Public Debt and Political Behavior in Post-Revolutionary England

Alexander Lee* Xintian Wang‡

May 5, 2026

Abstract

Does the holding of sovereign debt tie the holders to the regime issuing the debt, and thus encourage regime stability? We examine this question in the paradigmatic case of England in the years after the Glorious Revolution, when a massive expansion of public debt and the financial sector was coupled with institutional stability and the dominance of a Whig party friendly to debt holders. This note shows that the holding of debt reinforced the power of the revolutionary coalition. It takes advantage of the fact that much of the public debt in this period was distributed through random lottery loans, and that parliamentary voting was public. Conditional on entering and winning the lottery, winning a large government bond is not associated with voting behavior before the lottery, but is associated with a higher chance of voting for Whig candidates in subsequent elections. The effect is concentrated among those not engaged in commerce, who were less likely to be sympathetic to the Whig agenda than businessmen. The results suggest that the financial asset holding can influence political behavior, and that this played a part in the rise of European capitalism.

Word Count: 6360

*Department of Political Science, University of Rochester, Harkness Hall, Rochester, NY 14627. Email: alexander.mark.lee@rochester.edu.

†Department of Political Science, University of Rochester, Harkness Hall, Rochester, NY 14627. Email: xwang225@UR.Rochester.edu.

‡We thank Francois Velde, Gary Cox, David Stasavage, Anderson Frey and seminar participants at the University of Rochester for valuable comments.

1 Introduction

What are the political effects of sovereign debt? In the 1790s, Alexander Hamilton argued that the wide holding of the US national debt would tie the holders to the new republic (Hamilton, 1962, vol. 6, pp. 67–72), while his Jeffersonian opponents feared the sinister influence of debt holders over public policy (Elkins and McKitrick, 1993, pp. 136–146).[1] It was North and Weingast (1989), however, who set the modern research agenda, arguing that debt contracts make the holders dependent on the institutions of the issuing state, and in particular that England's Glorious Revolution of 1688 aligned creditors with the relatively credible institutions of the new constitutional regime. Stasavage (2003) and Pincus and Robinson (2011) refined this argument by showing that it was the political dominance of creditors through the Whig Party that made repayment certain. Similarly, Hager (2016), working with contemporary US data, has shown that wealthy debt holders are a constituency for austerity, sound money, and regime continuity that exercise an outsize influence on public policy, similar to Streeck (2014) 's claim that the power of debt-holding "people of the market" represents a danger to democratic institutions.

The empirical literature has tended to focus on the influence of creditors on fiscal policy and debt repayment, rather than on the "binding" effect of debt on political preferences of creditors. This preference stems from the serious selection problems inherent in testing the binding hypothesis: people who hold sovereign debt tend to be much wealthier than those who do not, and are often more sympathetic to, and connected to, the regime that they are lending to. However, this leaves open the question of whether widespread debt holding can in fact expand a regime's political base in the way Hamilton claimed, by making creditors stakeholders in regime perpetuation and debt repayment and more supportive of political actors that support these policies.

The ideal experiment to test the binding hypothesis would involve randomly distributing government debt to members of a country's elite, then observing changes in their political loyalties. In an even more ideal world, this experiment would be conducted in England after the Glorious Revolution, the case which has had the most influence on existing theories of the political economy of debt. Remarkably, this ideal experiment was in fact conducted. Between 1694 and 1776, the English government took advantage of popular appetite for risk by floating 37 lottery loans at slightly below market interest rates, where investors handed

[1] Jonathan Swift had made the same argument an 80 years previously regarding Britain (Swift, 1711, 62).

over principal and in return received bonds of varying sizes, with the size being determined by a random draw (Velde, 2018). These loans were enormously popular, and doubled the number of government debt holders in Britain (Macdonald, 2013, 135). These bonds were identical to normal bonds, though the popularity of the lottery feature meant that they could carry slightly below-market interest rates. We focus on the 1711 and 1712 lotteries, for which a complete record of winners (who are a random sample of entrants) has survived in the National Archives. We leverage the substantial variation among winners in the size of the prize they won. We then matched lottery winners to poll book records of votes cast at the 1713, 1715, and 1722 elections in the parliamentary constituencies of London and Middlesex, where much of the elite lived or owned property.

In this note, we use the lottery and poll book data to show that the financial revolution was a key factor in the consolidation of the political one. The Whig program of debt repayment, a national bank, and confrontation with France appealed to the "monied interest" of merchants and financiers, and was opposed by landowners who believed that they would have to foot the bill for the increased taxation to pay the debt, which they saw as the product of political corruption and unnecessary foreign wars. This cleavage could be weakened, however, by the wider distribution of the debt within the elite. As more people became government creditors, they naturally became more sympathetic to pro-creditor policies and the Whig politicians that promoted them. We find that, conditional on winning the lottery, winning a larger bond was associated with voting for Whig candidates at subsequent elections, with the effect persisting as late as 1722. The result is smaller among those with a commercial or financial background. This is consistent with the claim that the political effect of debt came from tying the broader population to the revolutionary coalition rather than effects on merchants who already had strong reasons to support the Whigs. This result is unlikely to be a product of simple gratitude, since the 1711 and 1712 lotteries were organized under a Tory government under favorable rules devised by them. These lotteries also randomized the maturity date of the bonds; the effect of maturity date is in the expected direction (with longer maturities favoring the Whigs) but not significant, a possible product of the expectation that the bonds would be redeemed early. As a falsification test to account for the possibility of lottery fraud and ticket transfers, we show that bond sizes are not associated with voting before the lottery, at both the 1705 and 1710 general elections. Our findings are also consistent with descriptive qualitative evidence that during the Whig supremacy of the 18th century, the holding of government debt became more common outside commercial circles and that this made them

more sympathetic to Whig policies (Ventura and Voth, 2015; Dickson, 1967; Weber, 2022).

Our paper speaks to three literatures. The first of these is the literature on sovereign debt. Unlike Tomz (2007) and Roos (2019), we are interested in the domestic political arrangements that guarantee debt repayment rather than the reputational or market constraints that bind states. Unlike Schultz and Weingast (2003), Rosenthal (1998) and North and Weingast (1989), we are not focused on the relationship between political *institutions* and debt, but rather the link between political loyalties and debt. Finally, unlike Hager (2016), we are interested in the effect of debt on creditor behavior rather than assuming creditor interests and tracing their political influence.

Secondly, our paper focuses on perhaps the most important case in the political economy of institutions, England in the long 18th century. This period saw an *institutional* transformation, which empowered parliament relative to the monarch (Pincus and Robinson, 2011; North and Weingast, 1989; Cox, 2016). There was a *financial* transformation, which allowed parliament to increase the national debt by 900% while interest rates declined by 62% (Dincecco, 2011; Sussman and Yafeh, 2006; Cox, 2016; North and Weingast, 1989, 822–4). And finally there was a *political* transformation, which moved from a period of intense partisan polarization to one-party dominance by the Whig party which controlled the government continuously from 1715 to 1760 (Hoppit, 2000). All these changes have been seen as crucial to Britain's subsequent rise to be the world's leading naval, commercial, and financial power and the world's first industrial nation, and as making Britain a defining case for the interaction between institutions, political commitment, and financial expansion in the world as a whole. While most scholars would agree that some version of these changes occurred, the exact causal relationship between them is a subject of intense scholarly debate. North and Weingast (1989) argued that the institutional changes associated with the Glorious Revolution of 1689 enabled the financial transformation by credibly committing the government not to default. Stasavage (2003) and Pincus and Robinson (2011) argued that it was in fact the dominance of the Whigs that made debt repayment credible. We show that the third leg of the triangle is also correct—that debt was a factor in the long Whig supremacy.

Outside the literature on the Glorious Revolution itself, the closest research to ours is a set of papers that show that stockholding is associated with changes in political preferences (Jha, 2015; Jha and Shayo, 2019; Duca and Saving, 2008; Biais and Perotti, 2002). We advance on these papers by focusing on government debt, historically the most common mechanism for financial coalition building, rather than equity. We also add to the related literature

on the political effects of lottery winning (Doherty, Gerber and Green, 2006; Powdthavee and Oswald, 2014), though our results differ from theirs in that we show that winners of debt are willing to support higher taxation to pay assets, rather than that winners of cash oppose taxation. The results underline the close connection between political and financial history and the role of debt in creating the institutional preconditions for sustained growth and parliamentary government.

2 Why Debt Affects Partisanship

Our theory tests the claim that holding domestic sovereign debt affects individual political behavior. The logic is simple. A self-interested debt holder will seek to avoid a default that will wipe out their investment. The two most plausible scenarios for such a default are a regime change which brings to power a new regime that views past debts as illegitimate or "odious" (Lienau, 2014; Jayachandran and Kremer, 2006) or a mismatch between tax revenues and expenditures that makes debt service impossible without cutting essential services.[2] Debt holders are thus likely to favor the continuation of the regime and the exclusion of regime opponents, especially if they believe that opponents represent a sufficiently major break from the incumbent regime that they would regard its debts as illegitimate. They are also likely to favor high tax rates and low rates of expenditure, even if they would pay the taxes in question. Debt holders are thus likely to favor parties that represent political continuity, fiscal responsibility, and monetary orthodoxy, even if they dislike other aspects of these parties' programs.

Non-debt holders, by contrast, are less likely to view debt default as anathema. They may believe the regime that contracted the debt or the purposes for which the debt was contracted as illegitimate. They may also view the reputational costs of default as less frightening, or simply harder to envisage, than the high levels of taxes or low levels of services necessary to continue debt payments. While not all non-debt holders will hold these opinions, enough will do so to create wide gaps between holders and non-holders in support for parties that emphasize debt repayment at the expense of institutional rupture or high taxes.

Our expectation is thus that debt holders will have a strong causal relationship with support for political parties associated with institutional continuity and high taxes. While

[2] Regimes may also render debts worthless through inflationary policies, so debt holders are usually opposed to such policies (Hager, 2016).

among some subgroups the propensity to support these parties is already so large that ceiling effects will limit the effect size, the effect among groups with low latent support for these parties will be large.

While our main predictions (like our findings) are at the individual level, they also have implications for effects of debt holding at the national level. We expect, as Hamilton and Jefferson did, that as the number of debt holders increases, the proportion of people supporting the existing regime, high taxes and regime-supporting parties increases. This will, over time, increase the stability of these regimes and increase the value of (and decrease the yields of) sovereign debts.

3 Politics and Finance in 18th Century England

The division between the Whig and the Tory parties emerged in the reign of Charles II (1660-85). The parties differed over two interrelated and highly emotive issues that had been at the center of English politics since before the 1642-51 civil war: the appropriate level of royal power relative to parliament and the appropriate level of power of the Church of England relative to other protestant denominations. Tories favored a strong monarch and a strong church, and accused their opponents of being crypto-republican sectarians seeking to undermine the social order. Whigs favored a stronger parliament and more toleration for Protestant dissenters, and accused their opponents of being crypto-catholic enablers of royal tyranny. Whigs were also suspicious of the domestic influence of Catholics and the international influence of French King Louis XIV, while the Tories were skeptical of foreign wars, even those with an anti-Catholic justification. While both parties had aristocratic leadership, the Tory party was more popular in rural areas, while the Whigs were more popular among the urban and commercial elite.

The Whigs had sought to exclude Charles's Catholic brother, James II (1685-9) from the succession, and were excluded from power during his reign. However, James's political miscalculations alienated even the Tories, who forced him into exile in the "Glorious Revolution" and replaced him with his daughter Mary and her husband William (1689-1702), later succeeded by Mary's sister Anne (1702-1714). The existence of James and his descendants as a rival ("Jacobite") dynasty in exile would be a major factor in raising the political stakes in the subsequent period. Tories yearned somewhat ambivalently for the return of the legitimate King (while deploring his Catholicism) while Whigs feared that any such restoration would

lead to their personal and political destruction. The rule of William, the Dutch leader of the anti-French international coalition, saw the start of a quarter century of almost continuous wars with France (1688-97, 1700-14), which was both the Jacobites' leading sponsor and a major trading rival. The Glorious Revolution was also a moment of constitution making, where the power of the monarch to raise taxes, raise armies and make appointments without parliamentary approval was curtailed, and triennial parliamentary elections were required.

In the reign of William and Mary, and the early part of the reign of Queen Anne, party divisions were muted due to the conscious policy of the monarchs to choose ministers from both groups, seeking to transcend party and balance the Whig loyalty to the regime against Tory deference to royalty. However, these coalitions were never reflected at the constituency level, and were plagued by internal rivalries. Gradually, they were undermined by disputes over religious toleration and the foreign wars that were such a feature of this period, and which the Tories opposed. This gradually led the government to be entirely dominated by Whigs (1708). The situation became intolerable to both the queen and the war-weary electorate, who brought in a Tory ministry (1710) which ended the war with France. On the death of Anne (1714), however, the new foreign king, George I (1714-27), brought the Whigs back to power. A Jacobite revolt with which some Tories sided (1715) did not improve his opinion of them. As a result, Tories were rigidly excluded from political power for all 46 years of the reigns of both George I and his son George II (1727-60). None of their leading ministers were Tories, and with a few exceptions all were drawn from a single group, the "Old Corps." Perhaps more importantly, Tories were excluded by royal command from serving as local justices of the peace, or from attendance at court (Hoppit, 2000). The government also deployed other means to keep the Tories out of power by extending the term of parliament to seven years, using "vile Corruptions" (Hoppit, 2000, 408) to favor the election of Whigs, and systematically deciding disputed elections in favor of the Whigs. Not surprisingly, Tory numbers fell precipitously, from 367 seats in 1713 to 131 in 1727, and never rose above 150 until the 1750s (Sedgwick, 1970).

However, it would be a mistake to view the Whig hegemony as entirely the product of royal favor: the Whigs also had a broader electoral coalition, and it expanded over time. The 1715 election, conducted on relatively neutral terms, had resulted in a Whig landslide. The Whigs also benefited from the exceptional leadership of Sir Robert Walpole, generally regarded as England's first "prime" minister, and his protégé and eventual successor Henry Pelham. While the Tories maintained an advantage among the gentry and in towns with

larger electorates, the Whigs had a larger advantage among the peerage, towns with dissenter populations, and in towns with smaller electorates (Bogart, 2016). Moreover, the Whigs outperformed the Tories in the small subsection of constituencies where all taxpaying men could vote (Bogart, 2016).

Throughout this period, the English (and, after 1707, British) parliament was elected primarily through two-member constituencies, though a few had only one member and the City of London had four. Voters could cast as many votes as there were seats, though sometimes they chose to vote for fewer. Voting qualifications varied from constituency to constituency, with many enfranchising only a tiny group of the wealthy or connected and a few enfranchising something like all householders. Voting was public and parties recorded which candidates voters chose in poll books, many of which have been preserved (Cox, 2005). Until the Whigs lengthened the term to seven years in 1715 elections were held every three years, though the high cost of elections meant that a majority of seats were not contested.

The British financial system was in flux in the late 17th and early 18th centuries. For many years the government had run a deficit even in peacetime, and had had to rely on ad-hoc measures such as forced loans and sale of assets or monopolies. When these expedients failed the government borrowed, but proved an unreliable creditor, with Charles II defaulting on his debts in the 1672 "stop on the exchequer." Interest rates were, in consequence, high—14% as late as 1693. The Glorious Revolution altered some of these arrangements, notably incorporating the Bank of England to act as a government agent for loans, earmarking specific funds for loan repayment, and formally banning extra parliamentary taxation and narrowing royal prerogative in financial matters. However, the major Glorious Revolution innovation was a massive expansion of taxation, borrowing, and spending to fund the wars with France. In the eight years after the revolution, government expenditure increased by a factor of 17 and borrowing rose to a factor of 50 by 1720 (North and Weingast, 1989, 822-3). Overall revenue increased by 133% by 1720, initially due to the introduction of a radical new land tax (1692) and over time by increasing (and increasingly efficient) indirect taxes including the window tax (1696) and stamp tax (1694) (Beckett, 1985, 306). To collect these new taxes, full-time employees in the fiscal departments increased by 88% (Brewer, 1990, 66).

All of these changes were bitterly controversial, and the controversy was along partisan lines. The Whigs stressed the perils of French power, the perils of a French-backed Jacobite restoration, and the need for what we would call financial credibility: "Credit is the Consequence of just and honourable dealing; fair Proposals punctually performed will bring Credit"

(Defoe, 1710, 14). The Tories saw the Bank of England and the financial sector as politically connected rent-seekers "leeches who fill themselves continually with the blood of the nation" (St. John, 1753, 212), and sought to have the bank replaced by their own Land Bank (1696). They railed against the land tax, which they portrayed as a transfer from "the widow and the orphan, who have their estates in land" to "stockjobbers and usurers" (St. John, 1753, 223). The Tories also sought to end the foreign wars which created the greatest demand for taxation, notably by ending the War of the Spanish Succession (1713) on terms that the Whigs regarded as scandalously generous to France. Not surprisingly, the Whigs saw this rhetoric as a coded call for a default, and saw alleged Tory Jacobite sympathies as even more risky, "for the return of the Stuarts would lead to a forced expropriation of public creditors" (Weber, 2022, 1021).

Corrupt or not, once the Whigs came to power for the long term in 1715 they brought unprecedented stability to the financial system and an even larger fiscal-military state. Interest rates were down to 3% by 1731, even as debt remained near historic highs (Sussman and Yafeh, 2006), and remained very low even as the debt expanded to fund the renewed French Wars of the mid and late 18th century. The British government's credit was a key military advantage, enabling the British to build a larger navy with better repair facilities and to keep paying its armies after the pressure of war forced France into debt restructuring (1745, 1759) (Brewer, 1990).

While the Whigs were clearly associated with more debt, our interest is in whether the spread of the national debt guaranteed the power of the Whigs. The link is a clear one in theory. The Whigs were associated with debt repayment, and bond yields fell when they were in power. Not only were the Tories hostile to the debt and the taxation that paid for it, they were thought to be sympathetic to a Jacobite restoration that would have completely changed the nature of the regime and potentially endangered a wide variety of contractual arrangements. A voter or patron with debt interests was well-advised to support the Whigs. This is reflected in the contemporary consensus that the "monied interest" favored the Whigs and the "landed interest" the Tories (Stasavage, 2003).

Figure 1 shows the overall descriptive patterns. In the two decades after 1708, both the gross amount of Britain's debt and the overall number of holders more than doubled. Soon afterwards, in 1715, the Whig position in parliament began to improve, and interest rates began to decline as the investment was perceived as more safe.

Interestingly, the Tories also believed that the wide holding of the national debt was the

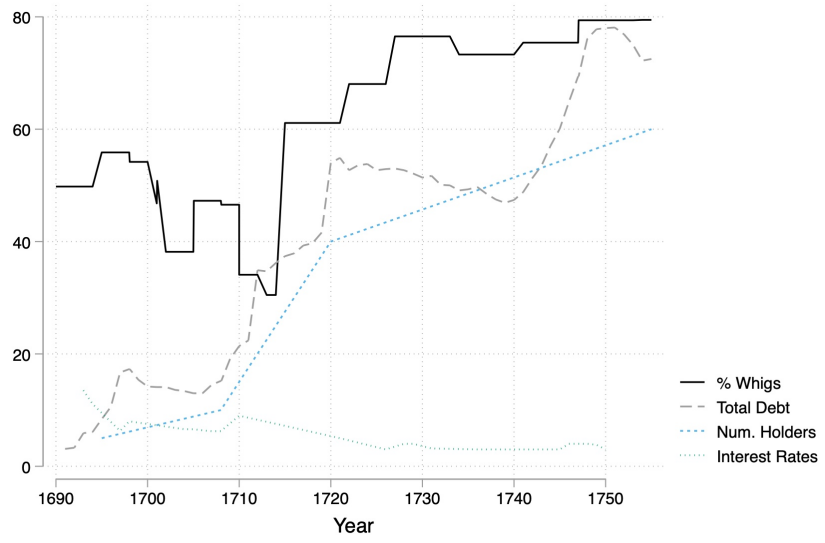

Figure 1: Financial & Political Trends in England (1690-1755)

Notes: Total Debt measured in £ millions, Num. Holders measured in thousands.
Sources: Interest Rates, Num. Holders: (Dickson, 1967)
Total Debt: (Mitchell, 1988)
% Whigs: (Sedgwick, 1970; Namier and Brooke, 1985)

main source of Whig power. The Tory leader Lord Bolingbroke argued that a new government, "established against the ancient principles, and actual engagements of many, could not be so effectually secured any way, as it would be if the private fortunes of great numbers were made to depend on the preservation of it; and that this could not be done unless they were induced to lend their money to the public, and to accept securities" (St. John, 1753, 193). As great a figure as Jonathan Swift went further: "the true Reason for embracing this expedient [borrowing], was the security of a new prince [William III], not firmly settled on the throne: People were tempted to lend, by great premiums and large interest, and it concerned them nearly to preserve that Government, which they trusted with their money" (Swift, 1711, 62).

4 Data and Models

Our main independent variable, the holding of debt, is something that individuals typically select into: in particular, the sort of wealthy, financially savvy individuals who buy bonds are often also more likely to vote for pro-business anti-default parties already. When the debt is a political issue (as it was in post-revolutionary England) those opposed to borrowing

or optimistic about regime change will be likely to avoid holding debt (Weber, 2022). To isolate on the causal impact of debt, we focus on the causal impact of winning large prizes (conditional on entering and winning) on British lottery loans. In these loans, 37 of which were floated from 1694 to 1776, much of the return was determined by chance: an investor bought a ticket, and in return received a bond, the size of which was determined by a random draw (Velde, 2018). The advantage for the buyer relative to a regular loan was the risk, attractive in a society with a strong taste for gambling and only limited set of legal opportunities for gambling (Harris, 2022). The advantage to the government was the ability to pay a lower interest rate and tap into a larger pool of borrowers than it might otherwise.

We focus on the 1711 and 1712 lottery loans, where entrants bought £100 bonds in pursuit of prizes of £200 (a 3.75% chance); £300, £400, or £500 (a .25% chance collectively); a few prizes of between £1000 and £5000 (a .09% chance collectively); and the grand prize of £20000 (a .005% chance).[3] All bonds paid 6% interest. These two loans are unique in that the winners of prizes are recorded in registers that have been preserved in the National Archives, which we were able to transcribe.[4] While these registers do not record the list of those who drew blanks (and thus retained their £100 bonds) the winners are, if we assume the lottery to be truly random, a random sample of entrants with differing levels of exposure to government debt based on their prize.

The 1711 and 1712 loans included an additional unusual feature: not only was the size of the bond winners received randomized, but the maturity date was as well. Tickets were divided into classes, with the order of reimbursement determined by class, lowest first.[5] It is unclear how seriously recipients took this feature of the loan, especially since previous loans had not strictly adhered to their payment schedules. As it happened, the scheme did not end up influencing the redemption schedules of most bondholders, since the bonds were refinanced in 1717 (Velde, 2025).

Lottery tickets were in high demand, and were typically bought by syndicates of wealthy bankers who then sold them retail before the draws. Because there were no restrictions on the number of co-holders and ticket price was high, some tickets were jointly held. However, such sharing was uncommon in the 1711 and 1712 lotteries.[6] Tickets were also traded privately,

[3] See Velde (2018, 9) for the complete list of probabilities. The figures given are for 1711: the 1712 lottery had slightly more attractive terms.

[4] NAI E401/2600 and NAI E401/2599.

[5] The class also slightly affected the amount of the bond for blanks, but since we focus on prize-winning tickets we ignore this feature.

[6] In the City of London and Middlesex, only 25 tickets across the 1711 and 1712 lotteries were jointly held

a trend encouraged by the fact that each lottery had several draws over a two-week period, the results of which altered the expected value of the undrawn tickets (Harris, 2022, 130-46). Since the data in the registers is on the person who claimed the prize, this pre-draw activity is not a concern for our design. Trading of tickets between the final draw and registration would be a major concern, especially if it led to winners selling out to investors with a taste for government debt that might be associated with their means or political preferences. Fortunately, such activity appears to have been rare, in part because of the attractive terms of the 1711-12 loans – "Most people...seem to have held on to their lottery orders from 1711 and 1712 (Harris, 2022, 183)". Moreover, we will show using falsification tests that there is no association between ticket holding and pre-lottery voting, the pattern we would see if the results were the product of selection.

Lottery winners might feel gratitude to the institutions that administered the lottery, perhaps because they update about the honesty of the draw (Sun, 2025). Another feature of the 1711 and 1712 lotteries helps rule out this concern: since they were carried out under a Tory government (which also subsequently pursued a pro-peace foreign policy that increased their value), we should expect recipients to be grateful to the Tories, and less rather than more likely to vote for the Whigs.

A related concern is that the draw was not honest. There were elaborate precautions to guarantee honesty: ticket numbers and prizes were drawn simultaneously by charity orphans from two six-foot wooden wheels (Velde, 2018, 5). Note that any such bias in the 1711-12 period would tend to favor Tory supporters—the opposite of our hypothesis. In addition, if the lottery was rigged on political grounds the difference would also show up in the pre-lottery falsification tests (Table 1): winners would have voting histories significantly different from non-winners. Table A.3 also shows that ticket-level characteristics are broadly balanced across prize sizes.

Our outcome data come from three constituency-elections which satisfy three criteria: that they were held within ten years of the draw that they were contested, that they have a surviving poll book, and that they were held in the London region, where the largest set of bondholders was concentrated. Data on the 1713 City of London election comes from Horwitz, Speck and Gray (1981) and the 1722 City of London election comes from Corporation of London (1722), while data on the 1715 Middlesex election was transcribed

by two individuals.

from the poll book preserved in the Alnwick Castle Muniments Room.[7] We also use the 1705 Middlesex election and the 1710 London election as our falsification test. These records were then matched to lottery winners. We use a variety of measures of Whig voting to account for the variable number of Whig candidates and seats: a binary measure of voting for any Whig, the percent of available Whig candidates chosen, and the percent of voted candidates who were Whig. Because Whig voting is measured along different dimensions, separate tests raise concerns about multiple hypothesis testing and thus inference problems. To address this issue, we aggregate related outcomes into a family-level summary index following Anderson (2008). Specifically, we standardize each outcome and construct the index using inverse-covariance weighting.

These elections differ from one another in the nature of the constituency, the candidates and the national circumstances of the election; to account for these differences we include election fixed effects, and separately report results for individual elections (Table A.4). Note that because of these differences, differences in coefficients between years should be interpreted with caution.

At £100, the price to enter the 1711 and 1712 lotteries was approximately five times the annual income of a laborer and twice the income of a government clerk, and out of reach of the vast majority of the population, and even of many among the much wealthier voting population. However, it included a wide variety of people, from professional investors in the City of London to landowners attracted by the lottery element. We use data on the occupation of ticket holders collected by Velde (2018), which we divide into three mutually exclusive categories the "commercial sectors" (professions in commerce, finance and manufacturing), the titled rentiers (Knights, baronets, and sons of peers with no other occupation) and all others.

Note that while our outcome of interest (voting) is measured at the individual-election level, our treatment is assigned at the ticket level. Individuals could buy many tickets, and many also bought tickets in both the 1711 and 1712 lotteries. In our baseline models, we use the individual as the unit of analysis and the logged total winnings of individual as the main independent variable while controlling for the number of tickets bought. For jointly held tickets, we split prizes evenly among co-holders before aggregating to each individual's total winnings. The estimating equation for this model is:

[7] See Box Y.V.2a(3), "Westminster...in which the candidates named as Aust (or ibst), Bark, Bert and Smith, undated; Folio book."

$$\text{Voting}_{it} = \beta_0 + \beta_1 \log(\text{TotalPrize})_i + \beta_2 \,\text{Num. Tickets}_i + \tau_t + \varepsilon_{it},$$

where $Voting_{it}$ is individual i's Whig voting measure in year t, $\log(TotalPrize)_i$ is the logarithm of individual i's total winnings, $Num.\ Tickets_i$ is the number of lottery tickets bought by individual i, τ_t captures election-year fixed effects, and ε_{it} is the error term. Standard errors are clustered at the individual level. To address potential interference among winners via shared social networks, we also report results with standard errors clustered at the parish and occupation levels, respectively (Table A.10). The results remain consistent.

We also report models with the winnings from the two lotteries separated (Table A.5) and models where we use the ticket as the unit of analysis and cluster the standard errors at the individual level (Table A.11). These models have very similar results.

For differential treatment effects, we build on the baseline models by interacting logged total winnings with individual characteristics while controlling for the number of tickets purchased. Individual characteristics include indicators for occupations in commercial sectors and title holders. The estimating equation for this model is:

$$\begin{aligned}\text{Voting}_{it} = \; & \gamma_0 + \gamma_1 \log(\text{TotalPrize})_i + \gamma_2 \,\mathbf{C}_i + \gamma_3 \log(\text{TotalPrize})_i \times \mathbf{C}_i \\ & + \gamma_4 \,\text{Num. Tickets}_i + \tau_t + \varepsilon_{it},\end{aligned}$$

where $Voting_{it}$ is individual i's Whig voting measure in year t, $\log(TotalPrize)_i$ is the logarithm of individual i's total winnings, $\mathbf{C}_i$ is different measures of individual characteristics, $Num.\ Tickets_i$ is the number of lottery tickets bought by individual i, τ_t captures election-year fixed effects, and ε_{it} is the error term. Standard errors are clustered at the individual level.

5 Results

Table 1 shows the results of our core models, with and without controls for the number of tickets. Winning a larger bond is associated with an increased probability of voting for Whig parliamentary candidates. In the bivariate models, a one-unit increase in logged total winnings is associated with a 0.061 higher probability of casting any Whig vote, a 0.067 increase in the share of eligible Whig candidates selected, and a 0.046 increase in the share of voted-for candidates who were Whig. Including the number of tickets bought as a covariate

implies larger effects: a 50% increase in total prize corresponds to about a 3.5 percentage-point higher probability of casting any Whig vote, a 3.9 percentage-point increase in the share of eligible Whigs selected, and a 2.7 percentage-point increase in the share of voted-for candidates who were Whig. This effect does not seem to stem from fraud in the lottery or transfers of winning tickets to Whig supporters, since the association between prize size and Whig voting is statistically insignificant and the sign of the coefficients is not consistent across specifications, at the (pre-treatment) 1705 and 1710 elections.

Table 1: Baseline Models

	Any Whig Vote	% Eligible Whig Vote	% Whig Vote on Ballot	Family Index
Panel A: Bivariate Model				
Log Total Prize	0.061	0.067	0.046	0.119
	(0.023)***	(0.023)***	(0.020)**	(0.047)**
N	582	582	582	582
Year Fixed Effects	Yes	Yes	Yes	Yes
Panel B: Num. of Tickets Control				
Log Total Prize	0.087	0.096	0.067	0.172
	(0.026)***	(0.026)***	(0.024)***	(0.054)***
Num. of Tickets	-0.016	-0.018	-0.014	-0.033
	(0.012)	(0.011)	(0.010)	(0.024)
N	582	582	582	582
Year Fixed Effects	Yes	Yes	Yes	Yes
Panel C: Falsification Test (Bivariate)				
Log Total Prize	-0.013	-0.025	-0.026	-0.045
	(0.034)	(0.032)	(0.032)	(0.071)
N	331	331	331	331
Year Fixed Effects	Yes	Yes	Yes	Yes
Panel D: Falsification Test (Tickets Control)				
Log Total Prize	0.011	0.008	0.007	0.019
	(0.042)	(0.041)	(0.041)	(0.090)
Num. of Tickets	-0.017	-0.023	-0.023	-0.045
	(0.015)	(0.013)*	(0.013)*	(0.030)
N	331	331	331	331
Year Fixed Effects	Yes	Yes	Yes	Yes

Note: ***, **, * indicates significance at the 1%, 5%, and 10% level respectively. Panels A and B use data from the 1713 and 1722 London elections and the 1715 Middlesex election. Panels C and D use data from the 1705 Middlesex election and the 1710 London election. *Family Index* is a family-level summary index for *Any Whig Vote*, *% Eligible Whig Vote*, and *% Whig Vote on Ballot*, constructed using inverse-covariance weights. For split tickets, the average of their prize is used. All models are OLS clustered at individual level. Standard errors in parentheses.

In the appendix, we present the results of several robustness checks. Table A.4 reports separate models for each election year, while Table A.5 reports separate models for each of the two lotteries. The results are very similar across models, and are in fact somewhat higher in later election years, indicating that the result endures in the medium term. Table A.6 shows the results of models that use binary dummies for different levels of prizes rather than the logged total. Relative to the £200 reference category, winners of £300-£500 prizes had a 14.6 percentage-point higher probability to cast any Whig vote, a 15.1 percentage-point

higher share of eligible Whig votes casted, and a 11.5 percentage-point higher share of Whigs among the candidates they selected. The effects rise with prize sizes: winners of £5000 or more prize had a 31.4 percentage-point higher probability of casting any Whig vote, a 34.3 percentage-point higher share of eligible Whig votes casted, and 26.1 percentage-point higher share of Whigs among the candidates they selected.

Table A.7 adds variables for the "class" measures of each ticket, which determined its relative maturity date–though the absolute maturity date was not specified. The direction of the coefficient is consistent with our theory, with longer maturities being associated with more Whig voting. However, the overall effect is small and statistically insignificant, probably because the perturbation in net present value associated with class was relatively small relative to the size of the bond and the perceived overall default and call risks.

Table 2: Differential Treatment Effect by Individual Characteristics

	Any Whig Vote	% Eligible Whig Vote	% Whig Vote on Ballot	Family Index
Panel A: Differential Effects (Titled + Commercial)				
Log Total Prize	0.147	0.149	0.111	0.285
	(0.037)***	(0.038)***	(0.034)***	(0.077)***
Titled Aristocrat	0.090	-0.036	-0.061	0.018
	(0.386)	(0.384)	(0.351)	(0.797)
Commercial Sector	0.482	0.389	0.328	0.882
	(0.303)	(0.304)	(0.271)	(0.623)
Prize X Titled	-0.018	-0.008	-0.001	-0.020
	(0.060)	(0.060)	(0.055)	(0.125)
Prize X Commercial	-0.092	-0.081	-0.069	-0.176
	(0.047)*	(0.047)*	(0.043)	(0.097)*
Num. of Tickets	-0.015	-0.017	-0.013	-0.031
	(0.010)	(0.010)*	(0.009)	(0.021)
N	582	582	582	582
Year Fixed Effects	Yes	Yes	Yes	Yes

Note: ***, **, * indicates significance at the 1%, 5%, and 10% level respectively. *Family Index* is a family-level summary index for *Any Whig Vote*, *% Eligible Whig Vote*, and *% Whig Vote on Ballot*, constructed using inverse-covariance weights. *Commercial Sector* refers to occupations in commerce, finance, or manufacturing. For split tickets, the prize is evenly divided. All models are OLS clustered at individual level. Standard errors in parentheses.

Who were the voters whose political views were most easily changed by being given large amounts of government debt? Table 2 suggests that it was the voters among whom the ideological appeal of the Whigs was weakest. Table 2 shows that the treatment effects are less than half as large among voters in the commercial and industrial sectors. This pattern suggests that the effect of debt was small among merchants who already had strong reasons to prefer the high-tax and sound money policies of the Whigs. Just as the Tories thought, the spread of debt increased support for the Whig regime, and thus for more debt and taxation.

We interpret our results as showing that holding government debt altered individual political preferences. However, it is also possible that the results represent a simple wealth

effect: as individuals have more property to lose (whether in the form of debt or not), it would make them more sympathetic to the Whigs, in the same way that lottery winners in the United States today become more conservative (Doherty, Gerber and Green, 2006; Powdthavee and Oswald, 2014). While this mechanism would be consistent with our overall findings, we are skeptical of it for three reasons. First, unlike conservatives today, the Whigs were the party associated with *high* taxes, both direct (on land) and indirect (on windows, stamps etc.). They would thus be unlikely beneficiaries of an individual wealth tax effect unless this wealth came in a form uniquely vulnerable to expropriation. Second, to the extent we can measure, the effects of lottery winning are not lower among those with higher levels of non-debt wealth. In Table 2, membership are proxied as those voters with titles but no commercial occupation, many of whom were landowners. Among these voters, the effect is only slightly (and insignificantly) lower than among the (presumably much less wealthy) non-titled non-merchants. Third, Table A.8 shows that the effects of winning a lottery prize are statistically insignificant among Bank of England and East India Company shareholders, who usually also held substantial non-debt wealth. This finding is consistent with the pattern in Table 2.

One concern is that conditioning the analysis on poll book appearance might introduce a selection problem: if prize size affects turnout, the estimated effects may capture selection into voting rather than changes in political preferences. Table A.9 suggests that this is unlikely. The effect of prize size on turnout is close to zero and statistically insignificant, indicating that larger prizes did not affect participation. By contrast, the multinomial models suggest that prize size shifts partisan voting among those who turned out: larger prizes are associated with a lower probability of voting Tory and a higher probability of voting Whig. These results suggest that the spread of debt altered how individuals voted more than whether they voted, indicating that selection is unlikely to drive our findings.

6 Conclusion

This note has shown that the political revolution of 18th century England was closely connected to the financial one. Not only did Whig hegemony provide the political backing for the creation of a state and economy based on government debt, but the wide spread of that debt strengthened the political and electoral appeal of the Whigs. Holding more debt increased propensity to vote Whig, especially outside the Whigs' commercial base. Even in the

narrow electoral sense, this effect was by no means unimportant substantively: in the early 18th century, there were some 50,000 holders of government debt (Dickson, 1967, 250) and the parliamentary electorate was only around 280,000 (Sedgwick, 1970, 20). However, much of the political effect was likely indirect, through the influence of wealthy debt holders over poorer voters (a common feature of the period, where many constituencies were more-or-less completely controlled by local elites) or the effect on the voting patterns of debt-holding peers in the House of Lords (who, as non-voters, are not included in our constituency data).

More broadly, the results suggest that the spread of government debt can be a political tool, giving voters a stake in the stability of the regime. This is potentially an optimistic argument, since it means that financial development can be politically self-enforcing, with beneficiaries uniting in favor of debt repayment and high taxation. This dynamic can only take hold if the debt is internal, consistent with theories that external debt has negative effects on state-building (e.g., Queralt, 2022). Alexander Hamilton's famous description of a national debt as a national blessing may be wrong, but debt may be a partisan blessing—and that may have been what Hamilton meant in the first place.

References

Anderson, Michael L. 2008. "Multiple inference and gender differences in the effects of early intervention: A reevaluation of the Abecedarian, Perry Preschool, and Early Training Projects." *Journal of the American statistical Association* 103(484):1481–1495. 12

Beckett, John V. 1985. "Land tax or excise: the levying of taxation in seventeenth-and eighteenth-century England." *The English Historical Review* 100(395):285–308. 7

Biais, Bruno and Enrico Perotti. 2002. "Machiavellian privatization." *American Economic Review* 92(1):240–258. 3

Bogart, Dan. 2016. "Political party representation and electoral politics in England and Wales, 1690–1747." *Social Science History* 40(2):271–303. 7

Brewer, John. 1990. *The sinews of power: War, money, and the English state, 1688-1783*. Harvard University Press. 7, 8

Corporation of London. 1722. *The poll of the livery-men of the City of London at the Election for Members of Parliament, Begun Tuesday, April the 10th, 1722, and ended the Saturday following. Shewing Who each Person poll'd for; and the Names of those who appear'd to be bad Pollers at the Scrutiny. Compar'd with the Clerks Lists of the several Companies, deliver'd on Oath to the Right Honourable Sir William Stuart Kt. Lord-Mayor*. T. Payne at the Crown in Paternoster-Row. 11

Cox, Gary W. 2005. *The efficient secret: The cabinet and the development of political parties in Victorian England*. Cambridge University Press. 7

Cox, Gary W. 2016. *Marketing sovereign promises: Monopoly brokerage and the growth of the English state*. Cambridge University Press. 3

Defoe, Daniel. 1710. *An Essay upon Publick Credit: being an enquiry how the publick credit comes to depend upon the change of the Ministry, or the dissolutions of Parliaments; and whether it does so or no, etc.[By D. Defoe.]*. Printed, &sold by the Book-sellers. 8

Dickson, Peter George Muir. 1967. *The financial revolution in England: a study in the development of public credit, 1688-1756*. Routledge. 3, 9, 17

Dincecco, Mark. 2011. *Political transformations and public finances: Europe, 1650–1913*. Cambridge University Press. 3

Doherty, Daniel, Alan S Gerber and Donald P Green. 2006. "Personal income and attitudes toward redistribution: A study of lottery winners." *Political Psychology* 27(3):441–458. 4, 16

Duca, John V and Jason L Saving. 2008. "Stock ownership and congressional elections: The political economy of the mutual fund revolution." *Economic Inquiry* 46(3):454–479. 3

Elkins, Stanley and Eric McKitrick. 1993. *The Age of Federalism: The Early American Republic, 1788–1800*. New York: Oxford University Press. 1

Hager, Sandy Brian. 2016. *Public Debt, Inequality, and Power: The Making of a Modern Debt State*. University of California Press. 1, 3, 4

Hamilton, Alexander. 1962. Report Relative to a Provision for the Support of Public Credit. In *The Papers of Alexander Hamilton*, ed. Harold C. Syrett. Vol. 6 New York: Columbia University Press pp. 65–110. Original report submitted to Congress, January 9, 1790. 1

Harris, Bob. 2022. *Gambling in Britain in the long eighteenth century*. Cambridge University Press. 10, 11

Hoppit, Julian. 2000. *A land of liberty?: England 1689-1727*. OUP Oxford. 3, 6

Horwitz, Henry, William Arthur Speck and William Alexander Gray. 1981. *London politics, 1713-1717*. London Record Society. 11

Jayachandran, Seema and Michael Kremer. 2006. "Odious Debt." *American Economic Review* 96(1):82–92. 4

Jha, Saumitra. 2015. "Financial asset holdings and political attitudes: evidence from revolutionary England." *The Quarterly Journal of Economics* 130(3):1485–1545. 3

Jha, Saumitra and Moses Shayo. 2019. "Valuing peace: the effects of financial market exposure on votes and political attitudes." *Econometrica* 87(5):1561–1588. 3

Lienau, Odette. 2014. *Rethinking Sovereign Debt: Politics, Reputation, and Legitimacy in Modern Finance*. Harvard University Press. 4

Macdonald, James. 2013. The importance of not defaulting: The significance of the election of 1710. In *Questioning Credible Commitment. Perspectives on the Rise of Financial Capitalism.*, ed. D'Maris Coffman, Adrian Leonard and Larry Neal. Cambridge Univ. Press pp. 125–146. 2

Mitchell, Brian R. 1988. *British historical statistics*. CUP Archive. 9

Namier, Lewis Bernstein and John Brooke. 1985. *The House of Commons 1754-1790*. Vol. 3 Boydell & Brewer. 9

North, Douglass C. and Barry R. Weingast. 1989. "Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England." *Journal of Economic History* 49(4):803–832. 1, 3, 7

Pincus, Steven CA and James A Robinson. 2011. What really happened during the Glorious Revolution? Technical report National Bureau of Economic Research. 1, 3

Powdthavee, Nattavudh and Andrew J Oswald. 2014. Does money make people right-wing and inegalitarian? A longitudinal study of lottery winners. Technical report IZA Discussion Papers. 4, 16

Queralt, Didac. 2022. *Pawned states: State building in the era of international finance*. Princeton University Press. 17

Roos, Jerome E. 2019. *Why Not Default? The Political Economy of Sovereign Debt*. Princeton University Press. 3

Rosenthal, Jean-Laurent. 1998. The Political Economy of Absolutism Reconsidered. In *Analytic Narratives*, ed. Robert H. Bates, Avner Greif, Margaret Levi, Jean-Laurent Rosenthal and Barry R. Weingast. Princeton University Press pp. 64–108. 3

Schultz, Kenneth A. and Barry R. Weingast. 2003. "The Democratic Advantage: Institutional Foundations of Financial Power in International Competition." *International Organization* 57(1):3–42. 3

Sedgwick, Romney. 1970. *History of Parliament, 1715–54*. HM Stationery Office London. 6, 9, 17

St. John, Henry St. 1753. *A Letter to Sir William Windham. Some Reflections on the Present State of the Nation. A Letter to Mr. Pope.* T. Cadell. 8, 9

Stasavage, David. 2003. *Public debt and the Birth of the democratic state: France and Great Britain 1688–1789.* Cambridge University Press. 1, 3, 8

Streeck, Wolfgang. 2014. *Buying Time: The Delayed Crisis of Democratic Capitalism.* Verso. Translated by Patrick Camiller. Originally published in German as *Gekaufte Zeit*, Suhrkamp Verlag, 2013. 1

Sun, Dehua. 2025. "Rationalizing Self-Interest in Policy Attitudes: Evidence from Beijing's License Plate Lottery.". 11

Sussman, Nathan and Yishay Yafeh. 2006. "Institutional reforms, financial development and sovereign debt: Britain 1690–1790." *The Journal of Economic History* 66(4):906–935. 3, 8

Swift, Jonathan. 1711. *The Conduct of the Allies, and of the Late Ministry, in Beginning and Carrying on the Present War..* Number 4841 John Morphew, near Stationers-Hall. 1, 9

Tomz, Michael. 2007. *Reputation and International Cooperation: Sovereign Debt across Three Centuries.* Princeton University Press. 3

Velde, Francois R. 2018. "Lottery loans in the eighteenth century.". 2, 10, 11, 12

Velde, Francois R. 2025. "Britain's Debt Restructuring, 1717-22.". 10

Ventura, Jaume and Hans-Joachim Voth. 2015. Debt into growth: how sovereign debt accelerated the first industrial revolution. Technical report National Bureau of Economic Research. 3

Weber, Lina. 2022. "National debt and political allegiance in eighteenth-century Britain." *The Historical Journal* 65(4):1015–1034. 3, 8, 10

Online Appendix

Table A.1: Summary Statistics

Variable	Mean	Std. Dev.	N
Any Whig Vote	0.639	0.481	582
% Eligible Whig Vote	0.591	0.468	582
% Whig Vote on Ballot	0.5	0.426	582
Family Index	0.026	0.967	582
Log Total Prize	5.877	0.905	582
Num. of Tickets	1.907	2.482	582
Level of Prize (ordinal)	1.572	0.772	582
Log Total Prize 1711	5.792	0.864	217
Log Total Prize 1712	5.823	0.86	427
Avg. Class	3.59	1.185	582
Prize 200	0.588		582
Prize 300-500	0.268		582
Prize 1000-4000	0.129		582
Prize at least 5000	0.015		582
Lottery 1711	0.373		582
Lottery 1712	0.734		582
Election 1713	0.505		582
Election 1715	0.125		582
Election 1722	0.369		582
Titled Aristocrat	0.187		582
Commercial Sector	0.689		582
Bank of England	0.055		582
East India Company	0.306		582

Table A.2: Summary Statistics (Ticket)

Variable	Mean	Std. Dev.	N
Log Prize	5.462	0.606	1106
Level of Prize (ordinal)	1.155	0.523	1106
Class	3.592	1.306	1106
Prize 200	0.91		1106
Prize 300-500	0.033		1106
Prize 1000-4000	0.05		1106
Prize at least 5000	0.007		1106
Ticket 1711	0.261		1106
Ticket 1712	0.739		1106

Table A.3: Balance Test (Ticket)

	Mean £200	Mean £300-500	Mean £1000-4000	Mean £5000
Titled Aristocrat	0.367	0.353	0.439	0.214
Commercial Sector	0.534	0.441	0.470	0.643
Bank of England	0.085	0.118	0.106	0.214*
East India Company	0.450	0.456	0.485	0.643
Living in London	0.710	0.652	0.743	0.750
N	1834	68	66	14

Note: ***, **, * indicates significance at the 1%, 5%, and 10% level respectively. P-values for differences between the 200 and 300–500 prize groups are 0.814, 0.133, 0.347, 0.921, and 0.230; between the 200 and 1,000–4,000 groups are 0.231, 0.305, 0.550, 0.574, and 0.552; and between the 200 and 5000+ groups are 0.238, 0.415, 0.086, 0.148, and 0.726, for titled aristocrats, commercial occupation, Bank of England shareholding, East India Company shareholding, and London residence, respectively. Pairs of split tickets differing in title or industry are dropped.

Table A.4: Separate Models by Election Year

	Any Whig Vote	% Eligible Whig Vote	% Whig Vote on Ballot	Family Index
Panel A: 1713 Election				
Log Total Prize	0.072	0.077	0.071	0.158
	(0.033)**	(0.032)**	(0.032)**	(0.071)**
Num. of Tickets	-0.025	-0.025	-0.025	-0.055
	(0.008)***	(0.008)***	(0.008)***	(0.017)***
N	294	294	294	294
Panel B: 1715 Election				
Log Total Prize	0.057	0.057	0.057	0.124
	(0.091)	(0.091)	(0.091)	(0.199)
Num. of Tickets	0.020	0.020	0.020	0.043
	(0.015)	(0.015)	(0.015)	(0.034)
N	73	73	73	73
Panel C: 1722 Election				
Log Total Prize	0.136	0.154	0.079	0.240
	(0.029)***	(0.027)***	(0.018)***	(0.048)***
Num. of Tickets	-0.030	-0.034	-0.021	-0.056
	(0.015)**	(0.011)***	(0.006)***	(0.022)**
N	215	215	215	215

Note: ***, **, * indicates significance at the 1%, 5%, and 10% level respectively. *Family Index* is a family-level summary index for *Any Whig Vote*, *% Eligible Whig Vote*, and *% Whig Vote on Ballot*, constructed using inverse-covariance weights. For split tickets, the average of their prize is used. All models are OLS clustered at individual level. Standard errors in parentheses.

Table A.5: Separate Models by Lottery

	Any Whig Vote	% Eligible Whig Vote	% Whig Vote on Ballot	Family Index
Panel A: Total Prize 1711				
Log Total Prize 1711	0.074	0.089	0.059	0.148
	(0.040)*	(0.040)**	(0.038)	(0.086)*
Num. of Tickets	0.013	0.007	0.013	0.028
	(0.043)	(0.042)	(0.036)	(0.086)
N	217	217	217	217
Year Fixed Effects	Yes	Yes	Yes	Yes
Panel B: Total Prize 1712				
Log Total Prize 1712	0.101	0.102	0.076	0.195
	(0.033)***	(0.032)***	(0.029)**	(0.068)***
Num. of Tickets	-0.021	-0.021	-0.017	-0.042
	(0.014)	(0.013)	(0.012)	(0.028)
N	427	427	427	427
Year Fixed Effects	Yes	Yes	Yes	Yes

Note: ***, **, * indicates significance at the 1%, 5%, and 10% level respectively. Panel A employs log total prize in 1711 as the independent variable and controls for the number of tickets in 1711; Panel B employs log total prize in 1712 and controls for the number of tickets in 1712. *Family Index* is a family-level summary index for *Any Whig Vote*, *% Eligible Whig Vote*, and *% Whig Vote on Ballot*, constructed using inverse-covariance weights. For split tickets, the average of prize is used. All models are OLS clustered at individual level. Standard errors in parentheses.

Table A.6: Categorical Treatment Measure

	Any Whig Vote	% Eligible Whig Vote	% Whig Vote on Ballot	Family Index
Panel A: Dummy Category				
Prize 300-500	0.146	0.151	0.115	0.288
	(0.053)***	(0.053)***	(0.047)**	(0.109)***
Prize 1000-4000	0.185	0.204	0.137	0.358
	(0.071)***	(0.070)***	(0.064)**	(0.147)**
Prize at least 5000	0.314	0.343	0.261	0.638
	(0.136)**	(0.131)***	(0.122)**	(0.281)**
Num. of Tickets	-0.015	-0.016	-0.013	-0.030
	(0.011)	(0.010)	(0.009)	(0.022)
N	582	582	582	582
Year Fixed Effects	Yes	Yes	Yes	Yes
Panel B: Ordinal Category				
Level of Prize	0.106	0.115	0.082	0.209
(ordinal)	(0.031)***	(0.031)***	(0.028)***	(0.064)***
Num. of Tickets	-0.016	-0.017	-0.013	-0.032
	(0.011)	(0.010)	(0.009)	(0.022)
N	582	582	582	582
Year Fixed Effects	Yes	Yes	Yes	Yes

Note: ***, **, * indicates significance at the 1%, 5%, and 10% level respectively. *Family Index* is a family-level summary index for *Any Whig Vote*, *% Eligible Whig Vote*, and *% Whig Vote on Ballot*, constructed using inverse-covariance weights. The *Level of Prize* is an ordinal categorical variable: 1 if the total prize no more than 200, 2 if 300–500, 3 if 1,000–4,000, and 4 if at least 5,000. For split tickets, the average of their voting records is used. All models are OLS clustered at individual level. Standard errors in parentheses.

Table A.7: Effect of Ticket Class

	Any Whig Vote	% Eligible Whig Vote	% Whig Vote on Ballot	Family Index
Panel A: No Control				
Avg. Class	0.004	-0.003	-0.002	0.001
	(0.019)	(0.019)	(0.017)	(0.040)
N	582	582	582	582
Year Fixed Effects	Yes	Yes	Yes	Yes
Panel B: Controls				
Avg. Class	0.001	-0.006	-0.004	-0.004
	(0.019)	(0.019)	(0.017)	(0.040)
Log Total Prize	0.087	0.096	0.068	0.172
	(0.026)***	(0.026)***	(0.024)***	(0.054)***
Num. of Tickets	-0.016	-0.018	-0.014	-0.033
	(0.012)	(0.011)	(0.010)	(0.024)
N	582	582	582	582
Year Fixed Effects	Yes	Yes	Yes	Yes
Panel C: Lowest Class				
Lowest Class	0.008	0.002	0.003	0.012
	(0.018)	(0.018)	(0.016)	(0.038)
Log Total Prize	0.090	0.097	0.068	0.175
	(0.026)***	(0.026)***	(0.024)***	(0.055)***
Num. of Tickets	-0.015	-0.017	-0.013	-0.032
	(0.012)	(0.011)	(0.010)	(0.024)
N	582	582	582	582
Year Fixed Effects	Yes	Yes	Yes	Yes
Panel D: Highest Class				
Highest Class	0.001	-0.007	-0.006	-0.006
	(0.019)	(0.019)	(0.017)	(0.038)
Log Total Prize	0.087	0.098	0.069	0.173
	(0.026)***	(0.026)***	(0.024)***	(0.055)***
Num. of Tickets	-0.016	-0.017	-0.013	-0.033
	(0.012)	(0.011)	(0.010)	(0.024)
N	582	582	582	582
Year Fixed Effects	Yes	Yes	Yes	Yes
Panel E: Highest Prize Class				
Highest Prize Class	0.006	0.001	0.001	0.007
	(0.018)	(0.018)	(0.016)	(0.036)
Log Total Prize	0.087	0.096	0.067	0.172
	(0.026)***	(0.026)***	(0.024)***	(0.054)***
Num. of Tickets	-0.016	-0.018	-0.013	-0.032
	(0.012)	(0.011)	(0.010)	(0.024)
N	582	582	582	582
Year Fixed Effects	Yes	Yes	Yes	Yes

Note: ***, **, * indicates significance at the 1%, 5%, and 10% level respectively. For split tickets, the prize is evenly divided. *Family Index* is a family-level summary index for *Any Whig Vote*, *% Eligible Whig Vote*, and *% Whig Vote on Ballot*, constructed using inverse-covariance weights. *Avg. Class* refers to the arithmetic mean of the ticket classes in 1711 or 1712. *Lowest Class* is the lowest ticket class among all tickets won by an individual winner. *Highest Class* is the highest ticket class among all tickets won by an individual winner. *Highest Prize Class* is the class of the ticket with the highest prize won by that an individual winner. All models are OLS clustered at individual level. Standard errors in parentheses.

Table A.8: Differential Treatment Effect by Wealth Characteristics

	Any Whig Vote	% Eligible Whig Vote	% Whig Vote on Ballot	Family Index
Panel A: Differential Effects (EIC + BOE)				
Log Total Prize	0.093	0.103	0.071	0.182
	(0.038)**	(0.037)***	(0.034)**	(0.079)**
Bank of England	0.559	0.495	0.413	1.065
	(0.408)	(0.435)	(0.377)	(0.858)
East India Company	0.189	0.242	0.186	0.421
	(0.292)	(0.284)	(0.260)	(0.599)
Prize X BOE	-0.075	-0.066	-0.050	-0.137
	(0.069)	(0.072)	(0.064)	(0.145)
Prize X EIC	-0.014	-0.022	-0.016	-0.034
	(0.048)	(0.047)	(0.043)	(0.098)
Num. of Tickets	-0.019	-0.020	-0.015	-0.038
	(0.012)	(0.011)*	(0.010)	(0.024)
N	582	582	582	582
Year Fixed Effects	Yes	Yes	Yes	Yes

Note: ***, **, * indicates significance at the 1%, 5%, and 10% level respectively. *Family Index* is a family-level summary index for *Any Whig Vote*, *% Eligible Whig Vote*, and *% Whig Vote on Ballot*, constructed using inverse-covariance weights. *East India Company* is an indicator for whether an individual was an East India Company shareholder. *Bank of England* is an indicator for whether an individual was a Bank of England shareholder. For split tickets, the prize is evenly divided. All models are OLS clustered at individual level. Standard errors in parentheses.

Table A.9: Turnout Models

	OLS	Multinomial Logit		
	Turnout	Not Voting	Tory Only	Any Whig
Panel A: Bivariate Model				
Log Total Prize	0.003	-0.001	-0.013	0.013
	(0.010)	(0.010)	(0.007)*	(0.008)*
N	2802	2802	2802	2802
Year Fixed Effects	Yes	Yes	Yes	Yes
Panel B: Num. of Tickets Control				
Log Total Prize	0.019	-0.018	-0.015	0.033
	(0.013)	(0.013)	(0.010)	(0.011)***
N	2802	2802	2802	2802
Year Fixed Effects	Yes	Yes	Yes	Yes

Note: ***, **, * indicates significance at the 1%, 5%, and 10% level respectively. Column 1 reports OLS estimates where the dependent variable is an indicator for turnout. Columns 2–4 report average marginal effects from the multinomial model for not voting, voting only Tory, and casting at least one Whig vote, respectively. For split tickets, the average of their prize is used. All models are clustered at individual level. Standard errors in parentheses.

Table A.10: Alternative Clustering

	Any Whig Vote	% Eligible Whig Vote	% Whig Vote on Ballot	Family Index
Panel A: Parish Level				
Log Total Prize	0.104	0.110	0.083	0.208
	(0.023)***	(0.025)***	(0.022)***	(0.049)***
Num. of Tickets	-0.018	-0.020	-0.016	-0.037
	(0.012)	(0.012)	(0.011)	(0.026)
N	544	544	544	544
Year Fixed Effects	Yes	Yes	Yes	Yes
Panel B: Occupation Level				
Log Total Prize	0.087	0.096	0.067	0.172
	(0.026)***	(0.027)***	(0.024)***	(0.055)***
Num. of Tickets	-0.016	-0.018	-0.014	-0.033
	(0.015)	(0.015)	(0.013)	(0.031)
N	582	582	582	582
Year Fixed Effects	Yes	Yes	Yes	Yes

Note: ***, **, * indicates significance at the 1%, 5%, and 10% level respectively. *Family Index* is a family-level summary index for *Any Whig Vote*, *% Eligible Whig Vote*, and *% Whig Vote on Ballot*, constructed using inverse-covariance weights. For split tickets, the average of their prize is used. Panel A are OLS models clustered at parish level. Panel B are OLS models clustered at occupation level. Occupations were self-reported by winners in lottery register. Standard errors in parentheses.

Table A.11: Baseline Models (Ticket)

	Any Whig Vote	% Eligible Whig Vote	% Whig Vote on Ballot	Family Index
Panel A: Bivariate Model				
Log Prize	0.058	0.063	0.045	0.113
	(0.026)**	(0.026)**	(0.023)*	(0.054)**
N	1106	1106	1106	1106
Year Fixed Effects	Yes	Yes	Yes	Yes
Panel B: Falsification Test (Bivariate)				
Log Prize	0.012	0.004	0.004	0.016
	(0.037)	(0.036)	(0.036)	(0.080)
N	622	622	622	622
Year Fixed Effects	Yes	Yes	Yes	Yes

Note: ***, **, * indicates significance at the 1%, 5%, and 10% level respectively. Panel A uses data from the 1713 and 1722 London elections and the 1715 Middlesex election. Panel B uses data from the 1705 Middlesex election and the 1710 London election. *Family Index* is a family-level summary index for *Any Whig Vote*, *% Eligible Whig Vote*, and *% Whig Vote on Ballot*, constructed using inverse-covariance weights. All models are OLS clustered at individual level. Standard errors in parentheses.

Table A.12: Effect of Ticket Class (Ticket Level)

	Any Whig Vote	% Eligible Whig Vote	% Whig Vote on Ballot	Family Index
Panel A: Bivariant Model				
Class	0.002	-0.002	-0.001	0.001
	(0.013)	(0.012)	(0.011)	(0.026)
N	1106	1106	1106	1106
Year Fixed Effects	Yes	Yes	Yes	Yes

Note: ***, **, * indicates significance at the 1%, 5%, and 10% level respectively. *Family Index* is a family-level summary index for *Any Whig Vote*, *% Eligible Whig Vote*, and *% Whig Vote on Ballot*, constructed using inverse-covariance weights. All models are OLS clustered at individual level. Standard errors in parentheses.