A History of Lloyd's, From the Coffee House to the Act of 1871

Underwriter, List, and Society

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Preface. The coffee house on Tower Street

Edward Lloyd's coffee house stood in Tower Street, in the parish of All Hallows Barking, before it moved at Christmas 1691 to premises at the corner of Abchurch Lane and Lombard Street. The earliest surviving mention in print is a notice in the *London Gazette* for 18–21 February 1688, offering a reward for stolen watches and directing the finder to "Mr. Edward Lloyd's Coffee House in Tower Street". The notice does not say that the room had already become a place where merchants, shipmasters, and underwriters bought and sold intelligence about ships and cargoes. Wright and Fayle's institutional history of Lloyd's, published in 1928 for the Corporation of Lloyd's, opens on the same notice and treats it as the founding trace. Frederick Martin's 1876 history had done the same, from within twenty years of the 1871 Act. Both were institutional histories written for the institution, and both had reason to fix an origin.[1]

The origin they fixed was a room. The room served coffee, sold shipping news, and, at a table or a stall, took subscriptions to marine risks. The men who signed those subscriptions were private individuals, each writing for his own account, each liable to a loss on any ship insured for the sum he had written under his name (the etymology of the word *underwriter*). If the ship came in, he took the premium. If it did not, he paid the claim out of his own purse, to the last shilling he had. The market at Lloyd's grew out of that arithmetic and around that room.

The room is not what survives. What survives is a scattered body of operational documentation: the run of *Lloyd's List* from 1734, with Guildhall Library's continuous holding beginning in 1741;[2] the underwriters' rolls, subscription books, and casualty registers, divided between the Guildhall, The London Archives, and Lloyd's own archive; the standing SG-form marine policy, reproduced in the First Schedule of the Marine Insurance Act 1906 after two centuries of use; and, on the litigation side, the King's Bench reports in the English Reports and, for the *Zong*, in Douglas's reports of Trinity Term 1783.[3]

Around that documentary base, the modern reader has three kinds of secondary work to consult. Wright and Fayle remain the fullest single account of Lloyd's from 1688 to 1928, and the natural point of departure. Christopher Kingston's 2007 comparative institutional analysis of British and American marine insurance offers a modern reading of Lloyd's as a governance arrangement whose distinctive feature is the discipline a private market imposed on itself while the state stood back. James Walvin's 2011 monograph on the *Zong* and *Gregson v Gilbert* (1783) is the fullest single account of the case that placed the pricing of enslaved lives, on the underwriters' books, before the King's Bench. Around those three sit John J. McCusker on the origins of the business press,[4] Martin's 1876 history as period source and history at once, D. E. W. Gibb's 1957 *Lloyd's of London: A Study in Individualism*, and Warren R. Dawson's typescript *Roll of Lloyd's* (1931), now digitised by the Underwriting Souls project

[1] Charles Wright and C. Ernest Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day* (Macmillan and Co., 1928), https://archive.org/details/historyoflloydsf0000wrig; Frederick Martin, *The History of Lloyd's and of Marine Insurance in Great Britain* (Macmillan and Co., 1876), https://archive.org/details/historyoflloydso00martuoft.

[2] Lloyd's, *Lloyd's List*, (London), 1734; Guildhall Library, "Lloyd's Marine Collection (Finding Aid)," City of London Corporation, 2024, https://www.cityoflondon.gov.uk/things-to-do/history-and-heritage/guildhall-library/guildhall-library-collections/maritime-collections.

[3] The London Archives, "Lloyd's Captains' Registers (Research Guide)," City of London Corporation, 2024, https://www.thelondonarchives.org/your-research/research-guides/lloyds-of-london-captains-registers; Marine Insurance Act 1906 (6 Edw. 7 c. 41) (1906), https://www.legislation.gov.uk/ukpga/1906/41; Gregson v Gilbert (1783), 3 Douglas 232, 99 English Reports 629 (1783), http://www.commonlii.org/uk/cases/EngR/1783/85.pdf.

[4] John J. McCusker, *European Bills of Entry and Marine Lists: Early Commercial Publications and the Origins of the Business Press* (Harvard University, 1985); John J. McCusker and Cora Gravesteijn, *The Beginnings of Commercial and Financial Journalism: The Commodity Price Currents, Exchange Rate Currents, and Money Currents of Early Modern Europe* (Nederlandsch Economisch-Historisch Archief, 1991).

[5] Warren R. Dawson, *The Roll of Lloyd's, 1771-1930* (Corporation of Lloyd's, 1931), https://wordpress.libdev.jhu.edu/underwritingsouls/; Black Beyond Data, "Underwriting Souls: Lloyd's, the Roll of 1771, and the Slave Trade (Digital Exhibition)," Johns Hopkins University, 2023, https://wordpress.libdev.jhu.edu/underwritingsouls/.

at Johns Hopkins.[5] The Roll gives the prosopographical index of the market; Underwriting Souls has made the slavery-linked scholarship on the 1771 founders public.[6]

Between the late 1680s and the passage of the Lloyd's Act 1871 a coffee house acquired a subscription and a printed news-sheet, became a society by act of its members' own hand, priced the risks of the greatest maritime war in Europe's history, wrote the marine insurance on ships whose "cargoes" were human beings, and, in 1871, received from Parliament a legal personality distinct from any of its members. Each of those movements will be told from its own documents, with the disagreements between its historians named where the disagreement changes the interpretation, and not otherwise. No later coherence is read back into the founding room.

Lloyd's became a durable market by combining shared information and self-governance with several liability borne by each underwriter individually: the *List* gave every member the same dated intelligence, and the coffee-house-turned-Society gave that information a room and a membership, but each man who signed a slip answered for his own line to the last shilling of his own estate. That combination let the market price risk quickly across every trade that came to its tables, lawful and violently exploitative alike. The slave trade was not the whole of Lloyd's business, but for six decades Lloyd's underwriters were among its principal insurers, and the *Zong* put the arithmetic of that underwriting before the King's Bench. Fixing the scale of that involvement precisely, rather than by superlative, does not soften the conclusion; it is what the conclusion rests on.

Chapter 1. c. 1688: Edward Lloyd's rooms

The Tower Street notice

The earliest documentary trace of Edward Lloyd's coffee house is a notice in the *London Gazette* for 18–21 February 1688. A gentleman had lost five watches "of considerable value" and offered a reward: any person who found them and returned them to Mr. Edward Lloyd's coffee house in Tower Street should have a guinea reward, no questions asked. Later notices in the *Gazette* for 1691 and 1692 send the reader to "Lloyd's Coffee House in Lombard Street," and Christmas Day 1691 is the date Wright and Fayle fix for the removal from Tower Street to the premises on the corner of Abchurch Lane and Lombard Street where the house would remain until 1785. Between these two addresses lies the shift the historian has to reconstruct: a coffee house at the eastern end of the City, close to the Custom House and the Legal Quays of the port, moved a short distance west into the merchants' quarter, where the correspondence and the subscriptions of the shipping trade could reach it most directly.[7]

[6] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Christopher Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis," *The Journal of Economic History* (Cambridge) 67, no. 2 (2007): 379–409, https://doi.org/10.1017/S0022050707000149; James Walvin, *The Zong: A Massacre, the Law and the End of Slavery* (Yale University Press, 2011); Martin, *The History of Lloyd's and of Marine Insurance in Great Britain*; D. E. W. Gibb, *Lloyd's of London: A Study in Individualism* (Macmillan, 1957).

[7] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

The move west matters. Tower Street was near the docks. Lombard Street was near the Royal Exchange. Frederick Martin, writing in 1876 within the corporation's living memory, saw the removal as the moment Lloyd's coffee house passed out of the trade of ships' captains and into the trade of underwriters. Wright and Fayle qualify Martin's sharp distinction: the two clienteles overlapped, and the Lombard Street premises continued to serve shipmasters and travelling gentlemen for much of the eighteenth century. Both are right about proportion; the shift was not a substitution but a change of centre of gravity. The gravitational centre after 1691 lay with the merchants and underwriters whose ordinary route through the City ran between the Exchange and their counting-houses in the surrounding lanes.[8]

Coffee houses as commercial premises

The commercial coffee house was, in the last decade of the seventeenth century, a novel form of business premises. The first coffee houses in the City had opened in the 1650s; by 1663 the licensing statute treated them as a category of victualling premises; by the 1680s they had become places where London's commercial and political business was as often transacted as in the Exchange or in a counting-house. Their utility to trade lay in three things at once. They stayed open long hours. They kept newspapers and, sometimes, foreign correspondence on a common table. And they let a man of business be found by his associates without the trouble of appointment. A merchant left word at his coffee house that he would be there between noon and two, and his letters and callers came to him.[9]

The busiest of the seventeenth-century commercial coffee houses were not Lloyd's. Jonathan's, in Change Alley, was the house of the stock jobbers; Garraway's, close by, was the house of the East India merchants; the Jamaica Coffee-House, in St. Michael's Alley, was the house of the West India trade. Lloyd's, from the Tower Street days and increasingly after the Lombard Street removal, became the house of the marine trades: shipmasters, shipowners, ship brokers, and marine underwriters. What distinguished it from Garraway's or the Jamaica was neither the coffee nor the licensing; it was the information the room gathered and the transactions the information supported.[10]

Shipping news at the table

The commodity Lloyd's sold, from the outset of the documentary account, was maritime information. It sold that information in three forms. A customer coming into the house could hear the latest arrivals from the outports, the latest reports of prizes taken, and the latest rumours of losses at sea, from the men in the room. A customer could see, on the common table, whatever London and provincial newspapers the house subscribed to. And, in due course, a customer could buy a printed sheet of shipping intelligence produced by the house itself. The last of these forms, the printed sheet, would not enter the room until 1734. The first two are what the Tower Street and early Lombard Street rooms sold.

[8]Martin, *The History of Lloyd's and of Marine Insurance in Great Britain*; Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[9]Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[10]Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

Two features of the information stand out. It was, first, arriving: reports came in from Deal, Gravesend, Portsmouth, and Cowes, and from correspondents in Amsterdam, Cadiz, Hamburg, and Livorno, and a merchant expecting a cargo needed to know whether his ship had passed the Downs or the Lizard. It was, second, financialisable: a report of a ship overdue was a report of a change in the value of a policy already written on her, and a report of a loss was a report of a claim about to be made. The underwriters at the tables had a direct financial interest in the intelligence the room gathered, and the men who gathered it had a direct interest in bringing it to those tables.

Two eighteenth-century historians of the London commercial press, McCusker and Gravesteijn, place Lloyd's inside a wider European practice: the price current, the bill of entry, and the marine list are old European forms, and the commercial coffee house was, throughout the seventeenth century, one of their principal European vehicles.[11] The house did not invent the form. It concentrated one specialised part of it. The concentration was what mattered: the same clientele met at the same house, at the same tables, week after week, and the information supplied under the same roof to the same buyers acquired a value that no more diffuse market could match.

Marine underwriting before the Society

Marine underwriting in the England of James II and William III was carried on by private individuals, each writing for his own account, each liable to the last shilling of his estate. The mechanism was old, its European origins running back through the mediaeval Italian merchant cities and, from the fourteenth century, through Florentine, Genoese, and Ragusan underwritten policies whose forms passed by Amsterdam and Antwerp into English use.[12] Two Elizabethan statutes had recognised the practice and set up the Chamber of Assurances in the Royal Exchange, where policies were registered. The Chamber had not survived, and by the 1680s marine policies were written outside it, on the private paper of the underwriters, in the coffee houses.[13]

The instrument the underwriters signed was already essentially the standing form of policy that would be reproduced in the Marine Insurance Act 1906 First Schedule as the Ship-and-Goods (SG) policy. A merchant, or a broker acting for him, brought a proposed slip to the room; the underwriters at the tables read it, wrote against their names the sum for which they would subscribe, and initialled the slip; the accumulated subscriptions made up the sum to be insured, and the merchant paid the premiums to each underwriter in proportion to his line. The wording of the policy was formulaic and had been formulaic for two centuries. It insured "at and from" the named ports, covered the perils of the seas, of enemies, of fires, of jettisons, of takings at sea, of pirates and rovers, and left a warranty and a proportion of

[11] McCusker, *European Bills of Entry and Marine Lists: Early Commercial Publications and the Origins of the Business Press*; McCusker and Gravesteijn, *The Beginnings of Commercial and Financial Journalism: The Commodity Price Currents, Exchange Rate Currents, and Money Currents of Early Modern Europe.*

[12] Christopher Kingston, "Governance and Institutional Change in Marine Insurance, 1350-1850," *The Journal of Economic History* (Cambridge) 74, no. 2 (2014): 446–84, https://doi.org/10.1017/S0022050714000369; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

[13] Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

the loss to the assured. The formulae would survive nineteenth-century revision and, in the words the 1906 Act would repeat, they would be the same formulae the men at Lloyd's had used in 1688.[14]

What the room lacked

If the Tower Street and early Lombard Street rooms already gathered a clientele of underwriters and merchants around a specialised marine information trade, then two questions arise about what they did not have. They did not have, in the 1690s, a printed news-sheet of their own. That would follow: Edward Lloyd began *Lloyd's News*, a manuscript-descended printed sheet, in September 1696; it survived seventy-six numbers before an ill-advised paragraph on the House of Lords brought it to an end in the spring of 1697.[15] The full run of the sheet has not survived. Wright and Fayle print the eighty-first and last number (an eighty-first reported at second hand, no copy having been examined) as having been suppressed for its reflection on a Lord's speech; the proprietor apologised, and no further sheet appeared under Edward Lloyd's name in his lifetime.[16]

The rooms also did not have, in the early years, any constitution or governance beyond the ordinary law of the licensed victualler. Edward Lloyd kept the house; the master of the house kept order; the tables were open to any customer who paid for his coffee. The men who sat at the tables entered into their private contracts of insurance under the ordinary law of the merchant. There was no committee, no rulebook, no membership. Lloyd's was, at this stage, a place, not a body. The transition from Lloyd's-the-place to Lloyd's-the-body would not begin until the subscription of December 1771. In the 1690s the room was still only the room.

The Edward Lloyd problem

The single greatest evidentiary problem for a history of the founding decade is that little of Edward Lloyd's own commercial correspondence survives. He is not the author of an autobiography, of surviving letter-books, or of anything one could set against Samuel Pepys's diaries or Roger North's *Discourse of Trade*. Wright and Fayle work from the *Gazette* notices, from the surviving numbers of *Lloyd's News*, from parish registers (Lloyd was buried at St. Mary Woolnoth in February 1713), and from stray reference in the writings of others. Martin, writing in the 1870s, had access to Lloyd's-own oral tradition through elderly members who had known older members, and to a Corporation-of-Lloyd's collection whose extent he described but did not itemise. Both accounts read the Edward Lloyd of the 1680s and 1690s through the institution he did not live to see.[17]

The methodological point is not that nothing can be said of Edward Lloyd, but that whatever is said of him comes through mediating sources whose interests were not his: the *Gazette* mentions him because a watch was stolen, Wright and Fayle because the Corporation had

[14] Marine Insurance Act 1906 (6 Edw. 7 c. 41).

[15] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

[16] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[17] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

commissioned an institutional history, Martin because the coffee-house origin served an 1876 register of its own. The two accounts overlap at the *Gazette* notices and diverge on almost everything else. Only what the *Gazette*, the parish registers, and the ephemeral sheets of *Lloyd's News* support stands as documentary.

Coffee and correspondence

The Continental commercial correspondents whose reports reached Lloyd's did so through the ordinary postal channels of late-Stuart London, at speeds ranging from three or four days from Amsterdam to six or eight weeks from Livorno. The correspondents wrote to individual London merchants, not to Lloyd's, and the coffee house acquired the news at second hand: a merchant showing the material passage of his letter to those around the table, or a broker carrying a summary from his principal's counting-house to the tables where the underwriters sat. What the room concentrated was not the correspondence itself but the summaries of it, and McCusker and Gravesteijn note that the London practice, in the 1680s and 1690s, was still a decade or two behind the price-current houses of Amsterdam and Livorno in the systematic printing of a marine list.[18] Lloyd's would close that gap, at first in a small way with *Lloyd's News* and then, after 1734, with the printed *List*. The 1690s room did not yet do so; it received the news informally and priced its risks against it as the individual underwriter's judgment could support.[19]

The instructive contrast is the Hamburg Assekuranzkammer, which had, from 1620 onward, kept a public register of marine policies and, from 1731, printed regulations for the trade. The London market in the 1680s had neither a comparable register nor comparable regulations. Kingston's institutional comparison observes that the London arrangement was, in the seventeenth century, the least institutionalised of the major European markets, and that its eighteenth-century catch-up came by private subscription rather than by public register or statute. The coffee-house form was not, on that reading, the primitive prehistory of a modern market; it was the medium in which one specific mature market developed, by that medium's own resources.[20]

What the founding decade did

By 1691 a specialised commercial function had lodged itself in a coffee house at the corner of Abchurch Lane and Lombard Street. Marine underwriters wrote for their own accounts on policies of a form that was already two centuries old. Shipping information from the outports and from Continental correspondents concentrated at the same tables where the underwriters sat. There was no association and no constitution. Edward Lloyd, the licensed victualler who kept the house, had already begun a printed sheet of his own; when that sheet failed for political reasons in 1697, the trade of the room continued without it, and without any documentary trace of its transactions that has come down under Lloyd's own name.

[18] McCusker, *European Bills of Entry and Marine Lists: Early Commercial Publications and the Origins of the Business Press*; McCusker and Gravesteijn, *The Beginnings of Commercial and Financial Journalism: The Commodity Price Currents, Exchange Rate Currents, and Money Currents of Early Modern Europe.*

[19] McCusker and Gravesteijn, *The Beginnings of Commercial and Financial Journalism: The Commodity Price Currents, Exchange Rate Currents, and Money Currents of Early Modern Europe.*

[20] Kingston, "Governance and Institutional Change in Marine Insurance, 1350-1850."

Nothing about this decade required a Society, a subscription, or an Act. All three would come, in that order, over the century that followed, and the Lombard Street room, in 1691, was the smallest and most contingent form of what would become the London marine insurance market: small enough to be dispersed by an unfriendly stroke of policy or a bad season of trade. That it was not dispersed by either is a fact of the next half-century.

Chapter 2. 1734: *Lloyd's List* begins publication

What survives, and what does not

Guildhall Library's continuous run of *Lloyd's List* begins in the number for Friday 2 January 1741.[21] The seven years before that number, from the first issue in April 1734 through the end of 1740, are represented only by a handful of witnesses at the British Library and at Lloyd's own archive, under finding aids Wright and Fayle recorded in the 1920s.[22] Wright and Fayle report that the earliest single-sheet numbers were printed for the proprietor Thomas Jemson, of Lloyd's coffee house, at first as a manuscript compilation and then in printed form on a small sheet issued twice weekly, on Tuesdays and Fridays, at threepence per number. Martin, writing sixty years earlier, had seen a broken run of the 1734–1740 sheets in the Corporation of Lloyd's own collection but could not establish its descent from Jemson's original run beyond two numbers identified by internal reference. The evidentiary situation before January 1741 is patchy at the level of the individual number, and secure only at the level of the fact that a printed twice-weekly sheet existed by 1734.[23]

The point matters because the *List* is the running commercial newspaper of the London marine market, and its early continuity is what makes the surviving run valuable to later historians: a merchant consulting, in the 1750s, the arrivals at Portsmouth for a week in 1735 was relying on the number he held being one of a continuous, retrievable sequence. Where that sequence is broken, so is the value of the surviving numbers as a running account of shipping. The Guildhall's holdings give the continuous run from 1741 onward.[24]

The sheet in its form

The physical form of the mid-eighteenth-century *List* was modest. A single leaf of the smallest printer's format, folded once, gave four pages of two columns each. The left-hand columns of the first page ran the arrivals at the outports (Deal, Gravesend, Cowes, Portsmouth, and, in due course, Liverpool, Bristol, Falmouth, and the outposts of the west country). The right-hand columns ran arrivals abroad, entering from Cadiz, Lisbon, Livorno, Amsterdam, Hamburg, and Copenhagen, as those reports reached London by the Continental posts. The interior pages carried casualties, losses, wrecks, and prizes; a list of prices current for principal commodities at the Royal Exchange; and, at first irregularly and, after 1747,

[21] Guildhall Library, "Lloyd's Marine Collection (Finding Aid)"; Lloyd's, *Lloyd's List.*

[22] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

[23] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

[24] Guildhall Library, "Lloyd's Marine Collection (Finding Aid)"; Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

in a standing column, the London exchange rates on the major Continental centres.[25] The last column of the last page was reserved for advertisements: goods for sale, ships offered to freight, sales by candle held at Garraway's or the Jerusalem Coffee-House, and public auctions of prize goods held under Admiralty warrant.

The prose of the *List* was formulaic. An entry ran "Arrived, at Portsmouth, on the 14th instant, the *Prudence*, Reynolds master, from St. Petersburg, with hemp and tallow." A casualty ran "The *Molly*, Watson master, of London, from Barbadoes to London, is put on shore near Beachy Head, and the cargoe expected to be saved." A prize ran "Taken, and carried into Kinsale, the *St. Anthony*, Ferrer master, a Spaniard, from the Havannah to Cadiz, laden with sugars and hides." The formulas were the same formulas the London shipping news had used since the seventeenth century and would continue to use, with minimal variation, into the twentieth. The novelty of *Lloyd's List* was not the diction; it was the completeness, the regularity, and the concentration.

What the printed sheet offered

Two features of the *List* mark its usefulness against the word-of-mouth market that had preceded it. The first was that the printed sheet was, in a mechanical sense, arriving. A subscriber received it at his counting-house or his coffee house on the morning of Tuesday and the morning of Friday. A merchant in Bristol or Norwich, subscribing at the usual annual rate, received the same numbers by the ordinary post a day or two behind the London reader, and had access to the same running account of arrivals and losses that his London counterpart had. The information had ceased to be a face-to-face commodity available only in the rooms at Lloyd's; it had become an object, transportable and storable, that could be filed, indexed, and consulted after the fact.

The second feature was that the printed sheet was, in a documentary sense, dated. The word-of-mouth market had no time-stamp. If two underwriters heard on the same afternoon that a ship was lost, the underwriter who had written her policy in the morning had no way to show, against a later dispute, that his information at the moment of writing was the state of the market's knowledge. The printed *List* supplied precisely such a time-stamp: what was in the Friday number, at morning-post arrival, was the state of the market's knowledge as of the close of Thursday, and what was not in the Friday number was, in a first approximation, not the state of the market's knowledge. The document became evidence. Kingston's institutional analysis observes that the arrival of *Lloyd's List* correlates, in the sequence of the market's development, with the formalisation of underwriter practice and the emergence of standing usages of dating and endorsement whose absence in the pre-1734 market had made post-loss disputes unusually frequent. The correlation is not a causal claim, and Kingston makes none, but the printed sheet was one of a small number of instruments whose arrival is intelligible as a response to the information problems the pre-1734 market had lived with.[26]

[25] Martin, *The History of Lloyd's and of Marine Insurance in Great Britain*; McCusker and Gravesteijn, *The Beginnings of Commercial and Financial Journalism: The Commodity Price Currents, Exchange Rate Currents, and Money Currents of Early Modern Europe.*

[26] Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

McCusker and the wider commercial press

John J. McCusker's 1985 monograph *European Bills of Entry and Marine Lists* places *Lloyd's List* in the wider European commercial press whose development, from the price-currents of Antwerp in the 1540s through the exchange-rate currents of Amsterdam in the 1580s to the commodity-current sheets of Hamburg in the 1620s, ran ahead of the London instruments by roughly a century. What Lloyd's did in 1734, in McCusker's account, was not to invent a form but to catch up with a Continental form and to specialise it. The Amsterdam price-current had gathered commodity prices at one commercial centre; the Hamburg exchange-rate current had gathered exchange rates at one banking centre; *Lloyd's List* gathered shipping intelligence at one maritime centre, and its comparative advantage was less its type than its coverage. Where the earlier Continental sheets had covered a single commodity market or a single banking centre, the *List* covered the whole outport arrivals, foreign arrivals, casualties, prices current, exchange rates, and advertisements at London: it was, in effect, a consolidation of what four or five Continental sheets had done separately.[27] A subscriber who took the *List* at London did not need to take, in addition, the Amsterdam price-current, the Hamburg exchange-current, or any of a dozen other Continental sheets: he had, at threepence twice a week, a functional substitute for a Continental sheaf.[28]

The subscription form

The *List* was not free. It was sold to subscribers, at first by the proprietor of Lloyd's coffee house and afterwards, from the mid-1740s, by the master of the coffee house, and, from its earliest years, sold at the coffee house itself rather than through the independent booksellers who would have marketed a general commercial newspaper. The subscription form is not incidental to the *List*'s later legal and commercial development. A subscription list is a membership list under another name, and the eighteenth-century *List* subscribers were, in the majority, the same men who wrote marine policies at the tables; the information trade and the underwriting trade shared their premises, their clientele, and their commercial cycle. The subscription that would in 1771 constitute the Society of Lloyd's grew out of the subscription that took *Lloyd's List* off the press. The two subscriptions were legally distinct (one to a printed paper, the other to a building fund), but their commercial identity was one and the same body of men, and that identity is the practical bridge between the newspaper of 1734 and the Society constituted in 1771.[29]

The 1734 threshold and the 1741 baseline

Two dates in the historiography of the *List* deserve separate mention. Wright and Fayle give 1734 as the year Thomas Jemson began the sheet in printed form, correcting Martin's earlier report of 1726, which had been drawn from a broken run and a corporation catalogue rather

[27] McCusker, *European Bills of Entry and Marine Lists: Early Commercial Publications and the Origins of the Business Press*; McCusker and Gravesteijn, *The Beginnings of Commercial and Financial Journalism: The Commodity Price Currents, Exchange Rate Currents, and Money Currents of Early Modern Europe.*

[28] McCusker, *European Bills of Entry and Marine Lists: Early Commercial Publications and the Origins of the Business Press.*

[29] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

than a full set.[30] From January 1741 the run at Guildhall Library is continuous; the paper moved from twice-weekly to daily publication in 1837.[31] That baseline is the operational document behind the running economic history of British Atlantic shipping into the Act of 1871: arrivals, losses, prizes, prices current, and exchange rates, in regular sequence for a hundred and thirty years. Kingston and McCusker, among others, have made extensive use of it.[32]

The information side joined

What the printed *List* did to the market was to join, by a public instrument, its two sides. Until 1734 the information side of the market and the underwriting side of the market had been joined only by the physical fact that both sat at the same tables in the same coffee house. The joining was informal, oral, and available at first hand only to men present in the room. From 1734 the joining acquired an object. The object was a printed sheet, published twice a week, dated, subscribed to, and archivable. An underwriter could point to the Tuesday number as the state of the market's knowledge at Tuesday's morning post. A merchant in a provincial port could subscribe to the Friday number and know, when he wrote to his London broker, what the London tables had heard on Thursday. A litigant, twenty years later, could produce the number of a particular date and settle a dispute over what the market had known at the moment a policy was written.

Nothing in the printed sheet altered the SG-form policies the underwriters signed, and nothing in the sheet altered the ordinary law of marine insurance under which the policies were construed. What the sheet altered was the informational infrastructure inside which the policies were priced. A market that had priced against oral rumour now priced against a printed dated sheet, whose contents were, in principle, available to every underwriter equally. That equality of information at the moment of writing was not a levelling of the market: the underwriters at Lloyd's who wrote the largest lines had, in every generation, access to correspondents whose reports the *List* did not carry, and this asymmetry would persist. What the sheet supplied was a common baseline against which every underwriter's specific information could be measured, and against which every post-loss dispute could be adjudicated.

By the end of the 1730s the London marine insurance market had, at Lloyd's coffee house, both an ordinary premises and a periodical of its own. Neither was legally distinct from the coffee house that housed both. A stationer's shop with the coffee house's shop-front and the printer's imprint of Thomas Jemson gave the sheet its printed existence; the coffee house's subscribers gave it its circulation. There was, still, no society, no constitution, no committee.

[30] Martin, *The History of Lloyd's and of Marine Insurance in Great Britain*; Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*.

[31] Guildhall Library, "Lloyd's Marine Collection (Finding Aid)"; Royal Museums Greenwich, "Principal Records for Maritime Research: Lloyd's List," Royal Museums Greenwich, 2026, https://www.rmg.co.uk/collections/research-guides/research-guide-a2-principal-records-maritime-research.

[32] Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis"; McCusker, *European Bills of Entry and Marine Lists: Early Commercial Publications and the Origins of the Business Press*.

The paper's continuity would in due course outrun that of every generation of subscribers, and a hundred and eighty years later it would still be a fact about the London market that its running account of shipping was in the sheet that had begun, in 1734, on a stationer's press for a Lombard Street coffee house.

Chapter 3. 1771: The Society of Lloyd's

The Pope's Head Alley move, 1769

On 21 March 1769 a group of underwriters and brokers, who had been customers of Lloyd's coffee house in Lombard Street, took premises at 5 Pope's Head Alley and opened what they called New Lloyd's Coffee House. A week later, on 28 March 1769, the first number of *New Lloyd's List* appeared, printed for the new premises by the same Thomas Jemson (or, on Wright and Fayle's reading, by Jemson's successor) who had been printing the *List* at the old premises since 1734. The reason given by contemporaries was that the old coffee house in Lombard Street had ceased to be a serious place of business. Wagering policies, gambling risks, and speculative insurance on the lives of prominent persons had come to dominate the tables; the serious underwriters, who wrote marine risks on straightforward SG-form policies, had grown tired of the atmosphere; and they had taken themselves and their business elsewhere[33] .[34]

Frederick Martin, in 1876, treated the 1769 removal as a moral event: "The serious underwriters could no longer endure the low company they found in Lombard-street, and set up on their own account". Wright and Fayle are more cautious about the moral tone but concur in the fact: the move was a self-separation of the marine underwriters from the general run of coffee-house speculation. Neither the move nor the new premises had a legal existence separate from the ordinary law of the licensed victualler: New Lloyd's was, like old Lloyd's, a coffee house, its underwriters private individuals writing for their own account, its *List* a privately printed subscription paper. What the move accomplished was a change of premises and clientele, not of institutional form.[35]

The subscription of 13 December 1771

Two years and eight months later, on 13 December 1771, seventy-nine merchants, underwriters, and brokers who used New Lloyd's subscribed one hundred pounds each toward the building or purchase of a new and more spacious set of rooms for the trade.[36] The subscription document is the founding instrument of what the corporation would afterwards call the Society of Lloyd's. The document was not, at its face, an incorporating statute or a constitution: it was a subscription toward a fund for premises, and the ordinary law of a private-fund subscription governed it. What it produced, however, was a list of named men

[33] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain*.

[34] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[35] Martin, *The History of Lloyd's and of Marine Insurance in Great Britain*; Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[36] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Dawson, *The Roll of Lloyd's, 1771-1930.*

who had put down capital toward a common purpose; the list was the first documentary trace of a Lloyd's membership.[37]

Warren R. Dawson's *Roll of Lloyd's*, prepared in typescript for the Corporation of Lloyd's in 1931 and digitised as part of the Black Beyond Data project *Underwriting Souls* at Johns Hopkins in 2023, names all seventy-nine subscribers (Wright and Fayle count seventy-nine, Lloyd's own factsheet gives seventy-seven, and the difference reflects whether one includes two names that appear in one manuscript witness but not another).[38] Of the seventy-nine, more than half were engaged, in one commercial capacity or another, with the transatlantic slave trade, whether as merchants trading in the West Indies, as bankers financing the Guineamen, as owners of plantations whose enslaved workforces the Guineamen supplied, or as marine underwriters writing the insurance that made the trade possible.[39] The prosopographical fact is not incidental to a history of Lloyd's; it is the composition of the Society at its foundation, and its consequences would run through the market's engagement with the transatlantic trade until abolition in 1807.

Three readings of the transition

Three readings of the coffee-house-to-society transition dominate the modern historiography, and their disagreements are worth setting out.

The first reading is Charles Wright and C. Ernest Fayle's, in their 1928 institutional history commissioned by the Corporation of Lloyd's. Wright and Fayle read the 1771 subscription as a continuation of the practices of the coffee-house rooms: the same men who had underwritten at the Lombard Street tables continued to underwrite in the new premises; the same forms of policy were signed; the same broker-to- underwriter procedures obtained. The 1771 subscription changed the address but not the trade. On this reading, the Society was a container into which an existing commercial practice poured itself; the container mattered less than the practice, and the practice ran continuously from the 1690s to the middle of the nineteenth century. Wright and Fayle's interpretive commitment is to continuity, and their institutional history is the fullest single example of that reading.[40]

The second reading is Christopher Kingston's, in a 2007 article in the *Journal of Economic History* and a 2014 sequel on the governance of marine insurance from 1350 to 1850. Kingston reads the 1771 subscription as an institutional response to an information problem: the coffee-house market had, by the middle of the eighteenth century, become vulnerable to adverse selection and free-riding, because any underwriter could, by walking through the door, take advantage of the market's collective intelligence without contributing to it, and because inexperienced underwriters could write policies against risks whose costs to the

[37] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[38] Dawson, *The Roll of Lloyd's, 1771-1930*; Black Beyond Data, "Underwriting Souls: Lloyd's, the Roll of 1771, and the Slave Trade (Digital Exhibition)"; Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[39] Black Beyond Data, "Underwriting Souls: Lloyd's, the Roll of 1771, and the Slave Trade (Digital Exhibition)"; Robin Pearson and David Richardson, "Insuring the Transatlantic Slave Trade," *The Economic History Review* 72, no. 4 (2019): 1327–52, https://doi.org/10.1111/ehr.12699.

[40] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

market were then socialised through the ordinary channels of counterparty exposure.[41] The 1771 subscription, on Kingston's reading, was the mechanism through which the serious underwriters instituted a paying membership that could exclude the free rider and, by exclusion, protect the market's collective information from dilution. The Society was, on Kingston's account, a club in the technical sense of an association whose membership rules addressed a specific market failure. Where Wright and Fayle read continuity, Kingston reads institutional emergence.[42]

The third reading is D. E. W. Gibb's, in *Lloyd's of London: A Study in Individualism* (1957). Gibb accepts Kingston's institutional point avant la lettre (Kingston's articles postdate Gibb's book by two generations), but shifts the interpretive emphasis: what the Society preserved, on Gibb's reading, was not the collective information of the market but the individual underwriter's personal liability for his own line. Gibb's argument is that the 1771 subscription and its subsequent Committee were designed precisely to keep the underwriter individually liable for his subscription, so that a joint-stock corporation of the sort that had been chartered in 1720 for the Royal Exchange Assurance and the London Assurance would not, at Lloyd's, capture the trade. On Gibb's reading, the Society was the vehicle for the survival of an eighteenth-century principle (personal liability, to one's last shilling, for what one had subscribed) into the joint-stock nineteenth century.[43]

The three readings are not, at every point, incompatible: the same Committee that excluded the free rider also preserved the personal-liability principle, and the same underwriters who continued the trade were the men who did both. They differ in where the interpretive weight falls: Wright and Fayle on the trade, Kingston on the institution, Gibb on the principle. A reading that drops one of the three flattens the question the subscription raises. The subscription was a change of premises, a change of institution, and a preservation of a principle, all at once.

The Committee and the Royal Exchange move

The 1771 subscribers did not, in the same instrument, constitute a Committee. The Committee came the following year. At a general meeting of the subscribers on 25 March 1772, nine members were appointed to manage the affairs of the fund, to obtain the premises for which the subscription had been raised, and to draft rules for the conduct of the business. The nine were, on the surviving witness lists, John Julius Angerstein, Joshua Readshaw, Brook Watson, Thomas Bell, Robert Shedden, William Hamilton, Alexander Fordyce, John Ewer, and one or two others whose exact identification Wright and Fayle leave to a footnote.[44] The composition of the first Committee is significant. Angerstein, who would in due course become identified in the public imagination with Lloyd's itself, was already, in 1772, one of the most substantial underwriters at New Lloyd's, and his commercial engagements included

[41] Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis"; Kingston, "Governance and Institutional Change in Marine Insurance, 1350-1850."

[42] Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

[43] Gibb, *Lloyd's of London: A Study in Individualism.*

[44] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Dawson, *The Roll of Lloyd's, 1771-1930.*

extensive dealings with the West India trade; the recent research compiled by Black Beyond Data has documented the extent to which his fortune was linked to the plantation economy of the West Indies. Brook Watson was a Newfoundland trader whose firm did business with the Newfoundland and West India fisheries; Fordyce was a banker of substance whose collapse in June 1772 would precipitate a broader financial crisis in London.[45]

The premises the Committee sought were, in the event, obtained not by purchase but by lease: on 7 March 1774 the subscribers moved to two rooms in the north-west corner of the second storey of the Royal Exchange, and the coffee house at Pope's Head Alley was closed.[46] The move marked the physical detachment of the Society from a licensed victualler's premises: the rooms were still supplied with coffee and open to the same underwriters and brokers, but they were the Society's own, under a lease taken by the Committee for the subscribers' collective account. Nineteenth- century usage would go on calling the rooms Lloyd's Coffee House; from March 1774 they were, in law, the Society's premises.

Life Assurance Act 1774 and the wager problem

The 1769 removal from Lombard Street had been provoked by the wager policies that had degraded the old rooms into a kind of coffee-house casino. The wager problem was not solved by the removal. Wager policies, gambling insurance on lives, and speculative policies on the outcome of public events had continued to be written in London coffee houses through the 1760s and the early 1770s, and had drawn to themselves the reforming attention of Parliament. The Life Assurance Act of 1774, sometimes called the Gambling Act, required a person taking out an insurance on the life of another to have a lawful interest in the life insured, and made void policies taken out without such an interest.[47]

The 1774 Act did not name Lloyd's and was not the Society's own work; its concern was life insurance, and its provisions did not touch the SG-form marine policies signed at the Royal Exchange rooms.[48] It mattered to Lloyd's indirectly: what Parliament disapproved in 1774 as gambling on lives was the same class of transaction the marine underwriters had disapproved, in 1769, as unserious business, and the convergence gave the New Lloyd's men's private judgment a form of public sanction their subscription alone had not supplied.

What the Society constituted

By 1774 the Society of Lloyd's had a subscription document, a Committee, a set of rules for the conduct of business, and premises of its own; it did not have an incorporating statute, a common seal, or legal personality distinct from its several members. In the strict eighteenth-century sense it remained a private association whose acts were its members' acts. What it had produced was self-governance, narrow in scope: admission to the Society's rooms, the

[45] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Black Beyond Data, "Underwriting Souls: Lloyd's, the Roll of 1771, and the Slave Trade (Digital Exhibition)."

[46] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

[47] Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

[48] Martin, *The History of Lloyd's and of Marine Insurance in Great Britain*; Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

terms on which brokers could place risks with Society underwriters, and the maintenance of the *List* as the Society's own paper. It did not touch the legal validity of a policy, the terms of the SG form, or the settlement of disputes between an underwriter and an assured; those remained matters of the general commercial law and the ordinary courts. The Society governed its own house; the King's courts governed the policies its members wrote. Chapter 7 returns to what a statute would eventually add to, and leave untouched in, that arrangement.

The composition of the Society

One further feature of the 1771 subscription needs to be recorded. The seventy-nine subscribers who put down one hundred pounds each in December 1771 were, in the majority, men whose commercial engagements with the transatlantic slave trade were direct and substantial. Pearson and Richardson's 2019 study of the insurance of the transatlantic slave trade estimates that, in the last third of the eighteenth century, slaving voyages accounted for something like five to seven per cent of British marine insurance premiums, a minority but a durable one, and that the London and Liverpool markets between them wrote the greater part of that business. The *Underwriting Souls* project at Johns Hopkins has traced the commercial and financial engagements of the seventy-nine subscribers themselves and has concluded that a substantial majority had direct commercial engagement with the trade in the form of West India merchant houses, plantation ownership, Guinea-coast trading, or the marine underwriting of the voyages themselves. The composition is not incidental to the Society's constitution: the men who subscribed £100 for the building of a new coffee house in December 1771 were, in significant proportion, men who were, at the same moment, writing policies on the voyages that carried enslaved people across the Atlantic.[49]

That a majority of the founding subscribers had a hand in the trade is a fact about the men, individually liable on their own lines, who made up the Society at its founding; it is not a fact about the Society writing or adjudicating a policy as a corporate body, which, before 1871, it had no legal capacity to do. Both facts must be stated at the level the evidence supports: the market at Lloyd's, through the private underwriting of its members, was among the principal insurers of the transatlantic slave trade, a trade that by Pearson and Richardson's estimate accounted for five to seven per cent of British marine insurance premiums generally, without amounting to the whole or even the greater part of what the London market as a whole underwrote. What share of that five to seven per cent Lloyd's underwriters wrote, as against London's joint-stock and provincial competitors, the surviving estimates do not resolve to a single figure; Pearson and Richardson's own account has the London and Liverpool markets dividing the business between them, with the balance shifting toward Liverpool over the following decades (Chapter 5 returns to that shift). The trade remained part of Lloyd's business until abolition in 1807. The *Zong* case of 1781–83, in which the litigation exposed the pricing of enslaved lives on the underwriters' books, was argued against the background of a Society whose founding membership, ten years earlier, had already been substantially engaged in underwriting exactly such voyages.

[49] Pearson and Richardson, "Insuring the Transatlantic Slave Trade"; Black Beyond Data, "Underwriting Souls: Lloyd's, the Roll of 1771, and the Slave Trade (Digital Exhibition)."

Chapter 4. 1781–1783: The *Zong* and *Gregson v Gilbert*

The insurance policy

No copy of the *Zong*'s policy survives. What is known of its terms comes from the reported argument and from Douglas's report of the subsequent litigation, not from an inspection of the document itself. The narrative that can be written is of the reported terms, Douglas's report of the trial, Mansfield's reported judgment, and the abolitionist accounts that followed; the policy's physical form, its subscription lines, and its underwriters' signatures lie beyond it, no copy having survived to be examined.

On the terms the litigation reports, the *Zong* was insured, before her voyage from Cape Coast to Jamaica began in August 1781, at a valued policy of thirty pounds per enslaved person on the ship's outward manifest, on the Ship-and-Goods form of policy the Lloyd's market used for its marine risks generally.[50] The policy, as reported, was of the ordinary kind: it insured the owners, William Gregson and the other Liverpool merchants of the partnership, against the perils of the seas, of enemies, of fires, of jettisons, of takings at sea, and of pirates and rovers, and it valued each enslaved person on board at £30 for the purposes of any claim for a total or partial loss. The policy did not name the enslaved persons individually. It insured them, in the technical language of the SG form, as goods; and the valuation of £30 per head was, on Walvin's account, close to the figure the Liverpool trade used in the 1770s and 1780s for what a Guineaman's outward cargo of enslaved people was worth, insured and delivered, at Jamaica or the West Indies.[51]

The technical language will bear the pressure a moral reading of the policy will place on it. The SG form was not a form for the insurance of persons. It was a form for the insurance of "the ship or vessel, and the goods and merchandises whatsoever laden or to be laden on board". The Liverpool merchants and the Lloyd's underwriters had insured the enslaved persons on board the *Zong* under the second of those two categories, and the whole subsequent litigation would turn on that categorisation. When counsel for the owners argued, before the King's Bench in Trinity Term 1783, that the loss of the enslaved persons at sea was a jettison of goods for which the underwriters were liable, they were arguing on the face of the policy the underwriters had signed. The policy said what it said.[52]

The voyage, 6 September – 22 December 1781

The *Zong* had been captured, as the Dutch prize *Zorg*, off Cape Three Points in West Africa in February 1781 by the British privateer *Alert*. Sold at auction at Cape Coast to a syndicate of Liverpool merchants under the lead of William Gregson, the vessel had been recommissioned under a new captain, Luke Collingwood, a surgeon-turned-shipmaster of thirteen years' experience in the Guinea trade. Collingwood loaded, at Cape Coast and along the Guinea coast between February and August, some 442 enslaved persons, against the manifest capacity his London insurers had priced for a lower figure; the ship was, by any

[50] Marine Insurance Act 1906 (6 Edw. 7 c. 41); Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*

[51] Walvin, *The Zong: A Massacre, the Law and the End of Slavery*; Pearson and Richardson, "Insuring the Transatlantic Slave Trade."

[52] Marine Insurance Act 1906 (6 Edw. 7 c. 41); *Gregson v Gilbert (1783), 3 Douglas 232.*

of the standing measures of the Liverpool trade, overloaded. She sailed for Jamaica on 6 September 1781 with a crew of seventeen.[53]

The navigation and the disease outbreak that followed form, in Walvin's reconstruction from the litigation papers and the Liverpool merchants' correspondence, the immediate context of the killings. Collingwood mistook Jamaica for Hispaniola on 27 or 28 November, and instead of putting into Bluefields on the west of Jamaica sailed on for a day or a day and a half, before recognising the error. By that point sixty-two of the enslaved persons on board and seven of the crew had died of disease; a further number were sick; and the ship's water supply, on Collingwood's calculation, was insufficient to carry the remaining living to Jamaica alive.[54]

On 29 November 1781, on Collingwood's order, fifty-four enslaved persons, all women and children, were thrown overboard through the cabin windows.[55] On 1 December, a further forty-two enslaved persons, men, were thrown overboard from the deck. On 2 or 3 December (the sources differ), a further twenty-six were thrown overboard, some of them attempting to resist. Rain fell on the same day, providing enough water to fill six casks, and the *Zong* reached Bluefields, Jamaica, on 22 December 1781 with two hundred and eight enslaved persons alive on board. The number killed by jettison, on the litigation witnesses, was one hundred and thirty-two. Walvin's reconstruction allows for as many as one hundred and forty-two on the fuller witnesses, and the discrepancy has never been resolved, since the ship's log for the relevant days was, on the owners' testimony, lost or destroyed.[56]

The claim

The owners of the *Zong*, on the ship's return to Liverpool in 1782, submitted a claim to the London underwriters for the value of the enslaved persons thrown overboard: at £30 per head, the claim was between £3,960 (on the low count) and £4,260 (on the higher count). The claim was made under the head of "jettison", the technical category on the SG form for goods thrown overboard "for the safety of the ship and cargo."[57] The argument the owners' counsel would in due course put before the Court of King's Bench was that the jettison had been necessary, having regard to the state of the water supply and the risk to the whole voyage, and that under the SG form the underwriters were liable for the value of the goods so lost.

The underwriters refused the claim. Their case was that the ship had had, at the time of the jettison, sufficient water for the remaining voyage; that the ship's water shortage, if any, was the consequence of the master's negligence in navigation; and that on either ground the loss was not a jettison for which the underwriters were liable under the standing form of policy.[58] The parties went to trial. A jury at Guildhall, on 6 March 1783, found for the owners. The underwriters moved for a new trial on the ground that the verdict was against the evidence

[53] Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*

[54] Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*

[55] Walvin, *The Zong: A Massacre, the Law and the End of Slavery*; *Gregson v Gilbert (1783), 3 Douglas 232.*

[56] Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*

[57] Marine Insurance Act 1906 (6 Edw. 7 c. 41); Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*

[58] Walvin, *The Zong: A Massacre, the Law and the End of Slavery*; *Gregson v Gilbert (1783), 3 Douglas 232.*

and the law of insurance. The motion came before Lord Mansfield, Chief Justice of the King's Bench, and his colleagues Willes and Buller JJ in Trinity Term 1783.

Gregson v Gilbert, 22 May 1783

Douglas's report of the argument on the motion for a new trial fills two and a half pages in the third volume of his reports; the English Reports reprint runs from 99 ER 629. The argument was, on its face, a marine-insurance argument. Solicitor- General John Lee, for the owners, described the case as one of goods jettisoned for the necessary preservation of the ship: "The case of slaves was the same as if horses had been thrown overboard."[59] Counsel for the underwriters put the case as one of fraud and negligence: the master's account of the water supply was, on the evidence, unreliable; the ship had, on the day rain fell, still nearly two hundred gallons of water in her casks; and the jettison was not, in law, a jettison for necessity.[60]

Lord Mansfield's judgment on the motion is short. The Lord Chief Justice's remarks were reported by Douglas as follows: he thought the verdict of the jury had been against the evidence, both as to the number of slaves alleged to have been thrown overboard and as to the alleged necessity of the jettison; that the underwriters were not to be affected in law by what the master had done in the negligent navigation of his ship; and that on both grounds a new trial ought to be granted. Willes and Buller JJ concurred. The new trial was granted. Whether a second trial was held is not disclosed by the surviving papers of the court; it is generally supposed, on the correspondence of the parties, that the underwriters and the owners settled out of court.[61]

Two features of Mansfield's decision are easily overstated. Mansfield did not decide, in *Gregson v Gilbert*, that the killing of the enslaved persons on the *Zong* was murder. The decision was on the marine-insurance question, and the marine-insurance question was whether the loss was a jettison for which the underwriters were liable. Mansfield's finding was that the evidence did not support the jury's finding of jettison for necessity, and that a new trial was therefore required. Mansfield also did not decide that the enslaved persons on the *Zong* were persons rather than goods for the purpose of the SG policy. On the face of the reported judgment, they were treated throughout the argument as goods, and the phrase Mansfield used ("as if horses had been thrown overboard") repeats the counsel's own analogy without objection. Walvin's 2011 account is careful on both points, and departs from an earlier reforming tradition that had made Mansfield the hero of an anti- slavery decision he had not, in fact, made.[62]

A further point on the legal category needs stating. The categorisation of enslaved persons as goods, on the SG-form policy, was not a peculiarity of *Gregson v Gilbert*. It was the standing usage of every marine policy the Lloyd's market wrote on a slave- trade voyage between

[59] *Gregson v Gilbert (1783), 3 Douglas 232*; Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*
[60] *Gregson v Gilbert (1783), 3 Douglas 232.*
[61] *Gregson v Gilbert (1783), 3 Douglas 232*; Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*
[62] *Gregson v Gilbert (1783), 3 Douglas 232*; Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*

the middle decades of the eighteenth century and the abolition of the trade in 1807.[63] The insurance of a Guineaman's outward cargo of enslaved people, at £30 or £40 per head insured, was a routine transaction of the market; the policy form the underwriters signed was the same SG form under which they insured hemp and tallow, sugar and rum, copperware and cotton. What made the *Zong* a landmark was not that the underwriters had written such a policy, since they had written thousands, but that the litigation had exposed, on the face of a reported judgment, what the writing meant. The abolitionists who followed Sharp back to *Gregson v Gilbert* took from it not a legal holding but a moral document: the King's Bench had heard, argued as a commercial claim, the destruction of one hundred and thirty-two persons, and the report of the argument was there to be read.

Granville Sharp and the abolitionist reading

Granville Sharp, the abolitionist, learned of the *Zong* case in March 1783 from Olaudah Equiano, who had been sent by his own free Black community to alert Sharp to the killings. Sharp attended the motion for the new trial in May 1783 and made a verbatim shorthand note of Mansfield's judgment. He then, in the month following the King's Bench decision, wrote to the Admiralty, to the Duke of Portland, to the Attorney General, and to the Bishop of London, urging that a criminal prosecution be brought against Collingwood and his officers for the murder of the enslaved persons who had been thrown overboard. The criminal prosecution was not brought. Collingwood had died before the ship reached England in 1782; the first mate James Kelsall, who had given evidence at Guildhall, was not prosecuted; and none of the owners was ever charged with any offence in connection with the killings.[64]

The abolitionist afterlife of the *Zong* was in the public press. Sharp circulated his notes of the judgment and a short account of the killings to newspapers and sympathetic members of Parliament; Clarkson quoted the case in his 1785 prize-winning Cambridge essay against the trade, Wilberforce cited it in his first parliamentary speech on abolition in 1788, and Equiano gave it extended treatment in his 1789 *Interesting Narrative*. From 1783 to abolition in 1807, the *Zong* remained the case to which abolitionist writers returned when they needed to place before the public what the trade did, and what the underwriters' books priced.[65]

What Lloyd's underwriters had written

The precise point, at the end of the *Zong* material, is narrower than "the Society wrote this policy." The Society of Lloyd's, before 1871, had no legal capacity to write or adjudicate a policy in its own name; a policy was always the several undertaking of the individual underwriters who signed it. What the surviving sources support is that the underwriters against whom the Gregson syndicate's claim was pressed (the Gilbert of the case's title, and his co-defendants) were members of the Society whose constitution had been laid down at Pope's Head Alley twelve years before, writing on the SG-form policy the Lloyd's market

[63] Pearson and Richardson, "Insuring the Transatlantic Slave Trade"; Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*

[64] Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*

[65] Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*

used for such voyages, at Lloyd's rooms.[66] Those were individual underwriters, Lloyd's men each liable on his own line. The Society as a corporate body neither underwrote nor defended the claim; before 1871 it had no legal capacity to do either.

The Society of Lloyd's, in December 1781, on the day the killings on the *Zong* took place, was ten years old; its Committee had been in place for nine years, its rooms at the Royal Exchange for seven. The *List* recorded the *Zong*'s arrival at Bluefields on 22 December 1781 as one arrival among many. When the claim came in from Liverpool the following spring, the Committee did not, on the surviving papers, deliberate on the case as a matter of Society policy: the case was a matter between the individual underwriters and the assured, and the ordinary procedure of the market took its course.[67]

The *Zong* was one of many slave voyages insured in the British marine market, and the claim on its policy was one of many claims Lloyd's underwriters considered in these years. The distinctiveness of the *Zong* case, from the market's own point of view, was not that it was a slave-trade case but that it was a case in which the master's conduct transformed the ordinary categories of the SG form into an evidentiary problem the courts could not easily settle.[68]

A final point remains. The Society of Lloyd's, as an institution, did not respond to the *Zong* case. It did not issue rules limiting the writing of slave-trade risks; it did not alter the SG form to preclude the treatment of enslaved persons as goods; it did not, on the surviving Committee minutes, discuss the case at any general meeting. The market continued to write slave-trade insurance on the standing form and at the standing rates until the abolition of the trade in 1807 gave the market no further such policies to write. What *Gregson v Gilbert* placed before the King's Bench was the pricing of enslaved lives on the underwriters' books; what the Society of Lloyd's did with the placement was to leave it, in the ordinary channels of counterparty litigation, to work itself out. The dark ledger, in the years after 1783, remained open on the same terms it had been kept before, and would be closed only by the abolition of the traffic it insured.[69]

Chapter 5. c. 1800: The Napoleonic-war insurance market

A market tested, not transformed

On 1 February 1793 the French National Convention declared war on Great Britain and the Netherlands. The war would last, with two short intervals of peace (the Peace of Amiens, March 1802 to May 1803, and the first Bourbon restoration, April 1814 to March 1815), until Waterloo in June 1815. It was the longest general war Europe had fought since the Thirty Years' War, and the largest maritime war in the history of British trade. The Society of Lloyd's, at the outbreak, had held its Royal Exchange rooms for nineteen years and had a Committee

[66] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Dawson, *The Roll of Lloyd's, 1771-1930*; Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*

[67] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[68] Pearson and Richardson, "Insuring the Transatlantic Slave Trade."

[69] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

and rules of its own; it also had, since 1720, a settled competitor in the two chartered joint-stock corporations, the Royal Exchange Assurance Company and the London Assurance Corporation, whose parliamentary monopoly reserved joint-stock marine underwriting to themselves and left the field of individual underwriting to Lloyd's and to the provincial markets at Bristol, Liverpool, and elsewhere[70] .[71]

No underwriter's ledger, run of policies, or defined premium series for the war years survives. The war years are accordingly a bridge, told at the level of generality the secondary literature and the published Parliamentary evidence support, between the Society's constitution of 1771–74 and the Room of the 1820s; how any particular underwriter priced any particular risk cannot be reconstructed.

The war put three new categories of risk onto the underwriters' tables: convoy risk, once the Admiralty required naval escort from May 1793; blockade risk; and privateering risk, on ships taken under letters of marque.[72] Premiums moved with the war news the *List* carried, a squadron's departure or a port's closing showing up in the week's rates. The mechanism continued unchanged: individual underwriters pricing against dated, shared intelligence, now applied to a wartime range of perils.

The 1810 Select Committee

The 1720 monopoly came under parliamentary review in 1810. A Select Committee on Marine Insurance, chaired by Sir William Manning, took evidence from Lloyd's underwriters, from the two chartered companies, from provincial underwriters, and from merchants and shipowners across the East India, West India, and Levant trades.[73] The witnesses agreed that the Lloyd's market, by premium volume, was several times the size of the two chartered corporations combined, and attributed the gap to the individual underwriter's ability to quote and settle without the delay a joint-stock board's directors and shareholders imposed.[74] Kingston reads the evidence as a description of a governance mechanism that aligned each underwriter's pricing with his own exposure; Wright and Fayle read it, from within the Corporation's own tradition, as the personal responsibility that had been the market's practice since the coffee-house rooms. The two readings describe the same evidence from different vantages and are not in tension.

Parliament did not act on the 1810 evidence at once. The 1720 monopoly was repealed only in 1824, by 5 Geo. 4 c. 114, which opened joint-stock marine underwriting generally. Through the intervening years the chartered companies kept the legal privilege and Lloyd's kept the

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[70] Martin, *The History of Lloyd's and of Marine Insurance in Great Britain*; Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

[71] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[72] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

[73] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

[74] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

business.[75]

Liverpool, and the slave-trade share

Lloyd's did not hold the domestic market alone. Provincial underwriting groups at Liverpool, Bristol, and, on a smaller scale, Hull and Glasgow, wrote individual-liability policies on the same model as Lloyd's. In the slave trade specifically, the Liverpool market's underwriters, closer to the particular ships, captains, and voyages of that trade, took an increasing share of its insurance from the 1780s onward, a shift that continued until British abolition in 1807 ended the legal class of business.[76] Continental competition, by contrast, mattered little: the war closed the Amsterdam, Hamburg, Bordeaux, and Marseille markets to British business for most of its course, leaving London the marine insurance market of the British trade almost without a Continental rival.[77]

Losses, capital, and the Patriotic Fund

Between 1793 and 1815 the Lloyd's market absorbed war losses that Wright and Fayle estimate, without a figure precise enough to repeat here, at many tens of millions of pounds. It did so on the individual-liability model described in the preceding chapters: each underwriter's own capital and credit stood behind his own lines, the Committee neither recapitalised members who failed nor bore any collective liability for them, and underwriters who could not meet their subscriptions dropped out, to be replaced by others whose fortunes the same war had made[78] .[79]

One institutional novelty of the war did originate with the Society. On 20 July 1803, weeks after the resumption of hostilities that followed the Peace of Amiens, a general meeting of Lloyd's members resolved to open a subscription for wounded seamen, the families of those killed in action, and officers whose commands had been lost in engagement with the enemy.[80] The subscription became the Patriotic Fund, administered separately from the Society's underwriting business and grown, by 1815, into the country's principal private fund for naval and merchant-marine relief. Wright and Fayle read the Fund as evidence that the Society had, by the war's first decade, come to see itself as a national institution rather than a private trade association.[81]

What the war confirmed

The Peace of 1815 left the Society's Committee, *List*, and SG-form policy in unbroken function. The Manning Committee's evidence of 1810 and the 1824 repeal that eventually

[75] Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

[76] Pearson and Richardson, "Insuring the Transatlantic Slave Trade"; Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

[77] Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis"; Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[78] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

[79] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[80] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

[81] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

followed both treated the Lloyd's market's dominant position as an accomplished fact rather than a question still open; what the Act of 1871, sixty years later, would give statutory form to was a market position the Society had already earned in the war years and defended, without state subvention, on its own capital.[82]

Chapter 6. c. 1830: The subscription book and the bell

The Room and its furniture

By 1830 the rooms Lloyd's had occupied at the Royal Exchange since 1774 had acquired the physical furniture that would identify them for the rest of the century. A visitor entering the Room in the 1830s (the term "the Room" would come to name Lloyd's regardless of its actual physical premises, and had by this decade already displaced "the Coffee House" in the ordinary usage of members) found a large hall with rows of boxes along the walls and down the centre, at each of which one principal underwriter sat with his assistants and his broker correspondents.[83] The boxes were, physically, wooden partitions with desks at which the underwriter worked; each box was assigned to a single underwriter of standing, and the underwriter's box was, by settled usage, his personal place of business. A junior underwriter without a box sat at a table in the middle of the Room; a broker seeking to place a risk walked from box to box, presenting the slip to each senior underwriter in turn until the whole subscribed sum was made up.

At the head of the Room, on a raised dais, stood the desk of the caller (later called the Waiter, and later still the Master), whose office was to announce shipping arrivals and losses as they came in and to make announcements to the Room on Society business. In the 1830s the announcement was still made by voice: the instrument for which the caller's dais is now best remembered, a ship's bell salvaged from the wreck of the frigate *Lutine*, did not join the Room's furniture for another quarter-century, and belongs at its own later date rather than here.

An underwriter's information, in the 1830s Room, arrived by voice from the dais, by the printed *List* at his box, and by the broker who walked the Room with a slip and a report. That threefold arrival, not any single instrument, was what made the Room's intelligence simultaneous: news reaching the Room reached every underwriter and broker present at the same session, and no one had a first-mover advantage over any other by virtue of where he sat.

The subscription book

The subscription book was the working document of Lloyd's membership. Every candidate for admission as an underwriting member was required to be introduced by an existing member, to be balloted by the Committee, and, on election, to sign the book and to pay the subscription fee. From 1811 onward the entrance fee had been £100, with an annual

[82] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

[83] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

subscription of a further amount that varied through the century (four guineas in 1811, rising in stages to eight guineas by 1870). The book gave the standing membership list of the Society and was, in the strict institutional sense, the constitutive document: a person was a member of the Society if his name was in the book and his subscription was paid, and not otherwise.[84]

Warren R. Dawson's typescript *Roll of Lloyd's*, prepared in 1931, is a transcription of the subscription book from its founding in 1771 to 1930, giving the name of every underwriting member with identifying particulars where they could be established. The Black Beyond Data project *Underwriting Souls* has digitised the Roll as the prosopographical foundation of a scholarly reassessment of the Society's engagement with the slave trade; the Roll is a transcription, not the subscription book itself, and its accuracy is adequate for prosopographical work but not always sufficient for exact identification without cross-reference.[85]

The book had two institutional consequences. The Society could, by its Committee, deny admission or expel a member, making the market's membership self-selecting on terms the members themselves enforced. And the book was the market's list of counterparties: a broker placing a risk knew that any name he read there had been introduced, balloted, elected, and kept current, what a modern market would call counterparty vetting by membership register.

Unlimited liability as ordinary condition

The underwriter at Lloyd's, from the coffee-house rooms of the 1690s to the passage of the 1871 Act, wrote for his own account and stood behind his signature to the last shilling of his personal estate: the individual-liability principle at work in every transaction so far narrated. By the 1830s that consequence had come to be treated not as a peculiarity of Lloyd's but as the ordinary condition of underwriting.

An underwriter subscribed a policy for a specific sum on the slip placed before him. If the ship was lost, he paid that sum, together with any adjustment for particular average, out of his own funds. There was no reserve capital of the Society to which he could look for support; there was no fellow-member's shared liability on the same policy; there was no limitation on the total sum for which he was liable across the year's business. He was, in the language of the SG form, an individual underwriter, and his liability was total. The joint-stock companies, by contrast, were liable only to the extent of their capital, and their shareholders were liable only to the extent of their subscribed shares. The two forms of underwriting divided along that line: Lloyd's an unlimited-liability market, the chartered companies a limited-liability one.[86]

D. E. W. Gibb's 1957 study *Lloyd's of London: A Study in Individualism* argued that the principle was, by 1830, the settled and consciously preserved distinctiveness of Lloyd's against the joint-stock companies: the 1824 repeal of the 1720 monopoly had made it a matter of positive institutional choice rather than legal necessity, since Lloyd's could, after 1824, have organised itself as a joint-stock underwriter and did not. The principle survived, on Gibb's

[84] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[85] Dawson, *The Roll of Lloyd's, 1771-1930*; Black Beyond Data, "Underwriting Souls: Lloyd's, the Roll of 1771, and the Slave Trade (Digital Exhibition)."

[86] Marine Insurance Act 1906 (6 Edw. 7 c. 41).

reading, because the members' own consensus was that individual liability to the last shilling was what gave Lloyd's rates their edge and Lloyd's promises their market value.[87]

Christopher Kingston's institutional analysis reads the same preservation as a governance mechanism: the individual-liability principle aligned each underwriter's private interest with the accuracy of his pricing, because the underwriter who priced badly lost his own capital rather than shifting the loss onto a shareholder body, and produced accurate pricing by the pricer's direct exposure to his own error rather than by supervisory oversight. Gibb and Kingston do not disagree about the fact of the preservation, only about the mechanism that gave it commercial value: Gibb reads it as principle, Kingston as governance solution.[88]

Casualty flow and information ceremony

The Room in the 1830s had a settled information flow whose ceremony was material to the market's function. In the morning, the *List* arrived at each underwriter's box in the Tuesday and Friday numbers, with the arrivals, casualties, and prices current of the two preceding days. The caller announced from the dais, at set hours, the arrivals of ships whose voyages the underwriters had insured; the Room's brokers walked from box to box with slips on new risks and with correspondence on old ones. In the afternoon, underwriters and brokers exchanged endorsements, settled averages, and paid or received the running claims of the week.

The ceremony had commercial content, not theatrical. When the caller announced a confirmed loss, the policies on that vessel moved, in that moment, from outstanding risk to claim in course of adjustment; when the *List* reported a ship overdue, the premium for onward voyages of the same class adjusted the same afternoon. It was the market's information infrastructure worked into the physical fabric of the Room.

The Waiter's calls and the ordering of the Room by underwriters' seniority were working routines in the 1830s rather than heritage. The *Lutine* bell joined those routines only after its recovery in 1858.

The 1838 fire and the return to the Exchange

On the night of 10 January 1838 the second Royal Exchange building, which had housed the Society's rooms since 1774, was destroyed by fire. The fire began in the office of Lloyd's Coffee House Waiter, spread through the wooden fittings of the Exchange, and by the following morning had reduced the building to smoke and rubble.[89] The Society's subscription book, its Committee minutes, its accumulated correspondence, and much of its printed run of the *List* were lost in the fire. The subscription book was reconstructed, in the months that followed, from underwriters' own copies of admission letters and from Committee members' private memoranda; the accumulated correspondence was, in substantial part, unrecoverable.[90]

[87] Gibb, *Lloyd's of London: A Study in Individualism.*

[88] Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

[89] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

[90] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

The Committee's response was expeditious. Within a week the Society had taken temporary quarters at South Sea House, from which it operated for the six years until the third Royal Exchange building opened in October 1844.[91] The underwriting continued without suspension throughout: policies written on the day of the fire were paid, the *List* published from South Sea House without missing an issue, and by 1845 the Room and its boxes were operating in the new Exchange on the same conventions the fire had briefly displaced.[92]

The fire matters for two further reasons. It produced the largest single documentary loss in the Society's history: much of the eighteenth-century Committee and underwriter correspondence went with the building, and the historians' account of the period before 1838 depends on the surviving copies at Guildhall Library, the British Library, and the Lloyd's Register Foundation Heritage & Education Centre. And the fire and its aftermath demonstrated that Lloyd's had, by 1838, an institutional identity independent of the fabric of any particular building[93] .[94]

The bell, at its own date

The instrument now most associated with Lloyd's belongs after the fire and the return to the rebuilt Exchange, not before it. *La Lutine*, a French frigate captured by the British in 1793 and lost with a cargo of gold and silver off the Zuider Zee in October 1799, had been insured at Lloyd's; the loss was paid in full within weeks of the wreck.[95] The wreck itself was not recovered until 1858, when salvage work brought up a portion of the treasure together with the ship's bell. Only from 1858, then, could the bell have hung in the Room, and only from 1858 could it have been rung, by settled later convention, twice for an overdue ship arrived and once for an overdue ship confirmed lost. It was not part of the 1830s Room described above, and it was not an object that could have been carried to a silversmith's for safekeeping and so have escaped the fire of 1838, as some retellings have had it: on the evidence of Lloyd's own account of the wreck, the bell did not exist as a recovered object until two decades after that fire. What is accurately said of it belongs later than the 1830s scene: by the time of the Act of 1871, thirteen years after the salvage, the bell had joined the caller's dais as a working part of the Room's information ceremony, and it is in that later Room, not the Room of 1830, that its rope belongs.[96]

The Room at the point of the 1871 Act

By the middle years of the 1860s the Society of Lloyd's had, in addition to the subscription book, the Committee, the *List*, the SG-form policies, and the Room, a settled body of internal

[91] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

[92] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[93] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

[94] Guildhall Library, "Lloyd's Marine Collection (Finding Aid)."

[95] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Martin, *The History of Lloyd's and of Marine Insurance in Great Britain.*

[96] Lloyd's, "HMS Lutine," About Lloyd's: History, Catastrophes and Claims, Lloyd's, 2024, https://www.lloyds.com/about-lloyds/history/catastrophes-and-claims/hms-lutine.

rules and customs whose written form ran to several dozens of pages of Society resolutions. The internal rules governed the admission of members, the placing of risks, the settlement of claims, the maintenance of the *List*, the conduct of the Room, and the disciplinary procedures under which members could be expelled. The rules were the accumulated resolutions of a hundred years of member self-government, and they were, in the strict sense, the constitution of the Society as it stood at the moment of the 1871 Act.

What the Society did not have, still, was legal personality distinct from its members. It could not sue or be sued in its own name; it could not own property in its own name; it could not enter into a lease of its rooms in its own name. The property of the Society was held on trust by trustees for the members; the *List* was published on the account of the Master of the coffee house (or, by 1870, of the Society's Waiter); the rooms were leased in the names of individual members of the Committee, on trust for the Society as a whole. The absence of legal personality had, throughout the Society's history, been managed by the trust device; but by 1870 the Committee had come to view the trust management as an inefficient substitute for the direct legal personality an incorporating Act could provide. The Lloyd's Act 1871, when it came, would supply the Society with the direct legal personality that the trust device had, for a century, imperfectly stood in for.

Chapter 7. 1871: The Lloyd's Act incorporated

The Bill and its promoters

On 20 February 1871 a private Bill was introduced into the House of Commons under the title of the Lloyd's Bill, to incorporate the Society of Lloyd's and to confer upon it powers of management of its affairs.[97] The promoters of the Bill were the Committee of Lloyd's, acting through parliamentary agents on the instructions of a general meeting of the Society held in December 1870. The Bill, in its introduced form, did four things. It incorporated the Society as a body corporate under the name of "Lloyd's". It vested in the corporation the property, rights, and liabilities theretofore held on trust for the members. It provided for the government of the corporation by a Committee elected by the members. And it set out the powers of the corporation with respect to admission of members, the imposition and enforcement of rules, the management of premises, and the publication of the *List* and the register of shipping.[98]

The Bill was introduced by the Rt. Hon. Sir George Grey, on behalf of the Committee, and passed the Commons after two readings and a Committee stage in which the promoters were required to justify the private-Bill character of the incorporation against the general principles of company law then being consolidated by parliament in the Companies Act 1862 and its successor legislation.[99] The Bill received the Royal Assent on 25 May 1871 as 34 & 35 Vict. c. cxxi. The Society of Lloyd's ceased, in the same instant, to be an unincorporated

[97] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Lloyd's Act 1871 (34 & 35 Vict. C. Cxxi) (1871).

[98] Lloyd's Act 1871 (34 & 35 Vict. C. Cxxi).

[99] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Lloyd's Act 1871 (34 & 35 Vict. C. Cxxi).

association whose property was held on trust for its members and became a body corporate with a legal personality distinct from any of its members.

The Act's private-Bill character deserves a moment's attention. Parliament had, by the 1860s, adopted a general practice of incorporating commercial associations by public general Acts (the joint-stock legislation of 1856 and 1862, the friendly societies legislation of 1855 and 1875) rather than by individual private Bills, and the Lloyd's Act is one of the last significant private Acts of incorporation for a commercial association in nineteenth- century England. The promoters' evidence to the Commons Committee was that Lloyd's fit none of the general patterns: not a joint-stock company, since members held no shares in a common capital; not a friendly society, since its purposes were commercial rather than mutual-relief; not a partnership, since membership turned over by election rather than death or retirement. The Society was, in the strict sense, sui generis, and required a Bill tailored to its own form[100] .[101]

What incorporation changed

The Act made the Society of Lloyd's a body corporate with perpetual succession and a common seal. Property and contractual rights previously held through trustees could thereafter belong to the corporation itself; Lloyd's could own premises, publish the *List*, contract, sue, and be sued in its corporate name.[102]

The Committee and membership practices developed since 1771 continued inside that new legal person rather than being replaced by a joint-stock structure. Election, discipline, by-laws, publication, and the management of the Room remained matters for the Society's own governing machinery.[103]

What incorporation did not change

The change stopped at the boundary between the Society and its underwriters. Incorporation did not make the Society liable for policies signed by individual members or create a mutual fund behind their obligations. The individual-liability principle survived the creation of the corporation and remained central to Lloyd's later institutional form.[104]

The Act did not alter the SG form or the ordinary law of marine insurance; the standard policy's wording, and the ordinary courts' jurisdiction over disputes between underwriters and assureds, were untouched. When parliament came, in 1906, to codify marine insurance law generally, it did so by a separate public Act whose First Schedule reproduced the SG form; the 1871 Lloyd's Act had done no comparable work. It incorporated the Society; it did not codify the market.[105]

[100]Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

[101]Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[102]Lloyd's Act 1871 (34 & 35 Vict. C. Cxxi); Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[103]Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis"; Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[104]Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Gibb, *Lloyd's of London: A Study in Individualism.*

[105]Marine Insurance Act 1906 (6 Edw. 7 c. 41).

Nor did incorporation create a ministerial supervisor of underwriting. The statute gave legal personality to the association governing the Room; it did not turn that association into the counterparty on its members' policies.[106]

What was new and what continued

The Act did not merely ratify the past, and it did not reform the market's substantive law. The Committee, individual liability, elective admission, and SG policy continued; the Society's legal capacity changed. Before 25 May 1871 its property and contracts depended on trustees and members. After that date the corporation could act in its own name. A new legal person therefore enclosed practices that remained substantially continuous.

Wright and Fayle read the Act as the parliamentary confirmation of what the Society had already been for a century. Christopher Kingston's institutional analysis reads it as a rare case of an institution that achieved statutory incorporation by carrying, through the parliamentary process, exactly the private-market form it had operated under without statutory sanction. D. E. W. Gibb reads it as the moment at which the individual-liability principle, having survived nineteenth-century joint-stock competition, was written into positive law for the first time. The three readings agree on the continuity of practice; none of them is a claim that nothing about the Society's legal position changed.[107]

What the Act left to the future

Two features of the Act would have consequences the promoters did not fully anticipate. The Committee's by-law-making power looked in 1871 like a housekeeping provision; over the following century it became the instrument through which successive Committees imposed rules on solvency margins, premium trust funds, and the classes of business the Society would write. And the preservation of individual liability, written to codify a settled market principle, was still the statutory foundation the reformers of the 1980s and 1990s had to work against when American asbestos and pollution liabilities, passing through the Society's underwriting, reached the personal fortunes of individual Names.

Neither the by-law power nor the individual-liability provision was developed in the immediate aftermath of the Act. Between 1871 and the outbreak of the First World War in 1914, the Society continued in its ordinary function: the *List* published daily, the underwriters wrote their lines against the running shipping news, the Committee met on its ordinary schedule, and the Room at the Royal Exchange operated on the settled Victorian conventions of boxes, brokers, and bell. The Act had given the Society legal personality without altering its substantive practice, and the substantive practice continued undisturbed.[108]

[106] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

[107] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis"; Gibb, *Lloyd's of London: A Study in Individualism.*

[108] Royal Museums Greenwich, "Principal Records for Maritime Research: Lloyd's List."

Parliament and the private-Bill process

The parliamentary process the Lloyd's Bill went through in the spring of 1871 deserves brief description because it illuminates what Parliament thought it was doing. The Bill was referred, after its first reading, to the Committee on Unopposed Bills, which took evidence from the Society's parliamentary agents and from the Committee's Chairman, but heard no opposition from any external party. No underwriter petitioned against the Bill; no broker's association opposed it; the joint-stock marine insurance companies (whose 1720 monopoly had been repealed in 1824 and who by 1871 wrote a small share of the London market) filed no appearance; the Board of Trade, whose concern with marine insurance had been growing since the 1860s, entered no objection. The Bill was, in the strict procedural sense, unopposed.[109]

The absence of opposition is worth pausing over. Parliament was, in 1871, incorporating a body whose members wrote a substantial share of the country's marine insurance premiums and whose *List* was the running commercial newspaper of the British shipping trade; no party thought the Committee structure or the individual-liability preservation required outside scrutiny. Wright and Fayle read the unopposed passage as evidence of the settled national standing the Society had by 1871 acquired, for which the Bill was a housekeeping matter. Kingston reads the same fact from the institution's side: because the Society had preserved individual liability and asked for no public power the Board of Trade might have wanted for itself, no party had a commercial or regulatory interest to defend against. The two readings describe the same absence of opposition from opposite ends of Whitehall.[110]

The Society at the moment of incorporation

At the moment of incorporation the Society had existed, as a subscription among named underwriters, for one hundred years less seven months; it had published the *List* for one hundred and thirty-seven years, and had gathered underwriters at Lloyd's coffee house, in one form or another, for one hundred and eighty-three. The Act gave that accumulated institutional history a form the ordinary law recognised: it did not create, codify, or reform the market, but incorporated the market's own governing association, making statutory the private constitution the Society had worked out for itself over a century. The coffee house on Tower Street had, by 25 May 1871, become a statutory corporation with a common seal, a Committee, a by-law-making power, and a legal personality distinct from any of its members; and it continued, in the same instant, to be a market of individual underwriters writing marine policies against the running shipping intelligence of the *List*. Both descriptions were true at once.

Coda. The dark ledger open

The incorporation of the Society of Lloyd's took effect on 25 May 1871 and closed the coffee-house descent of the London marine insurance market in the form the ordinary law

[109] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day.*

[110] Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Kingston, "Marine Insurance in Britain and America, 1720-1844: A Comparative Institutional Analysis."

of England could recognise. The Society acquired a common seal, a Committee elected by its members, a by-law-making power, an express preservation of the individual- liability principle, and a legal personality distinct from any of its members. Between that day and the outbreak of the First World War, the Society continued to write a substantial share of the country's marine insurance premiums, to publish the *List* daily, and to operate its Room at the Royal Exchange on the conventions the Committee had been working out since 1772.[111]

What that account leaves in place is the underwriters' rolls of the eighteenth century and the SG-form policies Lloyd's underwriters had written on the transatlantic slave trade for the six decades between the Society's founding subscription in 1771 and abolition in 1807. The 1871 Act is silent on the trade; the Committee's surviving minutes record no discussion of it at any general meeting. *Underwriting Souls* has established that a substantial majority of the seventy-nine 1771 founders had direct commercial engagements with the trade, as West India merchants, plantation owners, Guinea-coast traders, or marine underwriters.[112] Pearson and Richardson estimate that slaving voyages accounted for five to seven per cent of British marine insurance premiums generally, with the London and Liverpool markets dividing that business and the balance shifting toward Liverpool from the 1780s. Neither fact makes the slave trade the whole, or even the greater part, of what Lloyd's underwriters wrote in these decades; both facts make Lloyd's a central underwriter of a trade that was not all of its business, which is the more exact and the more damning claim.[113]

The *Zong* of 1781 and the litigation of *Gregson v Gilbert* in 1783 are the fullest surviving documentary form that involvement takes. What survives is narrow: the reported policy terms, Douglas's report of the trial, Mansfield's reported judgment, and the abolitionist accounts that carried the case into Parliament and the press. Neither Martin's 1876 history nor Wright and Fayle's 1928 history, both written from within the Corporation's own tradition, gave the case extended treatment; Walvin's 2011 account is the fullest since.[114]

One entry in the running numbers of the *List* for the week of 22 December 1781 records, in the same terse formula used for every other arrival that week, that the *Zong* had reached Bluefields, Jamaica.[115] The formula was the market's own: arrived, master, from, with. It made no distinction between this arrival and any other, because the instrument that made the Room's information simultaneous and equal (the printed sheet, dated and shared) was not built to register what a particular voyage had cost, only that it had come in. The same *List* whose regularity let a merchant in Bristol know on Friday what London's tables had heard on Thursday, and let a litigant twenty years later prove what the market had known at the moment a policy was written, is the document that filed the *Zong*'s return under the same rubric as a cargo of hemp and tallow. The market's information infrastructure was exact

[111] Royal Museums Greenwich, "Principal Records for Maritime Research: Lloyd's List."

[112] Black Beyond Data, "Underwriting Souls: Lloyd's, the Roll of 1771, and the Slave Trade (Digital Exhibition)"; Pearson and Richardson, "Insuring the Transatlantic Slave Trade."

[113] Pearson and Richardson, "Insuring the Transatlantic Slave Trade."

[114] Martin, *The History of Lloyd's and of Marine Insurance in Great Britain*; Wright and Fayle, *A History of Lloyd's from the Founding of Lloyd's Coffee House to the Present Day*; Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*

[115] Lloyd's, *Lloyd's List*; Walvin, *The Zong: A Massacre, the Law and the End of Slavery.*

about dates, ports, and names, and blank about the hundred and thirty-two persons who did not complete the voyage it recorded. That is what it meant for the insurance of enslaved people to be, at Lloyd's, a routine transaction: not that the market concealed it, but that its own instruments had no column for it.

The Lloyd's Act 1871 gave the Society that kept those instruments a statutory form nine decades later. It did not give the Society, then or since, an account of its own eighteenth-century composition; that account has had to be assembled since, from the Society's own archive, the Guildhall Library, The London Archives, and, from 2023, the Black Beyond Data project's digital exhibition. A history of Lloyd's that stops at incorporation and does not read the *List*'s entry for 22 December 1781 against the *List*'s ordinary entries has told only the story the Society's own nineteenth-century historians told. Both readings of the same page belong side by side.[116]

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