

## Interest Groups and Economic Growth, 1660 – 1715

This paper offers an account of the ways in which the rising importance of Parliament at the turn of the 18<sup>th</sup> century assisted Britain's national economy. It concentrates on a single problem – the economic consequences of the constitutional changes often misleadingly labelled as 'Parliamentary sovereignty'. It answers two related questions about this period. What were the economic connotations of political reform? What were the political determinants of economic growth? Political and economic historians (including historians of the industrial revolution and historians of Parliament) have not shared contemporaries' expectations that the 'sovereign Parliament' could assist in the development of Britain's national economy. This paper offers an interdisciplinary means to assess this expectation. Using hypotheses stimulated by the literatures on political science and institutional economics, but sceptical of such over-arching ideological constructs as 'mercantilism' or linear narratives such as the 'rise of liberalism', the paper hopes to offer a more agile conceptual framework and a more historical discussion of a question with large and multi-disciplinary implications.

The shift of national, economic regulatory initiative from the Privy Council to Parliament during this period influenced the structure and scale of Britain's economy. The primacy of Parliament as the regulator of the burgeoning national economy after 1688 assisted the realisation of what lobbyists and policy-makers called the 'national interest', which came, more and more, to mean national economic growth. The paper analyses the changing pattern of state attempts to intervene in Britain's growing economy as the means for that state initiative shifted from royal proclamation to Parliamentary statute. Parliament provided a less efficient regulatory mechanism than the Privy Council, but because Parliament's enactments were based on consent, statutes provided a more effective means to enforce government attempts to regulate the economy than proclamations. As a more open and deliberative institution, Parliament offered a platform for commercial interest groups (often from the provinces) to assert their economic agendas via petitions to assist infrastructure projects (roads and rivers), protect nascent manufacturing (silk and cotton) or deregulate trades (cloth, corn, and iron). Parliament's representative remit also allowed lobbying groups to defeat statutory attempts to regulate overseas trade (especially in the case of the slave trade).

The paper offers an overview of all of these phenomena to allow an appreciation of the broad connections between constitutional change and economic growth in this period. In examining these political sources of economic growth the paper also offers a new interpretation of Parliamentary sovereignty and how Parliament relied upon the public sphere to assist in developing the economy and how national economic growth depended as much upon the retreat of other constitutional branches from the business of state regulation of the economy as it did on the extension of Parliament's influence. The paper also offers important refinements to economists' belief that rent seeking inhibits economic growth. The commercial interest groups the paper focuses on show how lobbyists and rent seekers helped to develop the economy contrary to the political science literature which traditionally describes interest groups as inhibitors of national economic development.

Will Pettigrew  
University of Kent