

**Remarks at the Opening of “Matthew Boulton: selling what all the world desires”
Birmingham Museums & Art Gallery, 29 May 2009**

Lord Mayor, Lady Mayoress, Leader of Birmingham City Council, Cabinet Member for Leisure, Sport and Culture, Ladies and Gentlemen.

I am delighted and honoured to be asked to open this magnificent exhibition “Matthew Boulton: selling what all the world desires”. In a world in which the application of engineering ideas to economic problems is of growing importance, it is timely to remind ourselves of the legacy of the great figures of the Industrial Revolution. So, on the bicentenary of the death of Matthew Boulton, let us look at his achievements.

What was it that all the world desired to have? The answer is simple – POWER. How little the fundamental challenge to science, engineering and business has changed in 250 years. Boulton – one of the great Brummies – solved the problem for his time.

And how appropriate that we should celebrate Boulton’s achievements here in Birmingham. Matthew Boulton was born in Snowhill in 1728. His father’s firm operated in the Birmingham “Toy” industry, making steel items such as buckles for shoes and breeches. In those days “toys” referred to small metalware – hence the description of Birmingham as the “toyshop of Europe”. Boulton joined his father’s firm, eventually taking over its management and becoming Birmingham’s pre-eminent “toy” manufacturer.

In his business activities, Boulton epitomised the entrepreneurial spirit of the industrial revolution, the spirit from which all our subsequent prosperity has flowed. Not only did he have a keen eye for business organisation, he was inventive too. His manufactory in Soho, and the range of its output, is testament to that. Boulton is, of course, probably

most famous for his partnership with James Watt and their steam engines. The Bank of England itself used those engines to drive machinery to print our banknotes. But Boulton is often, unfairly, seen only as the business mind that turned Watt's original designs into commercial successes. In reality, however, he suggested many improvements that helped to perfect Watt's ideas. He had both a practical and an intellectual curiosity, a quality we should encourage, especially in our children, through exhibitions and museums such as this.

Boulton was a natural philosopher, in the language of the time, and a co-founder of the Lunar Society set up to discuss intellectual, religious and scientific subjects. Jenny Uglow's fascinating account of the Lunar Society was published in 2002, but she contributes one of the chapters in the splendid book – much more than a catalogue – published for this Exhibition. Do buy it! The Society Boulton knew petered out around 1800, but was revived and I had the privilege of addressing it in 2005.

Boulton made huge contributions to engineering in his own right. Perhaps the development that gave Boulton the most satisfaction was the minting of coins. By means of his steam-powered machinery, and flow-production system, Boulton managed to produce coins that could genuinely be considered of comparable quality to today's coins – a huge leap forward for the times.

This turned out to be crucial for the Bank of England. In 1797 there was an acute shortage of coin. So the Bank issued, from its vaults, a large quantity of Spanish Dollars which the Bank had kept as bullion for their silver content. This action increased the amount of money in circulation. You might think of it as an early form of “quantitative easing”. It was certainly unconventional. For the Bank had to have the head of George III, who suffered from a degree of madness, stamped onto the Spanish coins – indeed onto the neck of Charles IV, who was not renowned for his intellect – thereby inspiring “some witty person who was no respecter of crowned heads” to write a couplet that went:

The Bank, to make their Spanish dollars pass,
Stamped the head of a fool on the neck of an ass.

These coins were issued initially at a value of 4s. 9d. but were not universally welcomed, clearly being a 'quick fix' solution. In 1804, though, Matthew Boulton came to the Bank's rescue and provided a much better method for transforming the dollars into usable coin. His powerful steam presses could obliterate the previous Spanish design altogether and superimpose an entirely new design. These Bank of England dollars were produced by Boulton for the Bank in enormous quantities, and such was the efficiency of Boulton's work, very few specimens have ever been found with any trace of the original design.

It was a first for the Bank because the minting of coin is not our normal business. Our business is banknotes. In this field, engineering advances are critical to the Bank's ability to produce notes which are difficult to counterfeit. In the printing of notes, the Bank of England sees the importance of engineering daily, as well as the benefits to the UK economy as a whole from a thriving engineering sector to support manufacturing industry.

From time to time we need to introduce new notes to take advantage of the latest developments in anti-counterfeiting security features. The current version of the £50 note has been in circulation for over 15 years – the longest serving note we have. And the use of £50 notes has been rising: by well over 10% since last October.

So the case for changing the design of, and updating the security features embedded in, our notes has become more pressing. As a result, in eighteen months or so the Bank of England will be issuing a new £50 note. And I am delighted to announce this evening that, when the new note appears, the individuals who will appear on the note will be Matthew Boulton and James Watt. On the easel you can see, and inspect later at your leisure, the artwork for the note which shows Boulton and Watt in front of their Soho manufactory and includes the words of Matthew Boulton that are used in the title of this exhibition "I sell Sir, what all the world desires to have – POWER".

What better way, therefore, for me to open this exhibition than to reveal to you the image of Boulton, with his partner Watt, that will be used on the new banknote and to invite you now to see the exhibition for yourselves.