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## ACCOUNTING FOR THE STAMP ACT CRISIS

*Abstract:* In 1765, the British Parliament imposed stamp duties on the American colonies, setting in motion the chain of events which ultimately led to the American Revolution. This paper analyzes the practicalities of the Stamp Act to provide insights into the way in which a tax instrument that was successful in one setting failed to achieve similar success in another. The reasons for choosing stamp duties as an appropriate fiscal measure, the colonial reaction to the tax, and the way in which the tax was accounted for by the British government bureaucracy are examined. The paper demonstrates the value of using an accounting lens to provide a more nuanced interpretation of the Stamp Act crisis.

### INTRODUCTION

Taxation lies at the heart of the relationship between the state and its subjects and is intertwined with accounting. Its design is informed by accounting and its implementation creates new accountings for both the state and the subject. The purpose of this paper is to examine a particular incarnation of taxation – the imperial stamp duty imposed by the British Parliament on the American colonies briefly from 1765 to 1766, the demise of which is referred to as the “Stamp Act crisis.” The version of stamp duty imposed on the colonies bore strong resemblance to that in operation in Great Britain with some modifications to accommodate colonial conditions. By the middle of the 18th century, a stamp duty had become an accepted part of the tax landscape in Britain, and the administrative machinery by which it was collected was firmly established. In view of this, the vehement rejection of a similar impost by the colonists was not a response that was either anticipated or expected. The response by the colonists can, we argue, be partly attributed to inadequate design. The British government failed to consider fully the logistical difficulties that would arise in putting the stamp duty in place in a remote location.

As a precursor to the American Revolution, the Stamp Act crisis is an important object of study. Indeed, much has been written about it in terms of its broader political implications [Morgan and Morgan, 1953; Gipson, 1954; Morgan, 1973; Thomas, 1975; Bullion, 1982] and from the perspective of contemporary ideology [Bailyn, 1967]. We have, however, identified a gap in the literature as little has been written about the Stamp Act crisis from the viewpoint of its logistics. The questions of how it was to be administered, what problems were associated with its implementation, and how the proceeds were accounted for have rarely been addressed. In this paper, we consider the practicalities of the Stamp Act, its initial design, and the mechanics of its operation, so as to provide insight into a neglected aspect of the crisis and the method of accounting. This paper also makes a contribution to the literature relating to 18th century taxation in a colonial setting, another topic on which little has been written.

The focus of our examination is a set of accounts discussed below. These were drawn up in 1772, and provide clear evidence in an accounting context of the failure of the stamp duty to operate as planned. We consider these, together with other primary source documents, and formulate an additional explanation for the failure of the imperial Stamp Act. The episode highlights the difficulties in achieving action at a distance in a pre-modern setting. The set of audited accounts, contained in the National Archives, followed the return of unused stamped paper to Britain and relate specifically to the "American Stamp Duties" [N.A.: AO3/1086<sup>1</sup>]. The main account, shown in Figure 1, is supported by a number of subsidiary accounts. In order to explain the way in which the final version of the Stamp Act was administered, we draw on these accounts, which raise a number of questions about the logistics of implementing the stamp duty. Although referred to in passing by a number of commentators, we have been unable to uncover any systematic attempt to unravel and explicate the 1772 American Stamp Act accounts, other than a description of its contents in Koeppe [1976]. The accounts provide a fascinating glimpse into the convoluted way in which the process of handling the stamped paper was managed between the various actors responsible for putting the Stamp Act into operation. Unfortunately, we have been unable to locate the underlying working papers and, as a result, some

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<sup>1</sup>An explanation of the references from the U.K. National Archives (N.A.) and the British Library (BM) can be found at the end of the paper for those unfamiliar with them.

of the entries depicted in the accounts cannot be verified or even explained.

A cursory examination raises some interesting issues to which this paper will refer; for example, the role of the warehouse keepers, one of unstamped goods and one of stamped goods. In addition, there is the matter of only £4,000 recorded as received for a tax that was predicted to produce significantly more revenue, the cancellation of stamped paper to the value of approximately £155,000, and the outstanding balances due from the stamp distributors in the colonies. All of these are evidence of the signal failure of the Stamp Act in America.

### EXCURSUS: HISTORIOGRAPHY OF THE STAMP ACT CRISIS

Lamb [2003] stresses the importance of engagement with wider scholarship, not only within the accounting history field, but also beyond to areas in which general historical literature deals with issues of concern to the accounting historian. There is a rich and established literature around the Stamp Act crisis, and, at this point, it is apposite to clarify our contribution. Some of the documents to which we refer have not been prominent in the literature, in particular the accounts which we reproduce in this paper. The American historiography of the Stamp Act crisis remains dominated by the work of the Morgans, specifically *The Stamp Act Crisis: Prologue to Revolution*. Breen [1997, p. 14] notes that in 1957, Morgan “effectively shifted the focus of research from the metropolitan centre to the colonial periphery.” Consequently, as British historians busied themselves with remapping 18th century British politics and culture, American historians tended to ignore “the English side of the story.”

In the opinion of Hecht [1976], few aspects of the American Revolution have been more thoroughly studied. She divides into three streams the “vantage points” from which the Stamp Act crisis is viewed. The first considers the Stamp Act crisis as an essentially American phenomenon. Indeed, this is the approach taken by the Morgans and by Bailyn [1967], who examined the ideological arguments based on careful analysis of pamphlets and other literature. The second is a wider approach that considers the colonial events in the light of a broader imperial context as adopted in Gipson’s work [1954]. Finally, a number of historians approach the topic from a purely British perspective [e.g., Ritcheson, 1954]. Thomas [1975] conducts a microanalysis of British politics of the period. Langford [1976, p. 394], in a re-

FIGURE 1

**American Stamp Duties General Account by Virtue of an Act of Parliament &c**

The Charge	£	s	d	The Discharge The Net Produce	£	s	d
Parchment Paper & Blanks Received from Stationers to supply the Distributors	3,607	3	9	Paid into the Receipt of Exchequer	4000	-	-
Profit by Discount thereon	329	12	8	Salaries to Officers	117	18	1
Stamps for Ready Money	46	16	11	Incidents	371	16	11
D <sup>o</sup> to supply the Warehouse	218,729	17	2	D <sup>o</sup>	335	1	8
Damaged parchment paper etc				Goods Cancelled for Warehouse Keeper of Stamp Goods	155,040	11	6
sold by Order of the Commissioners	1,485	9	10	The remaining Stock of the Warehouse			
				Keeper of unstamped goods disposed of by order of the Commissioners	160	2	½
				Stamped paper for Almanacs delivered by Order of the Commissioners	17	17	8
				Balances due from the several Distributors as per folio 1	64,155	12	5 ½
	£224,199	—	4		£224,199	—	4

Source: N.A. A03/1086

view of Thomas, proclaimed it the definitive account, and went so far as to say that "the story of the stamp act crisis will certainly not need telling again." Breen [1997, p. 15] comments that, by the 1980s, there was evidence of an "interpretive shift" in studies of 18th century England, with revisionist accounts shifting the focus from "elite political life" to, for example, "the development and maturation of an impressive fiscal military state."

Bullion [1982], again from the third of Hecht's vantage points, focused on George Grenville. Langford [1985, pp. 897-898] reviewing this work in 1985, suggested that while Bullion offered more detail than his predecessors, "on most important questions...major conclusions have been reached and the permissible area of debate long since reduced to a minimum attainable on the evidence available." We suggest that from an ideological, political, and constitutional perspective, Langford may well be justified in saying that the topic has been exhausted. We argue, however, that there is still room for a more finely grained analysis of events and outcomes through our exploration of the accounting evidence, particularly through the examination of contemporary accounting documents not previously traversed in detail in the literature. Rose and Miller [1992, p. 177] advocate consideration of how the "state is articulated into the activity of government, that is, the various elements, devices, techniques, knowledge, to make operable the tactics of government." In our view, the failure of the Stamp Act can also be attributed to a failure to consider the detail of achieving action at a distance. In this regard, existing analyses of the Stamp Act crisis are deficient in that they fail to consider the logistical detail of how the Stamp Act was to work. They also fail to examine the specific items that were subject to the tax and the then-existing colonial taxes.

This paper redresses these omissions by examining the accounts, together with other primary source documents detailing the practicalities of the operation of the imperial Stamp Act. The outcome is a better understanding of accounting, particularly tax accounting, in an imperial context, and an explanation of the conditions under which a tax instrument successful in one setting may fail in another. Accounting historians are well aware of the neglect of accounts and accounting information by historians. As Napier [1991] notes, in the context of aristocratic accounting, historians readily draw on evidence of accounts but rarely provide detailed descriptions of them. An accounting lens can provide valuable, alternative explanations for events and

transitions.<sup>2</sup> It is not our intention to displace, or even disrupt, established views of the origins of and motivations underpinning the Stamp Act crisis. Rather, by using accounting evidence, we aim to present another factor previously neglected by historians to allow for an additional interpretation of the events. Much attention is given elsewhere to political rationalities in analyses of government, including the ways in which power is exercised and the role and extent of politics. Less attention is generally given to the actual technologies deployed in putting governmental operations into practice [Rose and Miller, 1990, p. 175].

This paper also sheds light on the nature of 18th century taxation in a colonial setting. The dearth of tax history in the accounting history literature has been discussed elsewhere [Lamb, 2003; Oats and Sadler, 2004; Noguchi, 2005]. The Stamp Act crisis represents an important episode in tax history. It highlights the difficulties in imposing an imperial tax across the globe at a time when communication mechanisms meant significant delays in relaying information between the center in Britain and the periphery in the colonies. Any tax is underpinned by accounting techniques and practices, requiring their deployment by both the taxing state and the taxed subject. The design of tax instruments is at one level driven by ideological considerations, but putting a new tax into place and making it work requires careful consideration of the practicalities of its operation and its impact on those actors whose job it is to make the tax work effectively.

This paper adds to the accounting history literature in three main ways. First, it adds to our understanding of accounting, particularly tax accounting, in an imperial context. Unlike Hooper and Kearns [1997], Neu [1999, 2000], Kalpagam [2000], Davie [2003], Bush and Maltby [2004], and Neu and Graham [2006], we are not concerned with the use of accounting to control the indigenous populations of colonies. The object of this investigation is imperial control over mid-18th century settler colonists. Similarly, while work that deals with accounting in colonial America, such as Baxter [2004] and Schultz and Hollister [2004], certainly exists, this paper is concerned with accounting for colonial America. Second, it sheds light on the conditions under which a tax instrument which is successful in one setting fails to achieve that success in another, a failure to achieve ac-

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<sup>2</sup>Bryer [2000a, 2000b, 2004, 2005, 2006], for example, has shown that an accounting lens can be used to map the transition from feudalism to capitalism and has thereby added a new dynamic to the debate around the emergence of capitalist mentalities.

tion at a distance. Finally, the accounts drawn up by the British government some six years after the abolition of the stamp duty provide an interesting glimpse into the nature of government accounting in mid-18th century Britain. The accounts were not for the purposes of "calculating the loss" on this failed venture, but rather to reflect the stewardship obligations imposed on those responsible for the collection of the tax. This is consistent with the residual feudal mentality still extant in the mid-18th century. While changes were under way in accounting for profit-making ventures, in particular the adoption of double-entry bookkeeping, government accounts continued primarily to use charge and discharge.

We conclude that the British Government underestimated both the logistics of implementing a complex form of taxation across vast geographical distances and the strength of the resistance movement in the local setting. The story of the imperial Stamp Act is one of failure, and many explanations have been posited for this failure. This study proposes another, previously neglected, explanation, that the design of the operation of the Stamp Act was flawed and the impracticalities of its implementation contributed significantly to its downfall. Successful implementation of action at a distance requires a process of translation [Robson, 1992; Preston, 2006] which the British government failed to achieve.

The remainder of this paper is comprised of three parts. Part one begins with a short contextual review of the relationship between the American colonies and Britain. This is followed by an outline of both the rationale for the choice of stamp duty as a fiscal instrument appropriate to extract revenue from the colonists, and the accounting techniques by which it was brought into existence and its intended maintenance. Part two examines the colonial reaction to the tax and its subsequent repeal. Part three offers some insights into the way in which the short-lived Stamp Act was accounted for by the British government bureaucracy, leaving aside the wider philosophical and ideological debates which are, as noted above, dealt with adequately elsewhere.

#### BACKGROUND: TAXATION IN AND OF THE AMERICAN COLONIES

In 1700, there were only 200,000 inhabitants in the American colonies, but by 1770, its non-indigenous population had risen to over two million [Plumb, 1963, p. 124]. By the mid-18th

century, there were 13 British mainland colonies, together with eight island colonies in the western Atlantic and Caribbean Sea, each with representative institutions which enjoyed a certain commonality despite markedly different economic and social conditions. Each colony was separate from an imperial point of view and had different initial forms of constitution, although over the course of the first half of the 18th century, there was a tendency "towards assimilation of colonial governments to a single pattern" [Beloff, 1965, p. 448].

The governors of the colonies derived their functions from the sovereign and acted as heads of civil administration. Assemblies were elected as decision-making bodies, although "their legislative functions were subordinate to those of the Imperial parliament" [Beloff, 1965, p. 448]. By the 18th century, each colony was represented by an agent in London, men who knew Westminster and were able to act as parliamentary lobbyists. Beloff [1965] notes that British attempts to tighten imperial control had begun in the 1750s, but the Seven Years' War<sup>3</sup> intervened. Under mercantilist ideology, the reason for a colonial empire was to derive economic benefit from it so that regulation of trade was fundamental government policy. By 1763, however, increasing evidence of evasion signaled the need for an overhaul [Ritcheson, 1953, p. 544; Thomas, 1975, p. 44]. It was with this in mind that Prime Minister Grenville's administration of 1763-1765 acted as it did in relation to colonial legislation. For Grenville, "it was a simple matter of justice that the eastern seaboard colonies who would profit greatly from a regulation of the new west and who would enjoy military protection from attack, should carry at least a share of the financial burden largely arising from services performed in their behalf" [Ritcheson, 1953, p. 545]. While the colonists did not deny the imperial right to regulate trade, they were opposed to the new rules regarding the prosecution of offences, particularly the increased use of vice-admiralty courts.

*Rationale for Stamp Duties:* Stamp duties were first introduced in Britain in 1694 and were a well-established and acceptable form of taxation by the mid-18th century. Hughes [1941] provides a comprehensive discussion of their introduction and development up to the period immediately preceding the Stamp

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<sup>3</sup>The Seven Years' War is referred to as the French and Indian War in America.



Act crisis.<sup>4</sup> Blackstone [1766, pp. 312-313] described in his *Commentaries* the range and extent of British stamp duties. His list included items such as parchment or paper containing details of legal proceedings, licenses for retailing wines, almanacs, newspapers, advertisements, and pamphlets of less than six sheets of paper. After noting that the tax greatly increased the cost of mercantile and legal proceedings, Blackstone defended it as providing a means of authenticating documents and that made forgery more difficult.

Based on notions of fairness in taxation at the time, stamp duties were an appropriate and widespread form of revenue exaction. What is significant, in the context of this paper, is that stamp duties require the cooperation of the taxpayer who is responsible for ensuring that relevant documents and other dutiable items are appropriately stamped. The attraction of stamp duty as a revenue-raising measure to the state, compared to other forms of taxation, is further demonstrated by a debate that took place in the New York General Assembly [1766] during which James Delancey on August 6, 1755, said:

I have thought of three of the following: a poll tax of ten shillings or more on every slave from fifteen to fifty years of age, an excise upon tea and a stamp duty. The first cannot be thought heavy, as none but persons of substance possess slaves, and the tax will fall equally according to men's abilities; the second is a tax upon a superfluity of pernicious consequence to the health and purses of the people, and therefore a proper object of a tax, and the third [the stamp duty] will be so diffused as to be in a manner insensible.

Diffuse incidence was seen as a virtue of the stamp tax in that the burden was spread across a wider section of society. The individual burden was thus lower than the more targeted forms of tax aimed at the wealthy alone, such as land tax in Britain and slave taxes in the colonies. On the other hand, another administrative virtue of the stamp tax was its visibility; payment of the tax was denoted by a clear mark or cipher, an issue to which we will return later in the paper.

By mid-century, Britain had established a sturdy financial system, underpinned by "legions of new bureaucrats" (tax collectors and inspectors) as well as a "new consumer marketplace,"

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<sup>4</sup>See also Dowell [1873], although he does not canvass the full range of stamp duties considering those such as on newspapers and playing cards to be aberrant and focuses instead on duties placed on legal documents.

developments which pre-date the industrial revolution and the increased prominence of the middle class [Breen, 1997, p. 19]. Breen argues that these developments fed into the "birth of a powerfully self confident British nationalism" (more narrowly, English nationalism) which can be viewed as a factor contributing to the eventual rejection of the Stamp Act by the colonists.

The Treaty of Paris of 1763 ended the Seven Years' War. Bullion [1982, p. 12] suggests that the idea of colonial taxation began to be discussed informally soon after.<sup>5</sup> In March 1763, the King wrote to Bute that "[t]he subject was new to none, having been thought of the whole winter." The King also noted that "every branch of government" had considered the question of taxing America. In June 1762, Charles Jenkinson, Secretary to the Treasury, produced a paper entitled *Observations on the Money Faculties of the State* in which he demonstrated that the increased burden of taxation in Britain was £1,400,000 per annum. Consequently, he concluded that the government had no choice but to impose new taxes, but as new taxes diminished the revenue arising from old taxes, the nation's capacity to meet debts "was very considerably impaired."<sup>6</sup> Discussions about the need for a new tax therefore revolved around accounting calculations of the quantum of the national debt, the existing burden of taxation in Britain, and the circumscribed potential to increase that burden further.

The Treasury decision relating to the taxation of America was not made purely on fiscal grounds. Commercial considerations also came into play; hence, Grenville's statement to the House of Commons that the "great object" of the proposals was to "reconcile the regulation of commerce with an increase of

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<sup>5</sup>The idea of Britain imposing a stamp duty on the colonies was not new; extension of the duty to the colonies had been suggested in 1722, 1726, 1728, and 1742 [Thomas, 1975, p. 69]. Sir W. Keith, exchequer-deputy governor of Virginia, had also suggested it to Walpole in the wake of the 1733 excise crisis, who rejected the idea, stating: "I have Old England set against me and do you think I will have new England likewise" [Dowell, 1888, p. 150]? In 1751, Henry McCulloh, a London merchant with land speculation in North Carolina, suggested a stamp duty for the colonies to Lord Halifax, the then-president of the Board of Trade, and, in 1757, submitted a scheme for a poll tax and a stamp duty [Ritcheson, 1953, p. 549; Thomas, 1975, p. 69]. In addition, one of the secretaries to the treasury, Samuel Martin, had, in 1759, recommended to Newcastle the imposition of a stamp tax on the colonists [Bullion, 1982, p. 12].

<sup>6</sup>Liverpool Papers [BM Add Ms 38334 f.233-238], quoted in Bullion [1982, p. 19]

revenue."<sup>7</sup> In Britain, there was a general acceptance of Parliament's authority, and taxes were on the whole paid regularly (that is not to say there was no tax evasion). In planning to tax the colonies, resistance was anticipated as the government recognized that similar conditions did not pertain there. This awareness influenced the choice of tax instrument to be adopted [Bullion, 1982, p. 2]. Grenville and his ministers were acutely attuned to the need to secure colonial support for their decisions and that the prevailing mood in the American colonies was not receptive to imperial interference.

It was against this background that on March 9, 1764, Grenville announced his intention to levy a stamp duty on the colonies in a year's time. This statement was made at the time of the passage through Parliament of the Sugar Act. Grenville stated that in delaying the introduction of a stamp duty, he was allowing the colonies to formulate alternative plans for raising revenue, although it seems that this was not made explicit to the colonial assemblies [Morgan, 1973, p. 24].<sup>8</sup> In Grenville's opinion, the Stamp Act was an appropriate basis for Anglo-American relations, putting British and colonial taxpayers on the same footing and establishing that America should rightly contribute to the cost of its defense [Lawson, 1980, p. 561].

One significant factor which may have led Grenville to choose a stamp duty for the colonies is the prior use of such taxes by the colonies themselves. Although not specifically discussed in Kozub's [1983] wide-ranging survey of colonial taxes, a stamp duty was used in Massachusetts in 1755 and New York in 1757. The New York tax included a stamp duty of ½d. per copy on newspapers, against which James Parker protested [McA- near, 1941], drawing on the arguments of Swift in relation to the British newspaper stamp introduced in 1712 [Sadler and Oats, 2002]. Thompson [1969, p. 257] is of the view that there was little popular resistance to these duties, which may well have directly encouraged Grenville to use a stamp duty to raise colonial revenue. In addition, the use of stamp duties in the colonies was not confined to the mainland colonies. In Jamaica, a stamp duty was imposed from 1760 to 1763 to provide revenues to fund the militia in the face of a slave revolt [Spindel, 1977, p. 210].

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<sup>7</sup> in a speech of March 9, 1765, Ryder Diary [p. 234], quoted in Bullion [1982, p. 2]

<sup>8</sup> Thomas [1975, p. 72] disputes Morgan's assertion in this regard and is of the view that Grenville did not intend to seek the views of the colonies.

## DESIGNING THE IMPERIAL STAMP DUTY

Having decided to adopt a stamp duty as the most appropriate form of tax in the colonies, it then became necessary to devise specific mechanisms by which it would operate. Miller and Rose [1990, p. 2] comment that through "apparently humble and mundane mechanisms" such as "techniques of notation, computation and calculation," action at a distance can "incite, induce and seduce populations to behave in certain ways."<sup>9</sup> Robson [1992, pp. 691-693, 696], drawing on Latour [1987, 1988], discusses the development of accounting as inscriptions that enable action at a distance. He notes that relations between inscriptions and the things to which they refer are not unambiguous, and the extent to which they correspond is influenced by the distance between them. Co-location of representation and referent minimizes the need for "strong" explanations to achieve action, in part due to tacit knowledge shared by the actors. Action at a distance, on the other hand, is more problematic, and the greater the distance between the actor and the location in which the desired action is to take place, the greater the need for translation. Here translation suggests "movement or displacement from one context to another." To act upon a remote site, networks are required to "gather, transmit and assimilate transcriptions." Robson goes on to describe the features of transcriptions best able to achieve action at a distance, specifically mobility, stability, and combinability. Mobility is required since inscriptions need to be able to "move from the setting to actor and back," an attribute of written documents which can be inspected and re-inspected. Stability ensures that inscriptions retain the relation to their referents without corruption. Robson notes, by reference to Hoskin and Macve [1986], that the development of special ways of writing such as alphabetic ordering "enhanced the ability of texts to record, reference and retrieve information." The final property of inscriptions that facilitates action at a distance is combinability; that is, the ability to be combined and recombined "to establish new relationships." Accounting, with its numerical inscription, is capable of playing an important role in achieving action at a distance. By quantifying, or ascribing monetary values to concepts, they can be combined to form a new concept.

In drawing up a suitable plan for the imposition of a stamp

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<sup>9</sup>The term "government" here is used in the Foucauldian sense of the attempt to shape rational human conduct beyond its modern political meaning. See, for example, Neu [1999].

duty on the colonies, thought was given to the nature of the duties imposed in Britain, while some consideration was also given to the special circumstances of the American colonies, such as differences in legal systems and higher levels of poverty. The governors of the colonies were requested to produce an account of legal documents in use in the colonies. This information, together with the Massachusetts and New York versions of stamp duty, was used to assist in deciding to what the imperial stamp would apply (referred to as "heads of duty") and at what rate. A table was drawn up showing the current British heads and rates of duty side by side with the colonial duties [N.A.: T1/433/141]. These accounts of the local position demonstrate the way in which inscriptions are gathered from their remote location, combined and recombined at the center, and used to design a plan of action to be put into effect back in the local setting.

Work began on the stamp bill in 1763, with two draft versions submitted to the Treasury for consideration on November 19, 1763. The version preferred by the Treasury was one drawn up by Thomas Cruwys, solicitor to the Stamp Office.<sup>10</sup> Thomas Whately, joint secretary to the Treasury Board, presented a report to the Board outlining the features and rationale of the stamp bill. He stated that the rates of duty in the colonies were necessarily different to those in England as the same legal instruments were not always used in both places and, in some instances, a different rate of duty may be appropriate for the same instrument.<sup>11</sup>

Whately's report recommended two new heads of duty in the colonies. One was on Crown grants of land and the other on registration of conveyances and securities; that is, the registers themselves were taxed as well as the legal documents. In comparison with the duties in place in Britain, higher duties in the colonies were proposed for the system of registering transfers of land. In addition, for reasons that are not clear, the decision

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<sup>10</sup>The other version was drafted by Henry McCulloh, who was largely in agreement with Cruwys as to the nature of the duties that should be imposed, but differed as to the use to which the funds should be put. Cruwys did not specify how the funds raised were to be deployed, whereas McCulloh apparently held strong views on this and believed the revenue arising from the stamp duty should be used "to provide presents for Indians; to pay rangers for frontiers; for the maintenance of the king's forts and garrisons; to encourage settlers and settlements in frontier parts"; and finally, "to discharge the salaries of the kings [sic] governors and officers abroad" [quoted in Thomas, 1975, p. 71].

<sup>11</sup>The full text of Whately's report can be found in BM Add Ms 35910 f.310-323 and is partly reproduced in Hughes [1941] and Koeppel [1976].

was taken to subject documents in foreign languages (including newspapers) to double the rate of duty. There were to be lower duties in the colonies for legal proceedings and bonds in light of the higher levels of both poverty and litigiousness in the colonies. The rate of duty on retail licenses for the sale of ale, cider, and spirits was also lower than in Britain. Two items of duty which applied in Britain were not imposed in the colonies, specifically that on admission to corporations and that on indentures.<sup>12</sup>

The final bill was handed to the Treasury on January 24, 1764 [Thomas, 1975, p. 71]. As noted earlier, in deciding how the stamp duty would operate, to which instruments and objects it would apply, and to what extent, some consideration was given to the particular circumstances of the colonies. It is not possible merely to recreate rules and regulations that exist in another location. Success of regulatory control is dependent on its being tailored for the specific circumstances of the location of its operation.<sup>13</sup> As noted by Robson [1992], the greater the distance from the center of decision making to the location of enactment, the more translation or information is required to overcome the difficulties of distance. Information about legal instruments in use in the colonies played an important role in the design of the stamp duties, in choosing which documents would be subjected to the duties, and how much tax would be charged on each.

One factor which was not taken into account in deciding what form an imperial tax should take, which is also a neglected area in the historiography of the Stamp Act crisis, is the extent to which the colonial assemblies imposed other forms of taxes, often with great ingenuity. It seems that the British government failed to consider adequately the nature of the other taxes in place or had been previously imposed in the individual colonies. Kozub [1983] documents the array of taxes imposed by the colonial governments and concludes that the "colonial forefathers" attempted in their design of tax instruments to measure the faculty or ability of individuals to pay the taxes. Indeed, several col-

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<sup>12</sup> Other heads of duty remained largely the same and taxes at the same rates as in Britain. It was decided to retain the duty on admission to professions and degrees so as to "keep mean persons out of those situations in life which they disgrace" [BM Add Ms 35910].

<sup>13</sup> In a contemporary tax context, a growing body of research deals with this notion. See, for example, the work of the Centre for Tax System Integrity at the Australian National University (<http://ctsi.anu.edu.au/>) and *Law and Policy* (2007), volume 29, issue 1, which is devoted to the notion of responsive regulation in taxation.

onies imposed taxes actually designated as "faculty taxes" which were taxes on the assumed income of specific occupations. In Connecticut, for example, it applied to attorneys. Residents of Massachusetts, in particular, were heavily taxed compared to other colonies.<sup>14</sup> The imposition of an imperial stamp duty then would impact unevenly throughout the colonies, which raised questions akin to those subsequently debated in the context of federal taxing powers.<sup>15</sup>

Grenville intended to introduce the stamp duty in 1764. In his budget speech of that year, he indicated that he considered the stamp duty to be the "least exceptionable because it requires fewer officers and even collects itself. The only danger is forgery" [Thomas, 1975, p. 74]. Clearly Grenville failed to appreciate the complexity of implementing the tax in the colonies and the extent to which it would inflame the colonists. Objections were raised during debate, however, and the progress of the bill was halted. Opponents suggested that the colonies should be apprised of Parliament's intentions [Thomas, 1975]. The response from the colonies was a series of protests sent by the assemblies of Massachusetts, Pennsylvania, Connecticut, New York, North Carolina, Rhode Island, South Carolina, and Virginia.

As concern over the implications of a colonial stamp tax rose, the colonial agents met with Grenville on May 17, 1765 to clarify the position. There are several accounts by witnesses to this meeting, including one by Jasper Mauduit whose brother was present and who reported the meeting to the Massachusetts Assembly on May 26, 1765 [Morgan, 1973, p. 27]. Echoing Grenville's 1764 budget speech, Mauduit stated that Grenville had suggested that, of the available forms of taxation, "the stamps was the most equal, required the fewest officers, and was attended with the least Expençe in the Collecting it." Recognizing

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<sup>14</sup>There are a number of individual studies of the taxes in various colonies prior to independence. Gipson [1931, p. 721] examines the tax burdens on residents of Connecticut, which Jared Ingersoll said in 1765 was: "Eighty Thousand Pounds in Debt, Arrears of Taxes, that cannot be collected by Reason of the Poverty of these on whom they are laid." Henderson [1990] notes the difference with respect to colonial taxation and subsequent state taxation between the Chesapeake and New England colonies, particularly Massachusetts and Virginia. He attributes these variations to differences in cultural and demographic factors, including the prevalence of slaves, which affected the types of tax instrument used in those colonies as well as the incidence of taxes.

<sup>15</sup>Crane [2006] discusses the first federal stamp taxes imposed in 1798, and their role in the downfall of the Federalists. Notwithstanding the grant of taxing power to the federal government, there were persistent concerns that some measures were too intrusive upon state autonomy.

that the preferred choice would be no tax at all, but given the necessity of imposing some form of revenue-raising measure, the colonies were expected to assent or request appropriate modifications. When one of the colonial agents asked for details of the heads of duty, Grenville apparently replied that "it was not necessary. That everyone knows the stamp laws here; and that this Bill is intended to be form'd upon the same plan." Benjamin Franklin proposed an alternative to the stamp duty as a means of raising colonial revenue in the form of a plan for a paper currency for the colonies. Later, in 1766, he reflected that "Mr. Grenville paid little attention to it [Franklin's alternative proposal], being besotted with his Stamp Scheme, which he rather chose to carry through" [Labaree, 1968, p. 48].

In another conference with four of the colonial agents on February 2, 1765, an attempt was made to forestall the implementation of the Stamp Act. By the time the bill reached its second reading on February 15, the agents presented colonial petitions against it, which were not, however, admitted into the House of Commons [Morgan, 1973].

It seems that there was a change in the underlying purpose of the Stamp Act during the 12-month delay in its implementation. On November 5, 1764, Whately explained to John Temple, Surveyor General of Customs for the Northern District of America, that finance was the motivation behind the bill. By February 9, 1765, once the colonies' objections to the new tax were known in Britain, he stated that "it establishes the right of Parliament to levy an internal tax on the colonies" [Thomas, 1975, p. 85].

The "peel of remonstrance which sounded across the Atlantic found an echo" in England where merchants were concerned about the ability of the Americans to pay their debts, which at the time were apparently in the vicinity of £4,000,000 [Dowell, 1888, p. 152]. "The Grenville ministry did not proceed with the Stamp Act in ignorance of colonial opinion, but thought the measure would be accepted without protest" [Thomas, 1975, p. 88]. We return to the question of the colonial resistance in the next section of the paper.

During the passage of the bill, 28 speeches were made by 18 different members; there were 55 resolutions and numerous alterations and additions which prolonged its passage by two days. There was no debate in the House of Lords, and the Commons was informed on March 8 that the bill had passed without amendment. Royal assent was received on March 22, 1765 [Thomas, 1975, p. 98]. After the third reading of the bill on February 27, Thomas Cruwys drew up the bonds for the stamp



distributors. Over 50 different duties were imposed, the highest being £10 on licenses for solicitors and attorneys. There was little opposition in either the House of Commons or the Lords; indeed, according to Burke, "[t]here scarcely ever was less opposition to a bill of consequence."<sup>16</sup> In addition, there was little indication that the tax would be as controversial as it subsequently turned out to be [Sosin, 1958].

In support of the contention that the act was carefully designed for colonial sensibilities, Thomas [1975, p. 99] notes five points which represent reasons why the measure should have been acceptable to the colonists:

1. the total tax to be raised by the bill was quite small;
2. the stamp duty was chosen as it was considered to be equitable in terms of its burden;
3. the detailed variations from the British duties at the time reflected careful consideration of the particular circumstances in the colonies;
4. the money raised by the tax was to stay in the colonies (although there was some confusion in this regard); and
5. it was to be administered by leading men resident in the various colonies.

The choice of a stamp duty to extract revenue from the colonists was sensible for Britain on a number of grounds. The impact of the tax was not concentrated onto one particular section, such as the wealthy, but was widely dispersed across a broad cross-section of colonial society. The design of the administration of the tax was also such that it required the active participation of taxpayers. Evidence of payment of the tax was highly visible, and, yet, because it was built into the cost of undertaking the transaction that was the subject of the duty, it could be interpreted as merely an increase in ultimate price compared to other taxes, such as the tax on slaves, which required payment without anything visible being received in return. These justifications seem reasonable on the face of it, but as will be discussed below, an interpretation of the accounts in Figure 1 suggest that the way in which policy makers envisaged that the stamp duty would operate was unduly complex and insensitive to the situation in the affected colonies.

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<sup>16</sup>Edmund Burke's "Speech on American Taxation" [quoted in Dowell, 1888, p. 150]. For the full text of this speech, see Langford [1981, pp. 406-462].

## PUTTING THE STAMP DUTY INTO OPERATION

The administration of the stamp duty was to be tightly controlled by the British stamp commissioners. In presenting the final proposals for the stamp duty to the Treasury Board, Whately discussed the additional costs of administering the new tax, specifically "an increase in salary to the Secretary, the Receiver General and Comptroller, a small increase in salary to the first clerks of those officers, two additional clerks...[and] an additional porter to the warehouse and [almost as an aside] a warehouse" [BM Add Ms 35910 f.323].

It was recommended that the British authorities be responsible for the supply of all the stamped paper and parchment, and it was conceded that "the quantities...may be difficult to ascertain at first, but...will be easy to furnish afterwards." This deserves a little more thought, bearing in mind the number of objects of this tax and the different denominations of duty potentially applicable, it is quite an understatement to suggest that the quantities may be "difficult to ascertain." To determine what types of paper were to use for which transactions and to arrange for them to be stamped using one of 30 dies specially designed for the purpose was difficult enough. But then to further allocate these sheets among the 13 mainland colonies and the island colonies, all of which had different degrees of commercial sophistication, was an enormous accounting task. In addition to the calculation of the value of the stamps, the cost of the paper and parchment also had to be computed and marked on the paper. In this way, the government also controlled the price which taxpayers ultimately paid for the paper they were forced to use in order to comply with the tax.

It was intended that, at least initially, the paper be stamped in London and then transported to the colonies for dispatch to the various stamp distributors appointed in each colony. This may have been an interim measure to get the Stamp Act up and running. Certainly Benjamin Franklin indicated by letter of June 8, 1765 to his partner David Hall an expectation that a stamp office would be set up in Philadelphia for stamping paper for newspapers and almanacs in due course [Labaree, 1968, p. 65]. The stamps that were prepared for use for stamping colonial newspapers were of three values – halfpenny, penny, and two-pence. The design of the stamps consisted of a royal crown with the sword and scepter crossed at the back in the center of the stamp, surrounded by the garter with the inscription *honi soit*

*qui mal y pense*.<sup>17</sup> Above the garter band was heraldic mantling with the word "America" at the top [Turner, 1941]. Figure 2 shows the purchase of blank paper and parchment from Tonson & Co. stationers, subsequently placed in the charge of the warehouse keeper of unstamped goods. The values at which these transactions were recorded appear to be historical cost.

**FIGURE 2**

**American Stamp Duties General Account by  
Virtue of an Act of Parliament &c Tonson & C<sup>o</sup> Stationers**

	£	s	D	1765		£	s	D
Parchment	488	8	-	Aug <sup>st</sup> 2 <sup>nd</sup>	By Warehouse Keeper of Unstamp Goods	3,599	8	11
Paper Blanks & Printing Paper	3,118	15	9	Oct <sup>r</sup> 31 <sup>st</sup>	D <sup>o</sup>	337	7	6
Profit by Discount thereon								
Parchment at 12p <sup>r</sup> Cent	66	12	-					
Paper at 10p <sup>r</sup> Cent	263	-	8					
	3,936	16	5			3,936	16	5

Source: N.A. AO3/1086

Unlike Continental European incarnations of the stamp duty, such as in France where the government had a monopoly over the stamped paper and its supply, the paper for the British version was purchased by taxpayers, taken to the stamp office for stamping, and then used as required (e.g., overprinted as newspapers). This system could not feasibly be instituted in the American colonies without costly investment in the stamping equipment necessary to stamp the paper. In this regard, however, three colonies had previously levied their own stamp duties and presumably had the equipment in place to facilitate stamping there. This is one of the problematic operational features of the Stamp Act which exacerbated the resistance to it. Forcing taxpayers to purchase pre-stamped paper shipped from Britain provided a constant and visible reminder of the nature of the tax as an imperial imposition. Had the paper been stamped *in situ*, its visibility as an externally imposed duty would have been

<sup>17</sup>the motto of the Order of the Garter, which can be loosely translated as "Shame on he who thinks evil of it"

diminished. In addition, the accounts in Figure 1 show that it was commercial stationers who provided the paper and that two warehouse keepers were employed in its storage and handling. These factors were additional cost and administrative burdens borne in Great Britain, but any ancillary benefits, such as business and employment opportunities, accrued to Great Britain. If the colonies themselves had been entrusted with the local procurement, stamping, and storage of paper, providing employment for colonists and furthering business in the colonies, there would have been some benefit in amelioration of the burden, and the stamp duty may have been better received.

For the purposes of the administration of the Stamp Act, the colonies were divided into nine districts, each with an inspector answerable to a new American Stamp Office of five commissioners in London [Thomas, 1975, p. 100]. The districts were subdivided into areas for which stamp distributors were responsible (see Figure 4). The creation of a new tax with its concomitant administrative structure provided opportunities for new roles. In the mid-18th century, patronage was the norm. Not surprisingly, therefore, ambitious men saw opportunities for profit and advancement in obtaining posts within the new administrative structure. Of paramount importance to the successful administration of the stamp duty was the role of stamp distributor. It was proposed that a head distributor be appointed in the capital of each province that "must be a responsible person and give large security." The head distributor would be charged with storing and distributing the stamped paper, collecting the appropriate tax, and remitting it to the British exchequer. Distributors were to be remunerated by an 8% commission on monies collected and were reimbursed for postage and carriage costs [N.A. T1/439 f.93].

There was some competition for the stamp distributor posts, which is a fairly clear indication that the violence of the resistance was not anticipated. Three Americans in London at the time secured posts – Colonel Mercer from Virginia, Jared Ingersoll for Connecticut, and George Meserve from New Hampshire. On May 14, 1765, Martin Howard Jr., a Rhode Island lawyer, wrote to Benjamin Franklin seeking his support for a post in the stamp office [Labaree, 1968, pp. 129-130]:

The English prints acquaint Us that it is probable, a *Native* of each Colony will be appointed Receiver of Stamp Duties. Should this be the Case, it may possibly fall in your Way, as you are an American, to recommend some persons for that purpose. If no other Connection claims

the Preference, I would ask your Friendship to name me for that office, or any other in the Stamp Office which you may think worth accepting..."

Sensitive to the possibility of resistance, these new distributors were proposed to be Americans to avoid inflaming colonists by imposing British tax collectors upon them. The appointment of Americans to the role of distributor can be interpreted as an attempt to form an actor network necessary to implement action in the local setting [Preston, 2006, p. 561].

In recognition that a large volume of the stamped paper would be used for legal matters, it was proposed to use the clerks of county and circuit courts to assist in the distribution of stamped paper to more remote locations. The distribution of stamped paper and collection of the tax would be overseen by inspectors, as it was in Britain, who would be empowered to travel across the colonies and act as auditors of the collection process. Inspectors were to receive a salary of £100 per annum, commencing on the day of leaving England, plus 20s. per diem to cover expenses of traveling in the course of their duties [T1/439 f.92].

### FIGURE 3

#### Warehouse Keeper of Stamp Goods

1765	£	s	D	1765		£	s	D
Oct 31 <sup>st</sup> to Stamp goods received from the Teller	222,506	11	6½	Oct 31 <sup>st</sup>	By sundry consignments	172,586	11	1¾
				Sept 3 <sup>rd</sup>	Commissioners order paid receiver general for stamps	17	17	8
				1766				
				Oct 14 <sup>th</sup>	Do for parchment and paper cancelled	49,902	2	8¾
	222,506	11	6½			222,506	11	6½

Source: N.A.: AO3/1086

Figure 3 is the top part of an account which shows the receipt of stamped paper from the teller to whom it had been passed by the warehouse keeper of unstamped goods. Figure 3 also shows how the warehouse keeper of stamped goods dealt with the consignment of stamped paper received from the teller. Paper and parchment to the value of £172,586.11s.1¾d. was

consigned to the distributors appointed in the American colonies. The value of the paper and parchment in this account appears to be inclusive of the stamp duty. Figure 4 is an extract from a "distributors' abstract" which shows how this first consignment of stamped paper was allocated among the various colonial distributors. For the purposes of this section, only the first five columns are relevant. Figure 4 serves to reinforce the complexity of the calculations required to achieve this result. Based on the returns previously provided by the governors of each colony as to the nature and type of transactions conducted at each location, decisions were taken as to the volume of each size and type of paper and parchment that would be required to meet the needs of each individual colony. The reason for the transfers from Montreal to Quebec and back (see Figure 7 for the contra entries) is not clear. The allocation of identical values of paper to Bermuda and the Bahamas would appear to be arbitrary and related to there being only one distributor responsible for both locations. This account of the consignments for each distributor shows the way in which combinability is brought into play as a feature of accounting inscriptions necessary to enable action at a distance [Robson, 1992].

Another potential sensitivity to be addressed in the design of the stamp duty was the way in which the proceeds were to be remitted to the British exchequer. Specie was in short supply in the colonies at the time, and there was concern that this duty would further drain the supply. It is not clear whether the original intention was to ship the proceeds of the Stamp Act back to His Majesty's exchequer in Britain. The Act, when passed, required that the duties be paid in sterling values at 5s. 6d. per ounce of silver [5 Geo III: C12 s57]. The pragmatic response to these concerns was addressed by Whately as follows [BM Add Ms 35910 f.323]:

The expense and hazard of remitting the money to be raised by this duty may be saved, and the complaint of draining the country of money may be obviated by a transaction between the Paymaster General and the Commissioner of Stamps...

It was not until July 1765, however, that the Treasury Board ordered that receipts be paid over to the deputy paymaster of the army in America, with a series of credit transactions in England with the Treasury then reconciling the accounts of the offices involved [N.A.: T1/439 f.94]. In this way, the Treasury envisaged using accounting mechanisms to deal with the flow of funds

**FIGURE 4**  
**Distributors Abstract (Extract)**

Distributors Names	Districts	Consignments			Transfers			Total		
		£	s	D	£	s	D	£	s	D
Jared Ingersoll	Connecticut	8,702	19	3¼	---	-	-	8,702	19	3¼
Geo <sup>r</sup> Meserve	New Hants	4,146	5	6¼	---	-	-	4,146	5	6¼
John Hughes	Pensylvania	11,852	15	8½	---	-	-	11,852	15	8½
Colin Drummond	Quebec	5,895	17	10¼	1,039	5	-	6,935	2	10¼
Col <sup>n</sup> Geo <sup>r</sup> Mercer	Virginia	9,684	-	2½	---	-	-	9,684	-	2½
John Mackenzie	Montreal	5,893	2	10¼	84	2	8	5,977	5	6¼
Archib <sup>d</sup> Hinchelwood	Nova Scotia	1,609	1	10¼	---	-	-	1,609	1	10¼
Will <sup>m</sup> Coxe	New Jersey	5,412	7	11	---	-	-	5,412	7	11
Zachariah Hood	Marylands	7,428	1	5½	---	-	-	7,428	1	5½
Rob <sup>t</sup> Seaman	Grenada	3,975	5	9	---	-	-	3,975	5	9
Jacob Blackwell	West Florida	2,985	16	8½	---	-	-	2,985	16	8½
Will <sup>m</sup> Houston	North Carolina	7,446	6	5½	---	-	-	7,446	6	5½
Ja <sup>s</sup> McEvers	New York	12,934	11	11¼	---	-	-	12,934	11	11¼
Andrew Oliver	Boston New England	12,413	16	8¼	---	-	-	12,413	16	8¼
Augustus Johnson	Rhode Island	7,059	10	4	---	-	-	7,059	10	4
John Slater	Bermudas	1,986	-	8¼	---	-	-	1,986	-	8¼
John Howell	Bahama	1,986	-	8¼	---	-	-	1,986	-	8¼
Caleb Lloyd	Spanish Town Jamaica	15,781	2	4	---	-	-	15,781	2	4
Will <sup>m</sup> Otley	South Carolina	10,818	11	3½	---	-	-	10,818	11	3½
Will <sup>m</sup> Tuckett	Antigua	7,761	18	11	---	-	-	7,761	18	11
Will <sup>m</sup> Whitehead	S <sup>t</sup> Kitts	7,820	4	11	---	-	-	7,820	4	11
Geo <sup>r</sup> Angus	Barbadoes	11,855	12	11	---	-	-	11,855	12	11
Tho <sup>s</sup> Grahame	Georgia	4,151	2	1½	---	-	-	4,151	2	1½
	East Florida	2,985	16	8½	---	-	-	2,985	16	8½
		172,586	11	1¾	1,123	7	8	173,709	18	9¾

Source: N.A.: AO3/1086

rather than the physical transfer of specie. Certainly this became a point of contention in subsequent protests, and the confusion as to whether or not the Stamp Act would be a drain on colonial specie [Sosin, 1958] arose largely because of delays in communication between the imperial center and the colonial periphery.

While considerable care had been undertaken in the design of the new measures to ensure they were appropriately adapted to colonial conditions, there were several potential problem areas, particularly for the fledgling colonial paper-making and printing industries. On February 14, 1765, Benjamin Franklin wrote to his partner in the *Pennsylvania Gazette* that: "I think it will affect the printers more than anybody" [Schlesinger, 1935, p. 66]. The tax on advertisements dealt a bitter blow for colonial newspaper advertisements, which generally cost from 2s. to 5s. local currency, and to which the addition of a 2s. stamp duty would then add, possibly putting advertising out of the reach of many businesses and so reducing the profitability of newspapers. It was expected that the duty on advertisements would be reduced to 1s. but, according to Benjamin Franklin, the reduction "slipt in passing the bill" [Labaree, 1968, p. 170].<sup>18</sup> In a letter to his partner David Hall on June 8, 1765, he remained optimistic, however, that it would be altered, with other refinements, in the next sitting of Parliament. In addition, the Stamp Act required payment in advance of a security for the advertising duty by the printers before the stamped paper could be obtained as was the practice in Britain [Labaree, 1968, p. 65, fn. 3]. In a letter to a colleague on February 14, 1765, Benjamin Franklin said [Labaree, 1968, p. 68]:

Every Step in the Law, every Newspaper, Advertisement and Almanack is severely tax'd.... If this should, as I imagine it will, occasion less Law, and less Printing, 'twill fall particularly hard on us Lawyers and Printers.

In addition, there were problems with differences in the sizes and quality of paper used. For example, in Britain, almanacs were generally printed on foolscap paper sized 17x13½ inches, and it seems the original intention was to ship foolscap to the colonies pre-stamped for use in printing almanacs. In Pennsylvania, however, almanacs were produced using Demi paper

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<sup>18</sup>It seems, however, that he was pragmatic about the tax and viewed it as an opportunity as well as a threat. He secured the post of stamp distributor in Philadelphia for a friend. He also ordered "100 reams of half-sheets of extraordinary size, the kind used by the *London Chronicle*, in the hope of avoiding the penny tax" [Labaree, 1968, p. 65, see also, Schlesinger, 1935, p. 67].



sized 20x15½ inches. It seems that Benjamin Franklin was able to intervene and have Demi sent instead, albeit of a lesser quality than the foolscap [Labaree, 1968, p. 171]. English paper was more expensive, which made the cost of complying with the Stamp Act even higher than just the tax itself [Koeppel, 1976, p. 58].

The requirement to have paper and parchment stamped in Britain and then shipped to the colonies was potentially devastating to colonial paper mills. In a letter printed in the *London Chronicle*, August 17-20, 1765, attributed to Charles Thompson [Labaree, 1968, p. 186]:

The paper mills, nursed with care and brought to so great perfection in this province [Philadelphia] must now fall, at the same time the business and trade of the Printers is ruined...

Having examined the motivation for the choice of tax instrument and the manner in which it was expected to be administered, the next part of the paper examines the colonial response to the tax. As mentioned earlier, one difference with this analysis, compared with other studies of colonial accounting, is that the Stamp Act was a failed measure. The colonial resistance proved strong enough to force the imperial government to withdraw the tax a mere six months after the commencement of its operation. Another difference is that this study considers all of the colonies rather than just the mainland colonies, which more adequately reveals the complexity of the colonial response.

### THE COLONIAL RESPONSE

Breen [1997, p. 27] marks the 1760s as a turning point, prior to which the American colonists were fiercely loyal and saw themselves as a valued part of the empire, with equal standing to British residents. "They believed that the English accepted them as full partners in the British Empire, allies in the continuing wars against France, devout defenders of Protestantism, and eager participants in an expanding identity." A significant feature of the colonial response to the Stamp Act was the way in which it brought the disparate colonies together. The effect of British policy subsequent to the Peace of Paris had not been even throughout the colonies; for example, the Sugar Act of 1764 did not affect the southern colonies as much as it did New England or the port towns [Pole, 1973, p. 36]. One key difference with the Stamp Act was its universal impact; it affected all

colonies, all of which shared a mutual interest in opposing the measure. Colonial ministers preached resistance to the Stamp Act, drawing on philosophers such as Milton, Sydney, and Locke [Van Tyne, 1913]. Colonial assemblies met to produce various resolutions and petitions, while printed newspapers and pamphlets added fuel to the fires of resistance. This neither implies that the response was uniform nor that there was unanimity in the grounds for or against the tax.

In the British view, the right to tax was disassociated with the right to parliamentary representation since at the time only a small proportion of Englishmen themselves were represented [Beloff, 1965]. Brewer [1988, p. 375] notes that "the extent of tax resistance in those territories where the legitimacy of parliamentary jurisdiction was challenged" underlined the importance of "parliamentary consent in securing effective tax gathering." The colonists distinguished between internal and external taxes and were prepared to accept external duties, the main purpose of which was to regulate trade. Internal taxes (i.e., those for the purpose of revenue raising) were considered to be the province of colonial assemblies. In evidence to the Stamp Committee of 1766, Benjamin Franklin, agent for Philadelphia, stated: "I never heard any objection to the right of laying duties to regulate commerce, but a right to lay internal taxes was never supposed to be in parliament, as we were not represented there" [Labaree, 1969, p. 137]. Earlier, in 1764, Franklin had said: "two distinct Jurisdictions or Powers of Taxing cannot well subsist together in the same Country. They will confound and obstruct each other" [Slaughter, 1984, p. 4]. There is some debate among historians as to how enduring the distinction between internal and external taxes was. Wood [1969] maintains that it was dropped after the Stamp Act crisis, whereas Bailyn [1967] sees it as part of a wider distinction between internal and external government. The Morgans [1953] were of the view that the distinction was never a popular one. Slaughter [1984], however, maintains that the distinction remained significant throughout the pre-revolutionary period and beyond because it was never really resolved.

News of the Act reached the colonies in April 1765 and, subsequently, a number of resolutions were passed opposing the Act, first in the Virginian House of Burgesses on May 30, 1765, followed by the other colonies. The stamp, which in Britain represented evidence of contribution towards the cost of state protection, discharge of an obligation, and acknowledgement of Parliament's legitimate right to impose taxes, took on a different complexion in the colonies.

On October 7, 1765, the Stamp Act Congress was held in New York, attended by 27 delegates from nine colonies and culminating in 14 declarations of principle [Morgan, 1973]. The eighth of these stated that the "rights and liberties of the colonists" were subverted by the Stamp Act [Morgan, 1973, p. 45]. A memorial to the House of Lords from the colonists expressed concern on similar grounds; this was one of several memorials and petitions sent to various bodies in Britain [Morgan, 1973, p. 66]. The two fundamental "rights" referred to were the right to trial by jury and the right to "exemption from taxes but such as are imposed on the People by the several Legislatures in these Colonies" [Morgan, 1973, p. 66]. A petition to the House of Commons pointed out that there would be serious consequences for the commercial interests of Great Britain and her colonies should the Stamp Act be put into effect [Morgan, 1973, p. 67].

In addition to the resolutions and petitions formulated by the colonial assemblies, the American press was galvanized to report the news and to argue the colonial view. A number of newspaper articles and pamphlets were published registering the outrage of the colonies. Before 1765, "newspapers were relatively unimportant as agencies for moulding and reporting public opinion" [Dickerson, 1951, p. 454]. In the English press, on the other hand, while many were supportive of the colonial arguments, others considered the Stamp Act just and equitable. The various responses to the Stamp Act, both in the colonies and in Britain, are well documented elsewhere.

As well as the official action taken by the colonial assemblies, resistance to the Stamp Act comprised boycotting of English imports and action to force the resignation of stamp distributors [Morgan, 1973, p. 104]. The first manifestation of violence in the context of the latter of the two resistance strategies was in Boston on August 14, 1765, followed by Newport on August 29, 1765.

The Stamp Act further aggravated the growing antagonism toward heightened British interference partly because, as Schlesinger [1935, p. 65] pointed out, it was the printers, lawyers, and merchants who bore the brunt of the impost, and these were the people who "formed the most literate and articulate section of the colonial public". David Ramsay [Schlesinger, 1935, p. 65] said:

It was fortunate for the liberties of America, that Newspapers were the subject of a heavy stamp duty. Printers, when uninfluenced by government, have generally

arranged themselves on the side of liberty, nor are they less remarkable for attention to the profits of their profession. A Stamp Duty, which openly invaded the first, and threatened a great diminution of the last, provided their united zealous opposition.

In the main, however, the colonies largely disregarded the Act although the formation of the Sons of Liberty, an "inter-colonial union for the purpose of resisting enforcement of the Stamp Act" [Morgan, 1973, p. 105], was complete by the end of that year. Fueled by the rhetoric of the Sons of Liberty, public opinion turned towards securing the resignation of the stamp officers prior to the starting date of November 1, 1765. By mid-August 1765, riots had commenced and spread throughout the colonies [Schlesinger, 1935, p. 72]. Schlesinger was of the view that it was the ceaseless propaganda of the press which kept the public mind at fever pitch. In a letter to the commissioner of stamps, dated October 12, 1765, one of the victims, John Hughes, stamp distributor for Pennsylvania, said "the printers in each colony, almost without exception, stuffed their papers weekly for some time before with the most inflammatory pieces they could procure and excluded everything that tended to cool the minds of the people."

As previously noted, not all the colonies reacted in the same way to the Stamp Act, and in Pennsylvania, for example, Quaker conservatism prevailed and violent resistance was avoided [Newcomb, 1966, p. 272]. "Nova Scotia, alone of all the colonies on the seaboard, submitted without opposition to the laying of stamp duties. In her settlement there were no riots, no non-importation agreements and apparently, except for Liverpool, no murmurs" [Weaver, 1904, 58]. In most of the colonies, there was serious rioting when the stamped paper arrived, and some of the stamped paper was seized and burned. The officially appointed stamp distributors found themselves to be in such a perilous situation that they resigned en masse, with the exception of the distributor in Georgia, George Angus, who arrived well-guarded in Georgia with the stamps in late 1765. During January 1766, about 60 ships offloaded stamped paper in Savannah. This activity angered the other colonies and also those inhabitants of Georgia not resident in Savannah, "for their betrayal of American unity" [Koeppel, 1962, p. 10]. Learning that there was to be a mob march on Savannah, the governor dispatched the stamps out to a British warship. Koeppel records that the stamps were used in Quebec, Nova Scotia, Florida, and some of the West

Indian colonies, namely Antigua, Barbados, Grenada, and Jamaica.

Spindel [1977] analyzes, in particular, the reaction of the colonies in the British West Indies.<sup>19</sup> On the whole, their response was moderate in comparison with the mainland colonies although, even in the West Indies, "the response of each colony was unique, determined by differences in history and environment."<sup>20</sup> The government in the West Indies was similar to that in North America with some inevitable differences based largely on demographic factors, such as smaller populations and higher proportions of slaves. In addition, the chief executives in the West Indies enjoyed significant financial privileges and had powerful representatives in London. Other forces which underlined the differences between the Caribbean colonies and North American colonies included the "lack of cultural life, the scarcity of land, geographic isolation, a debilitating climate, and exposure to attacks from French and Spanish ships" [Spindel, 1977, p. 207]. Throughout the colonies, both mainland and island, stamp officials were attacked and abused, stamp distributors burned in effigy and their families threatened, and stamped paper was stolen and destroyed.

Numerous petitions were received from America and, in February 1766, the House of Commons appointed a parliamentary committee to inquire into the operation of the Stamp Act. Before the committee reported, Grenville was dismissed from office and, following some difficult negotiations, administration was formed under the Marquis of Rockingham for whom Edmund Burke acted as private secretary.

The depth of colonial resistance to the Stamp Act, albeit not uniform, rendered it impossible to enforce. It became clear to the new ministry that compliance with the stamp duty could not be obtained. The question arose as to whether, given that the Stamp Act was not self-enforcing as originally envisaged, mili-

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<sup>19</sup>In 1765, the British colonies in the West Indies were the Bahamas, Jamaica, and the lesser Antilles, comprising Anguilla, Antigua, Barbados, Barbuda, Dominica, Grenada, Montserrat, Nevis, St. Kitts, St. Vincent, Tobago, and Tortola.

<sup>20</sup>Reaction varied across the island colonies. Jamaica and Barbados, for example, showed only token resistance to the Stamp Act. In St. Kitts, however, the reaction against the Stamp Act was more violent. Stamped papers stored at a merchant's house were torched by a mob of some 300-400 people, and the stamp distributor, William Tuckett, was forced to resign his post. The St. Kitts authorities apparently made no effort to enforce the Act, and the *St. Christopher Gazette* was published unstamped throughout the period of operation of the Stamp Act [Spindel, 1977].

tary force should be used to secure compliance [Bullion, 1992]. Following the report of the parliamentary committee and subsequent debate, the decision was taken to repeal the Stamp Act. As Bullion [1992] concludes, "[w]hen their expectations of American acquiescence proved incorrect, the majority of the cabinet were too familiar with the difficulties of a military response and too unimpressed with the Stamp Act to favor a confrontation."

The committee noted that insurrection had taken place in some of the North American colonies, and that the insurrection had been encouraged by resolutions of the colonial assemblies in the respective provinces. The committee resolved that these matters be put before the King with a request that he direct the governors of the colonies to find the principal trouble makers and punish them. The King was also to be asked to instruct the governors to recommend to the assemblies that recompense be made to those who had suffered loss during the insurrection. The committee resolved finally that "the Parliament of Great Britain had, hath and of Right ought to have, full Power and Authority to make Laws and Statutes of sufficient Force and Validity, To bind the Colonies and Peoples of America – subjects of the Crown of Great Britain in all cases whatsoever" [BM Add Ms 33030 f.74].

The merchants in the House of Commons were naturally foremost among the advocates of the repeal and, according to Namier [1966, p. 254], only "six only out of some 52" voted for repeal. On division, the resolution for the repeal of the Stamp Act was approved by 275 votes to 167, and the resulting bill repealing the Stamp Act was given royal assent on March 18, 1766.

The repeal of the Stamp Act by the Rockingham ministry should not be read as acceptance of the American view. Indeed, according to Thomas [1975, p. 33], the repeal came about because of "an unusual combination of circumstances, not through widespread support for the colonial cause. In the general context of British political attitudes towards America, it was a misleading fluke." The repeal was accompanied by a declaratory act which set out the right of Parliament to pass laws binding on the American colonies [Plumb, 1963, p. 127; Beloff, 1965]. William Pitt had attacked the Stamp Act on the basis that England had no right to impose internal taxes in America, and its repeal has been attributed to his efforts [Dowell, 1888, p. 154]. In notes for a *Speech on the Declaratory Resolution*, Burke said [Langford, 1981, p. 47]:

The situation extended from between the Tropicks to the pole in such an Extent in such Situations and under such a variety of Circumstances, that it would be impossible to govern them all upon a plan of Government settled even there. Taxation the nicest part of Domestic polity, so that Had the Question been now before us to form a new Plan of Polity for our Colonies, it would be right totally to leave the affair of internal Taxation to themselves.

In the breadth of the duties encompassing nearly all legal transactions as well as newspapers and pamphlets, Grenville had impinged on "each nerve centre in American life at which either economic or intellectual activity was registered" [Pole, 1973, p. 42]. The anticipated revenue had been estimated at between £60,000 and £100,000 per year but, according to Dowell [1888], and as confirmed by the accounts in Figure 1, the actual yield was £3,000 in 1767 and £1,000 in 1768 plus a bitter legacy of resistance.

As noted by Preston [2006, p. 572] in the context of the Navajo, action at a distance may be well intentioned, here bringing the colonists into the imperial fiscal web, but may nonetheless "become a brutal fact to those upon whom it is enacted," revealing a fatal mismatch between "global and local logics."

### THE AFTERMATH

Following the repeal of the Stamp Act, it remained to deal with the shipping back the unused stamped paper and parchment not destroyed in the disturbances. This process took some time with Figure 5, an expanded version of Figure 3, demonstrating how it played out. In October 1766, the stamped paper and parchment that had not been sent to America was ordered to be "made usefull [sic] to Britain" by having the stamp cut off so that it could be re-used [Koeppel, 1976, 15]. Figure 3 (repeated as the top half of Figure 5) is an extract from the account of the warehouse keeper of stamped goods charged with receipt of the returned paper from America. Following the repeal, this officer was discharged from his obligations by the cancellation of the stamps and removal of the paper into the hands of the warehouse keeper of unstamped goods.

Figure 6 shows that the paper was sold back to the stationer who had supplied it in the first instance to be re-used in Britain. This process took some time, consignments being delivered over the course of the period from 1767-1772.

**FIGURE 5**  
**Warehouse Keeper of Stamp Goods**

1765	£	s	D	1765		£	s	D
Oct 31 <sup>st</sup> to Stamp goods received from the Teller	222,506	11	6½	Oct 31 <sup>st</sup>	By sundry consignments	172,586	11	1¾
				Sept 3 <sup>rd</sup>	Commissioners order paid receiver general for stamps	17	17	8
				1766				
				Oct 14 <sup>th</sup>	D <sup>o</sup> for parchment and paper cancelled	49,902	2	8¾
	222,506	11	6½	1766		222,506	11	6½
				Nov 29 <sup>th</sup>	Commissioners orders to discharge the returns same having been cancelled	23,924	12	6½
				1767 June 16 <sup>th</sup>	Ditto	19,533	10	8½
				Sept 8 <sup>th</sup>	Ditto	11,440	1	3¾
				1768 April 12 <sup>th</sup>	Ditto	39,848	6	6¾
				1769 Sept 26 <sup>th</sup>	Ditto	10,391	17	8¼
Returns from the several distributors	105,138	8	9¼			105,138	8	9¼

Source: N.A.: AO3/1086

Earlier, Figure 4 showed how the consignments of stamped paper were allocated among various colonial distributors. The remainder of this abstract, reproduced as Figure 7, shows which colonies collected the tax, which returned the paper and parchment, and which "mislaid" it during the disturbances. The abstract shows cash received from the distributors in Quebec, Montreal, West Florida, Jamaica, St. Kitts, Barbados, and Georgia.

Finally on this point, the accounts in Figure 1 show that stamped paper to the value of approximately £155,000 was cancelled. Without the underlying working papers, it is not immediately apparent what constitutes this total, given that to the distributors' abstract, returns totaled only £105,138. The difference may represent paper and parchment which had not yet been dispatched to the colonies.



**FIGURE 6**  
**Warehouse Keeper of Unstamped Goods**

1765	£	s	D	1765	£	s	D
Aug 2 <sup>nd</sup>	3,599	8	11	Oct 31 <sup>s</sup>	3,776	14	4½
Oct 31 <sup>st</sup>	337	7	6		142	19	4½
					17	2	8
1766	3,976	16	5	1767	3,976	16	5
Oct 14 <sup>th</sup>	528	10	¾	Feb 10 <sup>th</sup>	385	1	5
Nov 29 <sup>th</sup>	158	13	¾	May 21 <sup>st</sup>	42	15	6
1767	39	10	8	July 31 <sup>st</sup>	46	16	9½
1768	184	8	3	Nov 7 <sup>th</sup>	30	6	9½
1769	36	10	-	1768	18	12	9
				June 3 <sup>rd</sup>	163	5	6
				Sep' 8 <sup>th</sup>	16	5	-

FIGURE 6 (continued)

	£	s	D		£	s	D
				1769			
				Jan <sup>r</sup> 19 <sup>th</sup>	Ditto	51	14 3
				March 9 <sup>th</sup>	Ditto	31	7 9
				May 23 <sup>rd</sup>	Ditto	16	1 1½
				Sept 8 <sup>th</sup>	Ditto	17	11 -
				1770			
				Feb <sup>r</sup> 8 <sup>th</sup>	Ditto	41	19 4
				Aug <sup>r</sup> 16 <sup>th</sup>	Ditto	7	- -
				16 <sup>th</sup>	Ditto	7	14 9
				1771			
				Jan <sup>r</sup> 15 <sup>th</sup>	Ditto	6	- -
				April 6 <sup>th</sup>	Ditto	51	3 -
				1772			
				Feb <sup>r</sup> 14 <sup>th</sup>	Ditto	6	17 5½
	940	12	5		940	12	5

Source: N.A.: AO3/1086

**FIGURE 7**  
**Distributors' Abstract (extract)**

Districts	Cash			Returns			Transfers			Balances		
	£	s	D	£	s	D	£	s	D	£	s	D
Connecticut	---	-	-	6,793	8	4¼	---	-	-	1,909	10	11
New Hants	---	-	-	1,657	7		---	-	-	2,488	17	7
Pensilvania	---	-	-	7,950	10	9	---	-	-	3,902	4	
Quebec	316	10	8	4,437	4	2¾	84	2	8	2,097	5	3½
Virginia	---	-	-	4,948	6	7½	---	-	-	4,735	13	7
Montreal	273	3	9	2,587	15	9	1,039	5	-	2,073	1	¼
Nova Scotia	---	-	-	473	14	4¾	---	-	-	1,133	7	5½
New Jersey	---	-	-	3,552	8	6½	---	-	-	1,859	19	4½
Marylands	---	-	-	4,948	6	7½	---	-	-	2,479	14	10
Grenada	---	-	-	3,219	1	8½	---	-	-	756	4	½
West Florida	50	-	-	2,797	15	4	---	-	-	138	1	4½
North Carolina	---	-	-	4,966	11	7½	---	-	-	2,479	14	10
New York	---	-	-	181	3	-	---	-	-		8	
Boston New England	---	-	-	8,245	17	5¾	---	-	-	4,167	19	2½
Rhode Island	---	-	-	3,236	8	9	---	-	-	3,823	1	7
Bermudas	---	-	-	1,199	4	2¼	---	-	-	786	16	6
Bahama	---	-	-	1,986	-	8¼	---	-	-	---	-	-
Spanish Town Jamaica	2,097	2	-	5,953	12	4½	---	-	-	7,730	7	
South Carolina	---	-	-		11	3½	---	-	-	---	-	-
Antigua	---	-	-	5,486	8		---	-	-	2,275	10	¼
S' Kitts	8	13	6	4,100	3	11	---	-	-	3,711	7	6
Barbadoes	500	-	-		18	5	---	-	-	579	14	6
Georgia	45	-	-	3,820	6	7¾	---	-	-	285	15	5¾
East Florida	---	-	-	1,000	1	2½	---	-	-	1,985	15	6
	3,292	9	11		8	9¼	1,123	7	8		12	5½

Source: N.A.: AO3/1086

### OBSERVATIONS ON THE STAMP ACT ACCOUNTS

The final account is shown in Figure 1. Aspects of that account remain unresolved. We have been unable to ascertain the nature of the two entries for "incidents," £371.16s.11d. and £335.1s.8d. respectively, but this possibly includes some element of compensation paid to distributors and ship owners who lost money during the disturbances. There were several petitions to Parliament seeking such compensation, but whether these would be reflected in the accounts is uncertain. One such petition related to damages of £55.10s. for additional expenses incurred as a result of having to unload stamped paper up-river from the port as a result of danger from the disturbances [T1/479 ff 223-224]. It certainly appears, furthermore, that the accounts do not include a bill from the solicitor of the Stamp

Office; Thomas Cruwys, for the drafting of the Stamp Bill.

As is clear from Figure 1, the accounts produced in 1772 are in charge-discharge form. This was the prevailing form for government accounting during the 18th century, not only in Britain but also in Continental Europe. It was not until the first half of the 19th century that attempts were made to standardize government accounts using double-entry bookkeeping [Edwards and Greener, 2003]. Lemarchand [1994, pp. 193-194] examines the transition to double-entry bookkeeping from charge and discharge in France during the 18th century and notes that mineral and metallurgy operations did not make the transition, most probably because they were, in large part, financed by the nobility and financiers for whom charge and discharge was a more familiar system. The essence of charge and discharge is stewardship accounting, based on the separation of ownership of capital and management and couched in terms of responsibility, accountability, and control. "The initial framework [of charge and discharge] was the control of those in charge of handling royal or seigniorial funds or in the running of the domain. This was much more than a method of bookkeeping, it was a way of rendering accounts." Charge and discharge goes beyond cash accounting; the accountant "takes charge of everything he receives, either at the outset of his management or during it. He is discharged for all expenditure made for the purposes of such management and then must settle the balance." The process was geared to ensuring the integrity of the accountant through the obligation to render a final account subject to auditing.

Lacombe-Saboly [1997, p. 271] examines the accounting systems of three French hospitals in the 18th and 19th centuries and finds that, in the pre-revolutionary period, the same model was used as that of French bankers and public accountants (i.e., charge and discharge). Movements in funds were recorded in monetary units, even where actually exchanged in kind. "The accounting organization seems to have been conceived for submitting accounts to the management committee and supervisors, and not merely for the gathering of information." Lacombe-Saboly concludes that the system in use satisfied the need for information. It was not used to record debtors and creditors in the way that private merchants accounts did, and it seems that the recording of receipts and expenditure was sufficient for the needs of the hospital management.

Similar features can be noted in the colonial Stamp Act accounts. In particular, for the final account (Figure 1), the charge is for the value that the stamped paper was expected to realize

on sale, not the cost of its purchase and the stamping process. The final account is also supported by subsidiary accounts showing the charge and discharge at other stages in the process.

Holmes [1979] examines government accounting in colonial Massachusetts and, as part of his analysis, considers the Treasurer's books of account from 1754. While underpinned by double-entry subsidiary accounts kept in the Italian method, the reports of the fiscal position of the colony to the legislature adopted charge-and-discharge format. Holmes corresponded with Yamey regarding his findings, who apparently tentatively confirmed that such accounts were unlikely to have been used anywhere in Europe by government departments at that time. It seems unlikely, therefore, that the underlying accounts for the Stamp Act would have been kept in double-entry form.

### CONCLUSION

The attempt by Britain to levy a stamp duty on the American colonies is an extraordinary episode in fiscal history. Unlike other instances of tax-related rebellion [see Burg, 2004, for a comprehensive analysis], however, it concerned not domestic impositions but a new tax levied across vast geographical distances. Careful planning, sympathy with local conditions, and an attempt to enlist the support of the colonies in its execution may have assisted a successful implementation of the Stamp Act, but clearly these issues were not sufficiently understood by the British Parliament. The episode stands as an example of how a tax instrument which is successful in one setting will not necessarily have the same effectiveness when transposed into another. The tax displayed characteristics of a sovereign power as evidenced by the inspection regime by which it was enforced, and the potential penalty of death without benefit of clergy for those found to be forging stamps. The tax also, however, displayed characteristics of a disciplinary power, requiring taxpayers to be complicit in its collection.<sup>21</sup> This holds true for the British version of the tax and explains in part its success at a time when other forms of taxation, specifically tax on incomes, were unthinkable. In the case of the imperial version, the government failed to enroll local actors to the extent necessary to make the tax work in practice at a distance.

By examining the literature, we have shown that the signal failure of the Stamp Act is due to a number of contributing fac-

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<sup>21</sup>These concepts of power are derived from Foucault [1979].

tors. Some of these are discussed extensively in the existing literature of the Stamp Act crisis. For example, the British Parliament failed to appreciate that the relationship between Britain and the colonists was perceived in an increasingly different way by both parties. In the British view, the right to tax was disassociated with the right to parliamentary representation at the time when only a small proportion of Englishmen themselves were represented. Distinguishing as they did between internal and external taxes, the American colonists were prepared to accept duties whose main purpose was to regulate trade. They were far less inclined to accept a stamp tax regarded as an interference with their internal affairs. As a result of the differences in outlook, the British government underestimated the depth of the feeling against imperial taxation in any form. Communication delays rendered the implementation of the tax problematic and contributed further to the tensions in the colonies. Most importantly, the timing of the attempt to tax the colonies was misjudged. Had earlier proposals, made as early as 1720, been implemented, the colonists may not have been so quick to reject it, but, by 1765, a growing sense of independence meant that any form of taxation, no matter how carefully chosen, was bound to interfere with that trend.

In this paper, we posit an additional explanation for the failure of the imperial Stamp Act, which relates to the capacity of the chosen fiscal instrument to galvanize a violent resistance movement. We argue that the logistics of implementing a highly complex form of taxation across vast geographical distances were completely underestimated by Parliament, demonstrating the failure to enact action at a distance. Even with the full cooperation of the colonists, it would have been extremely difficult to manage the efficient operation of the Act and to reap the expected revenue. More careful consideration of the different economic and social conditions in the colonies and how these would impact the implementation of the tax may have led to a different design.

A number of features of the Stamp Act operations contributed to its rejection by some of the colonies. While stopping short of a counterfactual argument, we note a number of possibilities. Had the colonies been allowed to stamp their own paper (i.e., paper made in the colonies), the need to ship large bales of stamped papers across the Atlantic would have been avoided. The colonists would not then have been faced with such visible evidence of imperial interference and would have been deprived of the opportunity to demonstrate disapproval in such an in-

flammatory way. In addition, the costs of producing newspapers and other publications would not have been increased to such an extent. Another feature relates to the choice of objects to be taxed. Had the tax not been imposed on newspapers, pamphlets, and almanacs, the printers may not have incited resistance through the publication of inflammatory tracts.

Furthermore, had the British government paid heed to the way in which the colonies were taxing themselves, the overlay of stamp duties on items such as licenses to practice law or a profession, already subject to faculty tax, could have been avoided. Massachusetts, in particular, was heavily taxed at the time through a variety of different instruments.

Through the examination of primary source documents, this paper shows the way in which the British government bureaucracy drew up the accounts for the American stamp and demonstrates that it was not designed to "calculate the loss." Rather the accounts are charge-and-discharge accounts which reflect the stewardship obligations imposed on those responsible for the collection of the tax, consistent with the residual feudal mentality still extant in the mid-18th century.

Finally, the examination of the accounts drawn up by the British government some six years after the abolition of the stamp duty provides insight into the nature of government accounting in the mid-18th century while underscoring both the unnecessarily complicated nature of administering the impost and the depth of its failure.

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