the name of *Bonvallet frères*.<sup>54</sup> The brother went off to Paris in March 1768 and set up as a Paris *négociant*, described in some documents as a banker, with a bookkeeper, a confidential assistant, two lackeys, a coachman, and an office decorated with portraits of Frederick the Great of Prussia in a feathered hat and Diderot of the French academy *en petit cheveux*. Thus equipped, *Bonvallet frères* began to have dealings with merchants in Paris, London, and most of the main French ports. They invested 50,000 *livres* in a ship, *La Carlotta*, which they dispatched to Louisiana; over 8,000 *livres* in *Le Bien Aimé* owned by a Bordeaux merchant, Auger de la Garneraye; 35,000 *livres* in *Le Crussol* which sank off Bordeaux in a hurricane on 8 April 1769; and much more in expedi-

<sup>51</sup> Arch. dép. de la Charente maritime [La Rochelle], B 4057, Brunet to Couteau 24 Jan. 1767.

<sup>52</sup> SIMON-JOSEPH-XAVIER, *Moyens de simplifier la perception et la comptabilité des deniers royaux*, 1789, 116 pp. (Bibl. nat., Paris, Lb<sup>39</sup> 7248), p. 4. The treasurer's brother who went to Paris was Jean-Jacques-Stanislas Bonvallet des Brosses, born 12 Aug. 1738 and died by suicide 27 Nov. 1769. They were sons of Jean-Jacques Bonvallet des Brosses, *Receveur des décimes ecclésiastiques* and Madeleine Fontaine.

<sup>53</sup> A.N., V<sup>1</sup> 444, *lettres de provision* for him dated 13 Sept. 1768.

<sup>54</sup> A.N., Y 13962, *scellé* for Bonvallet des Brosses dated 28 Nov. 1769; M.C., XCVII, 30 July 1770, *Attermoiement*, Monsieur Bonvallet et ses créanciers; and A.N., T 2<sup>3-4</sup> affaires Billard, various references to business links with *Bonvallet frères*.

tions to the colonies, in sugar sent to Hamburg, and in other trading ventures.

Where did all this money come from? There are no proper accounts but we can identify several different sources in Paris and the ports which show that a great deal of credit was accessible to the enterprising businessman with financial connections. First, they used funds from the naval treasurer's holdings in La Rochelle and raised more by the paper methods Bonvallet later described in his book. That is, the two brothers, one in Paris and the other at La Rochelle, drew drafts on each other. Secondly, they attracted large investments from the notorious postal cashier, Billard (some 48,300 *livres*) who had also invested in the marine insurance company of 1750, from a Farmer General, Bouret de Vezelay (76,000 *livres*), and a number of others more difficult to identify. Thirdly, they ran up accounts with merchants and merchant-bankers in various cities, including *Georges-Tobie Thelusson et Compagnie* of Paris, and *Charles Legrand, père et fils* of Paris and La Rochelle who performed such services as drawing 2,000 florins on the Amsterdam firm of Duissenberg and Voogler. By the end of 1769 the firm's balance worked out at something like 133,922 *livres* in recoverable assets (*actif*) and 709,475 *livres* in debts and losses, including heavy losses from such bankrupt debtors as Joseph Querenet, the former treasurer to the Prince de Conti (187,097 *livres*) and the firm of *Le Grand, père et fils* (109,904 *livres*). *Bonvallet frères* were caught up in the chain of failures that were part of the approaching French crisis of 1770.<sup>55</sup> Faced with this terrible situation, the Paris partner in the firm closed himself in his rooms on 27 November 1769 and blew his brains out with a pistol. The firm went through the usual bankruptcy proceedings and the family at La Rochelle suffered accordingly.

Bonvallet des Brosses, Brunet de Beranger, and the other naval treasurers in the ports were all animated by the spirit of the Paris financiers whose agents they were, the same spirit that moved the members of the Indies Company, the Baron d'Huart Company, the Guadalcanal Company, and other ventures based in Paris, including the marine insurance companies.<sup>56</sup> What has been seen by some scholars as a fever of speculation in Paris during the late 1780s was not new then; it was in fact the normal behaviour of the Paris business community. This spirit and this behaviour were, as Montesquieu observed, inimical to maritime trade. The Paris money market was, as George V. Taylor declared some years ago, a trading centre for financiers and speculators, *agoteurs, brasseurs d'affaires*, but not for merchants.<sup>57</sup> In this the Paris *bourse* was

<sup>55</sup> J.F. BOSHER, "The French Crisis of 1770," *History* (London), LVII (Feb. 1972): 17-30.

<sup>56</sup> For the Indies Company see Herbert LÜTHY, *La Banque protestante, passim*. For the Guadalcanal Company see Guy CHAUSSINAND-NOGARET, "À Propos d'une entreprise française en Espagne au XVIII<sup>e</sup> siècle: les sociétaires de la Compagnie de Guadalcanal," *Revue d'Histoire moderne et contemporaine*, XX (1973): 13-33; and for the d'Huart Company, J.F. BOSHER, "A Fishing Company of Louisbourg, les Sables d'Olonne and Paris: la Société du Baron d'Huart, 1750-1775," *French Historical Studies*, IX (1975): 263-77.

<sup>57</sup> George V. TAYLOR, "The Paris Bourse on the Eve of the Revolution, 1781-1789," *American Historical Review*, 67 (1962): 951-77.

different from the *bourses* at Bordeaux, Bayonne, Rouen, Nantes, or Marseille, which were administered by merchants for merchants. Corrupted by the Bourbon financial system, Paris played no great role in French overseas trade, at least not by assisting the seaports and not as a centre for marine insurance. The inland position of Paris was only one reason for this failure; the other was the Crown's domination of the Paris business community.