William Petty in Boston: Political Economy, Religion, and Money in Provincial New England

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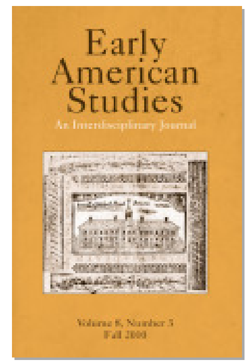

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Political Economy, Religion, and Money in Provincial New England

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ABSTRACT Transformations in Puritan ideas about God's rule in the world, or Providence, spurred the reception of formal economic theories in New England from 1680 through the 1720s. English political economists such as William Petty and Charles Davenant critiqued customary notions of money and credit as they promoted England's competition with European powers. New Englanders turned to these thinkers to inform provincial monetary policy. They imported political economy through serial accounts of parliamentary debates about the Bank of England, the South Sea Bubble, and trade policies, as well as through merchant handbooks and literary accounts of merchants. Religious convictions informed this receptivity. Boston clergy such as Cotton Mather and civic leaders such as Samuel Sewall understood the British Empire to be a bulwark against Catholic hegemony. Taking the works of Petty and Davenant to be descriptions of an economic order that abetted Protestant empire, they reshaped Puritan moral convictions. Once hostile to treating credit as a commodity and money as a fungible good, they embraced the latest techniques for exchanging credit and abandoned prohibitions against usury. In this sense, changes in Puritan theology were integral to the development of a market culture in provincial New England.

Puritan pastors in Massachusetts gathered periodically in Cambridge at the close of the seventeenth century to formulate advice for their churches in the wake of England's Glorious Revolution and increased intervention by the home government in provincial affairs. Acting as recording secretary for these meetings, Cotton Mather published their conclusions—what he condensed into thirty so-called cases—in 1699. Most of these concerned synods, sacramental qualifications, ordination, the relative authority of pastors and congregations, and the errors of Anglican liturgical practices. Sev-

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eral, however, focused on economic issues. The ministers criticized private lotteries and games of chance as risky and wasteful. They also debated usury, or "an Advance on any thing lent by contract." By usury they meant an array of practices by which creditors made a guaranteed profit from loans or trade in money and securities.[1]

Puritan teachers previously had echoed traditional Christian prohibitions against usury, but Mather now informed New Englanders that the clergy no longer regarded the practice as sinful. They contended that "there is no manner of reason, why the *Usury* of *Money* should be more faulty, than that of any *other thing*." Money did not stand, as medieval theorists had taught, for an absolute and unchanging measure of value. It functioned as a mere commodity, "really as *Improvable* a thing as any other; and it is rather *more* than, *less productive* of advantage," so that "there can be no *reasonable pretence* that should bind me to lend my *Money* for nothing, rather than any other Commodity." Usury was justified by economic "Necessity and Utility," mandated by the ethical principle of equity, and congruent with the moral "Law of Charity." "*Humane Society,* as now circumstanced, would sink, if all *Usury* were Impracticable." Only Catholics soaked in canon law and papal superstition maintained old prohibitions against usury. "The several declamations of their *Ancients* against *Usury,*" the clergy concluded, "must be of no farther account with us."[2]

Mather and his colleagues did not merely assert the legitimacy of usury or defend it as practically expedient. They gestured to abstract yet potent theories about money to explain their moral innovations: that money itself was "improvable," "productive," and a "commodity." Their case reflected —if only indirectly—monetary definitions being written by England's contemporary economic counselors, political philosophers, and pamphleteers for overseas trading companies. Behind Mather's summary stood long-reaching debates conducted in London by men such as Josiah Child, William Petty, and Charles Davenant, public figures who helped to construct what has since become known as political economy and its political corollary, mercantilism. At the turn of the eighteenth century, the clergy of Massachusetts offered the tenets of a new economic science to their audiences in churchly Boston.

1. [Cotton Mather], *Thirty Important Cases* (Boston, 1699); for lotteries and gambling, see 62–64, 74–77.

2. Ibid., 49–52. For puritan teaching on usury and its precedents in Calvin, see Mark Valeri, "Puritans and the Issue of Usury," *William and Mary Quarterly* 54 (1997): 747–68, and "Religion, Economy, and Discipline in Calvin's Geneva," *Sixteenth Century Journal* 28 (1997): 123–42.

Mather's words on usury illustrate one possible answer to a complex question that concerns the intellectual underpinnings of New England's market economy as it entered into a trans-Atlantic system from the 1680s through the 1730s. How did formal economic thinking—and especially the political economy of early Whig England—enter into moral deliberations about trade? The few studies that address this question suggest tensions or bifurcations, rather than interactions, between religious and economic discourses.[3] The complex interrelationships among changes in religious thought, moral teaching, economic science, and market techniques are largely bypassed in the literature. This underestimation of the importance of religious change to a market economy minimizes the cultural foundations of the market and obscures the role of mercantilist ideologies in its development.

England's political economy came to New England, and especially Boston, from the 1680s through the 1720s through various channels, marked by debates over monetary policy, advice on techniques for conducting trade, and popular literary rehearsals of political debates across the Atlantic. In every form, moreover, religious ideas and transformations played an important role in the transmission of new economic ideas. There were, to be sure, rural towns where a locally oriented moral economy—buttressed by traditional Puritan teaching—persisted; many regions remained immune to imported economic fashions.[4] Yet Puritan merchants, civic leaders, and pastors in the urban centers of Massachusetts accepted the dictates of the latest economic science—welcomed the conduit of those ideas, as it were—because those ideals aligned with their deepest religious convictions. Transformed by new understandings of Divine Providence, religious instruction

3. The study that best engages political economy is Margaret Ellen Newell's *From Dependency to Independence: Economic Revolution in Colonial New England* (Ithaca, 1998), esp. 22–27, 112–15. Newell, however, sets Puritan teaching apart from economic science as a counterpoint. For the English background and the central features of political economy in this period, see Joyce Oldham Appleby, *Economic Thought and Ideology in Seventeenth-Century England* (Princeton, 1978); and Istvan Hont, *Jealousy of Trade: International Competition and the Nation-State in Historical Perspective* (Cambridge, Mass., 2005).

4. Michael Merrill, "Cash Is Good to Eat: Self-Sufficiency and Exchange in the Rural Economy of the United States," *Radical History Review* 3 (1977): 42–71; James Henretta, "Families and Farms: *Mentalité* in Pre-Industrial America," *William and Mary Quarterly* 35 (1978): 3–32; and Bettye Hobbs Pruitt, "Self-Sufficiency and the Agricultural Economy of Eighteenth-Century Massachusetts," *William and Mary Quarterly* 41 (1984): 333–64.

directed many New Englanders to the British Empire as an instrument of God's rule in the world, and thereby validated economic theories that sustained England's trans-Atlantic and commercial agendas.

POLITICAL ECONOMY IN ENGLAND

The English economic thinkers whom New Englanders encountered at the turn of the eighteenth century drew on the work of predecessors such as Edward Misselden and Thomas Mun, who addressed the nation's policies on tariffs, currency, monopolies, and interest rates from the 1620s through the 1660s. The heirs to Misselden and Mun developed their ideas in the context of a crisis in the late Stuart administration, the 1688 overthrow of James II, the accession of William and Mary, and subsequent dynastic wars with France and Spain. Among New Englanders, William Petty was perhaps the best known of these second-generation economists. An erstwhile surveyor for Cromwell in Ireland, a clothing merchant, a member of Parliament, a navel architect, and a member of the inner circle that established the Royal Society, he specialized in taxation and public expenditure. Petty exhibited the power of statistical, mathematical analysis to inform economic policy, naming his method "political arithmetic." He built his arguments—for fewer restrictions on money, free-floating rents and interest rates, public employment and works projects for the poor, and more incentives to trade—on massive amounts of data summarized in a relentless stream of prose. He tracked the value of imports and exports, grain production and shipbuilding, prices, and wages for various occupations.[5]

Petty served as an authority for other economic commentators who defined commerce as a central program in the affairs of state rather than a merely domestic or private matter. They crafted a science to suit England's agenda in its commercial competition with France and Spain from the 1690s through the 1720s. Charles Davenant, a lawyer whose publications were frequently imported to Boston, served as commissioner of the Excise under James, fell out of office during the first blush of Whig hegemony under William, and acted as inspector general of the Imports and Exports under Anne. Nicholas Barbon, the unlikely son of the Anabaptist preacher Praise-God Barebones, studied medicine and accumulated a vast fortune as a business projector, real estate mogul, financier, and insurance provider in

5. For Petty's career and significance, see Terrence Hutchison, *Before Adam Smith: The Emergence of Political Economy, 1662–1776* (New York, 1988), 27–35; and Irvine Masson and A. J. Youngson, "Sir William Petty, F.R.S.," *Notes and Records of the Royal Society of London* 15 (1960): 79–90.

London. Dudley North, the major self-identified Tory in the conversation, prospered in the Levant trade, doing business in Turkey before becoming commissioner of the Customs under James. John Locke and Josiah Child, governor of the East India Company with connections in Massachusetts, identified themselves most fervently with the Whig faction.[6]

These political economists addressed an array of fiscal matters, and their writings amounted less to a coherent body of thought than to a mélange of interrelated ideas. They often have been associated with mercantilism—a regime of centralized regulation over commerce to abet the nation in competition with other European powers—but mercantilism itself was not so much an ideology as it was an accretion of various, and sometimes ad hoc, commercial policies.[7] They suggested different solutions to the degradation of the kingdom's currency, decline in exports to Europe, the dislocations of wartime spending, rising unemployment, and the Crown's inability to secure credit for its contest with France.

Locke and Child, for example, supported Parliament when it created the Bank of England in 1694 as a means to finance the monarchy, passed a recoinage act, and reconfigured the Board of Trade to oversee colonial exchange. They argued that Parliament ought to regulate the amount of paper money in circulation according to the nation's supply of silver,

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6. Other important political economists during the period included Samuel Fortrey, Roger Coke, Thomas Culpeper, John Houghton (propagandist for several trading companies), and Henry Martyn (a leader in the East India Company). For the economic thinkers and their careers, see Appleby, *Economic Thought,* 199–241; and Hutchison, *Before Adam Smith,* 27–80.

7. The term *mercantilism,* which later, laissez-faire apologists such as Adam Smith deployed as a caricature of heavy-handed (and shortsighted) state intervention for the purpose of accumulating specie and enriching a small class of elite merchants, has been much abused. It nonetheless retains its usefulness as a shorthand for those who stressed empirical and analytical methods, the overall wealth of the nation, imperial jealousies, the productive value of overseas trade, linkages between domestic consumption and trade, and the political utility and moral worthiness of merchants. Within this group, conservatives such as John Locke drew closer to what has been defined as a typical mercantilist, who vaunted state control over money, than progressives such as Dudley North, who urged nearly complete deregulation in fiscal and commercial affairs. A classic definition of *mercantilism* is provided by Eli Hecksher, "Mercantilism," *Encyclopedia of Social Sciences* 10 (1933): 334–39; and updated in John J. McCusker, "Mercantilism," in *Encyclopedia of the North American Colonies,* ed. Jacob E. Cooke, 3 vols. (New York, 1993), 1:459–65. For the particular problems sparking mercantilist debates, see Appleby, *Economic Thought,* 242–79; and P. G. M. Dickson, *The Financial Revolution in England: A Study in the Development of Public Credit, 1688–1756* (New York, 1967), 3–14.

which would cut inflation, raise the value of English currency overseas, rectify the imbalance in trade, and improve the overall economy. Concerned to protect domestic industries, Locke also urged restraints on imported luxuries. Barbon and North rejected Locke's arguments. They maintained that Parliamentary restrictions dampened trade, a position aligning them with overseas merchants against domestic manufacturers. Relying on statistics provided by Petty and elucidated by Davenant, they maintained that increased consumption even of imported luxuries, rising interest rates, and an abundance of money (pegged to silver or not) rectified trade imbalances in the long term, enriched the kingdom, and sped wealth throughout the economy. The answer to England's economic ills, they insisted, consisted of more money, fewer regulations, and a reliance on the natural dynamics of commerce to stimulate appetites, trade, and prosperity throughout the kingdom.[8]

Differences in policy recommendations aside—they debated with each other about statutory limits on interest, tariffs and taxes, poor relief, luxury spending, international commercial treaties, and monetary supply—these public figures articulated a cycle of interconnecting claims about commerce and national interest. England's freedoms, which promoted the virtue on which the commonwealth rested, depended on security against other, especially Catholic, nations. Empire secured that power. International trade and colonization enlarged empire by extending English rule and funding the kingdom's navy and armies. Freedom of commerce and astute participation in the European and Atlantic markets enhanced trade. Free and expanding trade, in turn, depended on political liberties, the exercise of which, to return to the beginning of the cycle, promoted public virtue. The ideology of empire—of England's Atlantic empire—thus circled through assertions that connected older republican mores to new commercial imperatives and, especially, the interests of the nation. Proponents of this ideology assembled a social discourse that justified ambitious overseas commerce as a political and moral good.[9]

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8. David McNally, *Political Economy and the Rise of Capitalism: A Reinterpretation* (Berkeley, Calif., 1988), 22–84; Hutchison, *Before Adam Smith,* 72–73; Appleby, *Economic Thought,* 169–84, 223–27.

9. This and the following paragraphs on economic ideology rely heavily on Hont, *Jealousy of Trade,* who, focusing on Barbon and Davenant, describes the whole circle of thought as a "neo-Machiavellian political economy" (52); and David Armitage, *The Ideological Origins of the British Empire* (Cambridge, U.K., 2000), esp. 146–69. This emphasis on imperial agendas has, in part, replaced an interpretive paradigm that contrasted republican, communal, and anticommercial virtues to liberal, imperial, and royal designs: see David Wooton, introduction to Wooton,

In making their arguments, Locke, Petty, Davenant, North, and Barbon elaborated technical analyses that unsettled old moral conventions about the nature of money. They reasoned that money did not represent absolute and stable value: its equivalence to a fixed amount of commodities or specie. Its worth changed as it flowed through the channels of commerce, according to its availability. The state might attempt, as a pragmatic and temporary expedient, to prevent a precipitous devaluation by limiting the amount of money in circulation, but the market—which is to say the collection of individual tastes and needs—eventually determined the price of money as readily as the prices of goods. Making a profit from money or the exchange of credit amounted to a natural and legitimate tactic because money *was* a mere commodity. Locke accordingly admitted that statutory limits on interest rates amounted to fictions. He and his interlocutors all affirmed an inviolable law: prices and the value of money rise and fall with the market. As North put it, "No Laws can set Prizes in Trade, the Rates of which, must and will make themselves," because "Money is a Merchandize." All attempts to combat usury or set a limit on prices (beyond ad hoc, local prohibitions against price gouging) rested on nonsensical "Theological Arguments," in North's telling dismissal. He, along with Child and Davenant, contended that any stimulation to overseas trade, inflationary and usurious or not, rose to a moral dictate. They struck at imposed limits on interest as vehemently as previous essayists had attacked high interest rates.[10]

Many political economists voiced a corollary to their conclusions about money and prices: the nation's wealth depended less on legal coercion than on the natural dynamics of international and domestic markets. Instinctive desires for consumer goods, abetted by social aspirations for approval and status, compelled citizens to produce and exchange in order to make profits and buy. "There can be no Trade unprofitable to the Publick," North asserted, and "the main spur to Trade, or rather to industry and ingenuity, is

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ed., *Republicanism, Liberty, and Commercial Society, 1649–1776* (Stanford, Calif., 1994), 1–41. The imperial and Atlantic context has been highlighted in the so-called new Atlantic history; see Peter A. Coclanis, ed., *The Atlantic Economy during the Seventeenth and Eighteenth Centuries: Organization, Operation, Practice, and Personnel* (Columbia, S.C., 2005).

10. John Locke, *Several Papers Relating to Money, Interest and Trade,* 2nd ed. (London, 1696), 1–2, 8; Dudley North, *Discourses upon Trade* (1691), in Henry C. Clark, ed., *Commerce, Culture, and Liberty: Readings on Capitalism before Adam Smith* (Indianapolis, 2003), 108, 114. For background and context, see Appleby, *Economic Thought,* 199–241.

the exorbitant Appetites of Men." Barbon and Davenant especially set these putatively natural dynamics within a collective purpose: unimpeded trade and consumption enhanced the wealth of the country and funded England's contest against competing empires. Barbon and North's validation of natural appetites indicated a growing conviction among political economists that individual interests determined economic value—even the worth of money—and that the market ordered the pursuit of such interests into a social system.[11]

Anyone who has read the likes of Petty and Davenant might suspect that their dense treatises had no ready audience among overly busy merchants who habituated London's coffeehouses for news or did business in the hustle of wharves and warehouses. Yet such merchants did encounter economic theories, even if in piecemeal fashion. Technical arguments seeped into a widespread social discourse. The popular press in London—including newspaper editorials, broadsides, pamphlets, and gazettes—paraphrased or recorded Parliamentary deliberations that referred to Davenant and Petty. High theory served mudslinging politicians and editorialists who argued about the effects of monopolies granted by the Board of Trade, tariffs, protection of home manufactures, navigation acts, monetary supply, and the relative merits of the Bank of England and private banks. All disputants drew on technical data and made their respective cases by appealing to assumptions common to political economists: the need to uphold political liberties, expand commerce, and enhance the nation's overall wealth.[12]

Economic debates entered the popular press in other forms. A burst of advice manuals for merchants in the period replicated the ideas of Child, Petty, and Davenant, among others. Several new periodicals reviewed con-

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11. North, *Discourses on Trade,* 107, 119. For Barbon, see Hutchinson, *Before Adam Smith,* 73–77; for Davenant, Hont, *Jealousy of Trade,* 57–62, 186–226. The overall point here about natural appetites and social order is informed by Appleby, *Economic Thought.* In "Modernization Theory and the Formation of Modern Social Theories in England and America," *Comparative Studies in Society and History* 20 (1978): 259–85, Appleby describes how shifting policy positions reflected deep moral convictions about natural economic powers and the explanatory power of political economy. For the inconsistency between Locke's policy recommendations and philosophical arguments, see C. B. Macpherson, *The Political Theory of Possessive Individualism: Hobbes to Locke* (Oxford, 1962).

12. See the examples in Perry Gauci, *The Politics of Trade: The Overseas Merchant in State and Society, 1660–1720* (New York, 2001); and Tim Keirn, "Monopoly, Economic Thought, and the Royal African Company," in John Brewer and Susan Staves, eds., *Early Modern Conceptions of Property* (New York, 1996): 427–66.

temporary controversies and even provided extracts from political economists: John Houghton's *A Collection for Improvement of Husbandry and Trade,* Edward Hatton's *The Merchants Magazine,* Charles King's *The British Merchant; or, Commerce Preserved,* and Daniel Defoe's *The General History of Trade* and *Mercator; or, Commerce Retriev'd.* A sometimes merchant, Defoe attracted readers less for his consistency on policy—he shifted his views and attitudes toward overseas merchants as political parties changed—than for his wit and familiarity with the regimens of commerce. The serial publications of Richard Steele and Joseph Addison referred frequently to political economy, as did nontechnical treatises such as James Puckle's 1699 *England's Way to Wealth and Honour.* The popularity of literary commercial periodicals rose with the heat of debates between writers.[13]

The literary purveyors of political economy also popularized new theories through their critiques of rampant misuse of the public debt and London's stock market. Essayists such as Defoe and playwrights such as Richard Steele and Susanna Centlivre drew thick lines between hardworking merchants who served the nation and shifty financiers who abused the Bank of England. According to critics, stockjobbers and brokers who sold shares in the bank bribed politicians, misled investors, spread rumors, and sold insider information about the government's affairs. They traded thousands of pounds on the slightest bits of knowledge about diplomatic, military, and commercial policies, often buying and selling fantastic amounts of stock in short periods. By the 1710s a series of legislative measures, such as prohibitions against short-term speculation, remedied many of the bank's affairs. The corruptions of stockjobbers and concerns about the public debt, however, still troubled critics. Their denunciations served to define, and therefore legitimate, the proper sale of credit in the market.[14]

For English commentators, the prime example of the excesses of the exchange was the South Sea Company. Parliament approved its foundation in 1711 and gave it a near monopoly over future trading with Spanish colonies. Its directors accepted government bonds or securities in exchange for shares in the company, whose worth rested on the possibilities of ventures

13. For the publications and authors mentioned here, see Gauci, *The Politics of Trade,* 156–94, 234–70; Hont, *Jealousy of Trade,* 240–58; and Appleby, *Economic Thought,* 164, 210, which shows Defoe's transmission of the ideas of Petty and Davenant.

14. John McVeagh, *Tradeful Merchants: The Portrayal of the Capitalist in Literature* (London, 1981), 53–67 (for Steele, Centlivre, and Defoe); Dickson, *The Financial Revolution,* 3–14, 21–176; Stuart Banner, *Anglo-American Securities Regulation: Cultural and Political Roots, 1690–1860* (New York, 1998), 14–40.

in South America and the Spanish West Indies, especially slave trading. Promoted by members of Parliament, some of whom had taken bribes in the form of stock, the company attracted thousands of investors and in effect became a leading creditor to the government. Jonathan Swift and Defoe defended the scheme as a means of investment in the government and English trade, whereas Addison and Steele critiqued it as an incentive to corruption. During a frenzied period in 1720, stock in the South Sea Company rose from £175 to £1,000 a share. It crashed with a massive sell-off the next year, provoking widespread bankruptcy and government intervention. Parliamentary investigations into the South Sea Bubble, as it was called, made the weekly news. Commentators issued a barrage of criticisms, filled with denunciations of speculators and gamesters, quick profits and short sells, political venality, knavery, rumor mongering, and the unpatriotic diversion of money from productive exchange.[15]

Controversies about the Bank of England and wild investment schemes channeled the latest political economy into the public sphere, where stock-jobbers served as a ready foil for popular representations of the good merchant. London's commercial manuals and literary essays featured the productive trader who eschewed speculative manias and served Britain's interests with skills and strategies informed by the latest economic science. Writers such as Defoe heaped praise on young, courageous businessmen who met the risks of long-distance trade with mathematical mastery, diligent bookkeeping, and hard-won reputations. Such optimism testified to the power and prevalence of the new political economy. The laudable merchant did not speculate in bad ventures, but neither did he harbor qualms against rising interest rates, aggressive pursuit of profits, and usury.[16]

THE IMPORTATION OF ECONOMIC SCIENCE TO NEW ENGLAND

Many of the debates rehashed in London's press did not concern affairs in New England, but the overall pattern of mercantilist thinking, from the

15. John Carswell, *The South Sea Bubble* (1969; rev. ed., Dover, N.H., 1993); John G. Sperling, *The South Sea Company: An Historical Essay and Bibliographical Finding List* (Cambridge, Mass., 1962); Banner, *Anglo-American Securities Regulation,* 41–87. For the South Sea Company and slave trading, see Cathy Matson, *Merchants and Empire: Trading in Colonial New York* (Baltimore, 1998), 123.

16. For the courage and mathematical skill of merchants, see Nuala Zahedieh, "Making Mercantilism Work: London Merchants and the Atlantic Trade in the Seventeenth Century," *Transactions of the Royal Historical Society* 9 (1999): 143–58. For popular acceptance of taking interest on credit, the relation of interest rates to the Bank of England, and the patriotic reputations of merchants in the 1710s, see Matson, *Merchants and Empire,* 67–72, 125–27.

method of economic analysis to definitions of money and credit, resonated across the Atlantic. New England's Puritan merchants, along with their pastors, turned to the discourse of political economy as a science of success in the market. Taking bits and pieces of a large and diverse literature, they applied them to their local economic conditions in peculiar ways. They did so most clearly, and early on, in Massachusetts when they began to address in earnest the problems of money, banks, and credit in the provincial economy during the 1690s.[17]

These deliberations hearkened back to the previous decade, during which Boston merchants complained about the colony's lack of currency and overreliance on bills of exchange (private transfers of credit that were often sent to various signatories), which suffered depreciation overseas. In 1681 several of them proposed to organize a company called the Fund. They planned to exchange among themselves paper notes, issued to borrowers who used mortgages as collateral. In 1682 John Woodbridge, a pastor in Newbury and a relative of high-placed merchants and Council members, described the project in his *Severals Relating to the Fund.* Woodbridge claimed to have consulted with several merchants in London, "well Read in the nature of *Banks,*" who explained that "most civilized Nations"—most likely a reference to Italian and Dutch precedents—adopted similar measures to speed exchange, lower interest rates, decrease debt litigation, increase manufactures, and enhance the balance of trade.[18]

The Fund never succeeded, but five years later its backers raised another proposal and promoted it by circulating in Boston a London treatise entitled *A Model for Erecting a Bank of Credit.* Like Woodbridge's *Fund,* the *Model* urged readers to rely on the hard-won wisdom of merchants to create and

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17. There is a vast literature on monetary debates in provincial Massachusetts. The following discussion relies especially on the general economic history provided by Newell, *From Dependency to Independence,* 111–80; the fiscal history given in Leslie V. Brock, *The Currency of the American Colonies, 1700–1764: A Study in Colonial Finance and Imperial Relations* (New York, 1975); the legal history analyzed by Claire Priest, "Currency Policies and Legal Development in Colonial New England," *Yale Law Journal* 110 (2001): 1303–1405; the literary suggestions provided by Jennifer J. Baker, *Securing the Commonwealth: Debt, Speculation, and Writing in the Making of Early America* (Baltimore, 2005), 1–42; and, for the English background, Dickson, *The Financial Revolution.* The closest accounts of the primary sources in Massachusetts continue to be Andrew McFarland Davis, ed., introduction to *Colonial Currency Reprints, 1682–1753*, 4 vols. (1910–11; repr., New York, [1971]), 1:1–105; and Joseph B. Felt, *Historical Account of Massachusetts Currency* (1859; repr., New York, 1968), 46–83.

18. [John Woodbridge], *Severals Relating to the Fund* (Boston, 1682), 3, 5.

circulate paper money secured by private property such as land. Like Petty and Child, the authors of the *Model* asserted the importance of making money available as a means to stimulate consumer appetites, which encouraged production along with trade. As "the Trade and Wealth of any Country" rose, they provided taxes to the government and encouraged further domestic production. Following writers such as Davenant, the *Model* treated money not as the representation of absolute or intrinsic standards, but as a mere instrument for exchange, the value of which changed with its power to facilitate commerce. The "high or low Value of the Money" was less important than "the Value of Goods" imported and exported.[19]

Prodded by further monetary problems, increased oversight from London, and a new royal governor in Boston, the provincial Council and the General Court established a public bank in 1690. They authorized the province to issue bills of credit—paper notes printed by the government—to pay for military defense and a costly military campaign against the French in Quebec that year. The legislature iterated imperial agendas in its act: it intended to remedy the fiscal "calamities of the country," all "for the maintaining and defending of their Majesties interest against hostile invasions." The resulting legislation empowered a committee to emit £7,000 in notes, ranging from 5 shillings to £5, with which the province would pay its militia, military provisioners, and overseas creditors. Bank of England notes rested on a permanent national debt—backed by landholding creditors—and functioned as paper securities that could be transferred in international trade. Massachusetts bills, in contrast, represented a temporary debt to be retired, at 5 percent interest over five years, when private holders (technically creditors to the government) submitted them as taxes. They were to be used only within the colony and quickly redeemed, regulations readily violated by most merchants. Further military expenditures, exports of specie to England, and the resulting scarcity of bills prevented the government from retiring the original notes and, instead, prompted further emissions: £30,000 in 1691, £3,000 in 1702, and £30,000 in 1709. In 1712 the legislature mandated that bills of credit be accepted as legal tender in ordinary colonial business transactions.[20]

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19. [Anon.], *A Model for Erecting a Bank of Credit* (1688; repr., Boston, 1714), 1, 20, 27. John Blackwell, a newcomer to New England, authored a similar manuscript proposal, "A Discourse in Explanation of the Bank of Credit," in 1687 and, according to Davis, probably authored the *Model;* Davis, *Colonial Currency Reprints,* 1:146–51, 187–88.

20. The legislation is quoted in Felt, *Historical Account,* 49–50. For the narrative in this and the following paragraph, see Felt, *Historical Account,* 46–79; Brock, *Cur-*

By 1714 depreciation of these bills (some merchants lowered their value as much as 30 percent), price inflation, rising interest rates, and an increase in debt litigation prompted demands for further government emissions as one solution, and the allowance for private banks modeled after the Fund as another. Elisha Cooke Jr., along with John Colman, the merchant brother of Benjamin, the pastor of Boston's Brattle Street Church, led the campaign for a so-called Land Bank, a privately owned company designed to issue the extraordinary sum of £300,000 backed by mortgages on land. Other private-banking proponents planned to raise funds through investments in building projects such as a bridge over the Charles River. Opponents eventually suppressed private banks in favor of continued monetary control by the Council and General Court. In 1716 the province issued £100,000 in notes; in 1721 it emitted £50,000. These efforts did not solve Massachusetts' currency problems. The province's bills of credit, passing as common money, continued to depreciate, falling to such low values that the whole currency system came under attack from London during the late 1730s.[21]

During three crucial periods in this history—1690–91, 1714–16, and 1719–22—Boston publishers produced a rash of pamphlets on money and trade, set against the background of parallel controversies in London about the Bank of England and the stock market.[22] Arguments clustered around three positions. Land speculators, landed but cash-poor householders, many debtors, and a group of merchants who traded especially within New England favored the free production and flow of paper money, which is to say private land banks and high levels of government currency emissions. Debtors, they argued, would have benefited from an increased supply of money, lower interest rates, and even monetary depreciation, which in effect decreased debts with the mere passage of time. Speculators would have profited from a rise in land values.

Colman and the Ipswich preacher John Wise wrote most consistently for this position. As they did, they echoed Davenant's and North's assertions of the importance of internal trade and high levels of domestic consump-

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rency of the American Colonies, 1–34; Newell, *From Dependency to Independence,* 129–37; and G. B. Warden, *Boston, 1689–1776* (Boston, 1970), 69–86.

21. In *From Dependency to Independence,* 165, Newell recounts the enormous rise in debt litigation in the period, illustrated by one thousand writs of attachment for debt filed in Essex County in April 1720 alone.

22. The following interpretation relies heavily on Newell, *From Dependency to Independence,* 107–80, and Felt, *Historical Account,* 65–77.

tion, and the relative unimportance of stable currency values tied to tangible wealth. Colman contended that private banks would flush the economy with money, lowering interest rates, ending decades of wasteful litigation over credit, and powering economic activity. He deployed customary moral rhetoric with a new, mercantilist logic. "The Medium of Exchange, the only thing that gives life to Business," he pleaded, "Employs the Poor, Feeds the Hungry, and Cloaths the Naked." The lack of currency led tightfisted creditors to raise interest rates, hound debtors into court, and foreclose on unpaid mortgages. Money, Colman insisted, was a mere instrument that incited and capacitated people's natural instincts to consume and therefore to produce: "Man is an Active Projecting Creature, and every Body almost would be Improving his talent, if Money were stiring."[23]

Wise produced the fullest apology for this position in his 1721 *Word of Comfort to a Melancholy Country,* a lengthy treatise that replicated most of the chief platforms of the political economists: imperial jealousies and patriotic duties, new theories of money, statistical surveys of prices and values, comparisons with other European states, assertions about human nature and its appetites, and, throughout, the scientific expertise of merchants as the preeminent guide to economic practice. Money, he argued, was a commodity and best managed by merchants who knew about interest rates, imports and exports, and the balance of trade. Because overall economic prosperity sustained merchants' interests, they would conduct the business of private banks, or use an expanded supply of bills of credit, to the benefit of the whole commonwealth. Drawing on statistical studies, he maintained that a ready supply of bills of credit decreased import prices and increased exports. The purpose of fiscal policy, he reminded his readers, was to inspire economic production and exchange; and an abundance of paper money did just that, so that "our Outward wellbeing, is under GOD, involved in a Bank of Credit, as being the best Method in business." Binding progressive credit measures and religious claims even tighter, he described monetary abundance as a providential instrument directing New Englanders away from barbarism to civility, provincial obscurity to cosmopolitan prominence; bills of credit were in his account "the means of our Salvation!" This being the case, Wise deemed mercantile specialists, "these Men" who "belong to our Metropolis," as "Publick Benefactors, and Common Fathers to their Country; as being Men of Noble and Great minds." They can "Regulate the Price of all Things Yearly in the common course of Trade, and Commerce . . . as

23. [John Colman], *The Distressed State of the Town of Boston* (Boston, 1720), 1–2, 7.

tho' Controllers and absolute Masters of the Market, and yet hurt no Mans Property" because "if they hurt others, they hurt themselves."[24]

As a final tribute to money and moral appeal, Wise returned to imperial themes. He quoted a mercantilist maxim, to the effect that "Money is the Sinews of War," and recalled how Massachusetts bills had carried the province through "the Charge of a Bloody, Long, and Expensive War" (King William's War through Queen Anne's War). Money was "the king of business, for increasing the Wealth, the civil Strength, and Temporal glory of a People." It supplied trans-Atlantic merchants and spread civility along with their wares. Wise evoked Holland—once reviled by first-generation Puritans as a cesspool of avarice and materialism—and Venice as happy and successful states supplied by private banks. English citizens should by implication do no less. "Let the Merchandize be accommodated, which will be for the Interest of the Crown; and fill our Country with Joyful Songs and Praises to God for His Goodness." Wise magnified Barbon and North with religious rhetoric.[25]

Highly placed and elite overseas merchants, royal officials such as governors and attorneys general, large-scale creditors, and a few outspoken pastors opposed the very notion of private banks and insisted on fiscal conservatism. They conceded the necessity for public bills but demanded policies to stabilize their value: strict limits to the amount of emissions to prevent depreciation, sinking or redemption of bills according to a firm timetable, and ready conversion to specie. In theory, these policies abetted colonial creditors (whose loan contracts did not devalue over time), overseas merchants who had access to bills of exchange and depended on their stable worth in England, and political appointees compelled to appease London's demands for fiscal restraint. As readily as Wise extolled merchants and their natural instincts, the conservative Paul Dudley raised the specter of stock-jobbing and other mercantile mischief, clearly taken from reports out of London's exchange, along with the observation that it was an outright contradiction to offer private banks as a matter of patriotic duty when the Crown had never approved them.[26]

Opponents of private banks also warned of merchant cabals and the con-

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24. Amicus Patriae [John Wise], *Word of Comfort to a Melancholy Country* (1721), in Davis, *Colonial Currency Reprints,* 2:170, 178, 219; the statistical tables are on 178–79.

25. Wise, *Word of Comfort,* 175–76, 182; for comments on Holland and Venice, see 181, 203–6.

26. [Paul Dudley], *Objections to the Bank of Credit* (Boston, 1714).

centration of political and economic power in Boston. Edward Wigglesworth, then a preacher in Barnstable and a future professor at Harvard, decried an ever-deepening public debt as a political disaster and an ever-rising taste for extravagance in Boston as an economic calamity. He argued that the latest rates given in London on silver and Massachusetts bills had inflated prices, imbalanced New England's trade, and inhibited economic growth. Rather than print more bills, the government ought to promote increased interest rates on book debts, which would compel debtors to remit payments in bills-at-hand, shoring up the province's supply of money. Like Locke and Child abroad, Wigglesworth took a conservative position on currency but nonetheless made his arguments from the latest dictates of economic science, current trade data, and prevalent assumptions about the public good. He too eschewed outdated arguments about the intrinsic value of money or dangers of usury.[27]

Other critics of Wise's *Word of Comfort* often adopted the rhetorical styles of Londoners such as Defoe, relying on satire, puns, and sharp wit to convey economic principles.[28] John Higginson clearly had the Exchange Alley in mind when he titled his 1721 contribution *The Second Part of the South-Sea Stock.* His relatively conservative recommendations revealed New Englanders' familiarity with economic news from London. He satirized the South Sea stock as speculative idiocy and linked fraudulent stock schemes and stockjobbing to the pro-money faction in the General Court. It spread "Confusion" with every new currency issue by producing bad bills that sent good gold and silver overseas. Real wealth consisted in fiscal solidity, not an abundance of consumer goods. Like Wigglesworth, Higginson reasoned from the assumptions of men such as Petty and Davenant—about the public good, monetary value, and the importance of empirical facts to economic policy—even as he contended for fiscal conservatism.[29]

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27. Edward Wigglesworth, "One in the Country," *Boston News Letter,* April 18, 1720, in Davis, *Colonial Currency Reprints,* 1:408–13; [Edward Wigglesworth], *A Letter from One in the Country to his Friend in Boston* (Boston, 1720); and [Edward Wigglesworth], *A Vindication of the Remarks of One in the Country* (Boston, 1720), 8–9, 15–16.

28. For imitations of Defoe and other literary styles, see Davis, *Colonial Currency Reprints,* 2:250–77.

29. [John Higginson], *The Second Part of the South-Sea Stock* (Boston, 1721), 2, 6, 22. Higginson died in 1718, before the South Sea Company bubble burst, but the printers' decision to bring out his tract in 1721 clearly derived from the trans-Atlantic furor over the demise of the company: Davis, *Colonial Currency Reprints,* 2:332–34.

Many of Boston's Puritan merchants, civic leaders, and influential pastors, the jurist and erstwhile merchant Samuel Sewall and preacher Cotton Mather among them, eventually took a third, moderate position. Anxious to provide funds for the defense of New England against French Canada and sensitive to the needs for credit among poorer inhabitants, they supported interest-bearing government emissions. Yet, fearful of depreciation and the temptation to export bills by the consumption of imported luxuries, they rebuffed private banks, recommended small issues under government control, and especially urged voluntary restraints on imports. In several ways, this amounted to a pragmatic and flexible compromise, which in fact shaped the actual decisions of the Massachusetts Council.

Mather demonstrated his familiarity with London's political economists in his 1691 tract *Some Considerations on the Bills of Credit.* A supporter of paper emissions through 1715, he launched into a theoretical defense of fiat money. He claimed to "have had some former Discourse about the *Nature of Money*," which taught him that money was "but a *Counter* or *Measure* of mens Properties and Instituted *means* of permutation." In other words, money, as the political economists taught, was a mere contrivance to facilitate commerce. Criticisms of the public debt and paper emissions rested on the false premise that the value of money should be fixed to specie or other forms of tangible wealth. If economic conditions (such as the devaluation of bills of exchange and overall dearth of currency) demanded public bills, then the government ought to accede without concern for intrinsic monetary values. "If the Merchants cannot Buy as well a Sell for Credit," Mather asked, then "how shall they carry on their Trades?" Public bills, Mather astutely argued, had worked well enough for the French in Canada. Conversely, the lack of such a policy in Ireland had doomed its mortgaged lands to foreclosure by English creditors.[30]

According to Mather, Massachusetts' merchants had learned the best and latest methods in accounting, mathematics, and market pricing; they had studied the statistical and mercantilist manuals circulating through Boston. Their commercial expertise and public spirit assured New Englanders that they would exchange the bills to enrich "Humane Traffick" in all spheres, increase the overall wealth of the province, and supply taxes to relieve the government's debts. Mather appended to his essay "Some Additional Con-

30. [Cotton Mather], *Some Considerations on the Bills of Credit* (Boston, 1691), 3, 7–9. For Mather and money, see Jennifer Jordan Baker, "'It is uncertain where the Fates will carry me': Cotton Mather's Theology of Finance," *Arizona Quarterly* 56 (2000): 1–23.

siderations," which informed readers that bills of credit were widely used in the great cities of Amsterdam, Venice, and Paris. Previous generations of Puritans scorned Europe's metropolitan centers as dens of atheism and avarice. Mather applauded them. In light of European successes, contemporary objections to public banks appeared to be backwater foolishness. "It seems, possible now," the "Considerations" concluded, "for *Boston* [merchants] to Correct the whole." These were the very arguments behind this clergyman's pro-usury announcement of 1699.[31]

As a magistrate and member of the Council, Sewall also wrote about provincial monetary policy. His reflections demonstrate the pragmatism of moderates, who supported public bills yet came to oppose the voluminous emissions proposed in the late 1710s and 1720s. In 1714 he supported a modest £5,000 issue because, as he figured by current fiscal data, it was "all for the Publick benefit." Two years later he affirmed the idea of further emissions in principle, but he advised the Council to refrain from them until they retired older bills, collected outstanding taxes, and determined the real monetary needs of the province.[32]

By 1724 Sewall had come to resist the flood of emissions. In a speech to the Court and Council, he decried the overabundance of bills. After issuing a customary warning against imported luxuries and wasteful prodigality, made all the worse by the illicit circulation of provincial bills abroad, he offered a strictly economic analysis. Some merchants had abandoned overseas business, using their capital to speculate in bills of credit rather than invest in trade: a perverse imitation of trade in Bank of England shares in London. Rapid depreciation obstructed deals "in other parts of the World," decreasing profits and supplying less tax revenue. Creditors, landowners, and salaried employees (including, of course, ministers such as Mather and public officials such as Sewall) suffered from depreciation as well; their contracts lost real value with every emission. "The Trade" of the country may have been increased with new money fueling consumption and speculation, "but not the wealth." Sewall's admonishment that "the Emitting, as managed amongst us, we suppose is a Moral Evil" convinced the Council, which in this case rebuffed popular demands for more money.[33]

31. Mather, *Some Considerations,* 3, 18, 21.

32. Samuel Sewall, *The Diary of Samuel Sewall, 1674–1729,* ed. M. Halsey Thomas, 2 vols. (New York, 1973), 2:773, 822, 934, 1023. Sewall afterward supported legislation mandating a large £100,000 emission.

33. Samuel Sewall, "Address in Opposition to Issuing More Paper Money," in "Letterbook of Samuel Sewall," *Massachusetts Historical Society, Collections,* 6th ser., 1 (Boston, 1886), and 2 (Boston, 1887), 2:235, 238–239.

No single monetary policy in itself—for or against a large public debt, repeated emissions, private banks—denoted a consistent outlook on the market or economic ideology. Individuals changed their counsel according to shifting economic and political conditions. Mather pleaded for bills of credit in 1691; after 1716 he complained about the futility of increasing emissions. He chastised advocates of increased money supplies for failing to appreciate the government's obligations to appease powerful Londoners who lobbied for fiscal restraint in Boston. Sewall never promoted an abundant and free supply of paper money, but he accepted repeated paper emissions as temporary expedients until they appeared to defeat the whole purpose of the bank.

Thus, the specific recommendations coming from Massachusetts' ministers and civic leaders revealed less about their economic mentality than did their dependence on England's mercantilists to provide the grammar of debate for monetary issues. As one Boston merchant observed, the pamphlet war on banks depended on some consensus about the very terms of deliberation; it spread mercantilist ideas as an economic orthodoxy throughout the town. "The minds of people were prepared for impressions," this writer claimed, "from pamphlets, courants, and other news papers, which were frequently published." The ideas of writers such and Child and Davenant, Petty and North, popularized through those "pamphlets," excerpted in "news papers," and given literary expression in various "courants," became common fare. To pastors, merchants, and legislators the new economic discourse appeared to be a real science: a description of how commerce in fact operated. The economists' analyses were as indubitable as the descriptions of the solar system provided by astronomers in the Royal Society. Boston's pastors conceded as much. Mather spoke for many when he admitted that he simply had to trust in the technical analyses provided by professional merchants who accumulated massive amounts of data.[34]

34. Thomas Hutchinson, quoted in Newell, *From Dependency to Independence,* 141; for Mather, see Perry Miller, *The New England Mind: From Colony to Province* (1953; repr., Boston, 1961), 323. Debates about money and banks raised larger, culturally inflected issues about society and a market economy, but my purpose here is merely to note how these debates mediated mercantilist thinking in New England. For the cultural significance of money, see Baker, *Securing the Commonwealth;* and Jonathan Parry and Maurice Bloch, eds., introduction to *Money and the Morality of Exchange* (New York, 1989), 1–32. For currency and wider ideological perspectives, see Joyce Appleby, "Locke, Liberalism, and the Natural Law of Money," in her *Liberalism and Republicanism in the Historical Imagination* (Cambridge, Mass., 1992), 58–89.

Boston's merchants absorbed economic science through other conduits as well. London partners shared accounts of the East India Company, the state of England's cloth industries, and rumors of war, all framed within the regnant mercantilist ideology. Bostonians also read excerpts from London newspapers and gazettes reprinted in Boston's first newspapers: John Campbell's *Boston News Letter* (founded in 1704) and William Brooker's *Boston Gazette* (1719). Like the London newspapers, Boston papers reported on Parliamentary hearings, fiscal policy, commercial treaties, the latest scandals in the stock market, diplomatic intrigues, and bits of news from Europe: the state of trade in Venice, French encroachments on Dutch sea lanes, and commercial activity in Hamburg. Such stories scripted commercial competition in the trans-Atlantic political theater and framed it as an illustration of economic theory.[35]

Occasional news indirectly illuminated a mercantilist ideology; more direct presentations came through the importation of English books by Boston's growing collection of booksellers. They sold London gazettes and papers, the works of Defoe, merchants' handbooks, and law books, many of which communicated the agendas of England's political economists. The Boston merchant Edward Bromfield frequented the shop of Daniel Henchman, both of whom were dutiful members of Boston's most powerful congregation, Old South Church. Bromfield purchased statistical and legal handbooks along with Reformed devotional treatises and sermons. It was a consumer's gesture to the compatibility between piety and imperial commerce. Another Old South bookseller and publisher, Samuel Gerrish, imported dozens of volumes on English trade and the Royal Navy, annual histories of the monarchy, reprints of the records of Parliamentary debates, political tracts on paper money and bills of credit, discourses about the nature of money and the Recoinage Act, advice manuals and essays for merchants, and the major treatises of political economists such as Davenant, Petty, and Locke. He sold hundreds of books on English law, banking, and litigation.[36]

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35. For the examples of the news bits listed here, see the *Boston News Letter,* September 4–11, 1704; November 26–December 3, 1711; and September 25–October 2, 1721. For imperial and trading company news conveyed through letters, see, for only two of many sources, Josiah Child's letters to New England in "Higginson Letters," *Massachusetts Historical Society Collections,* 3rd ser., 7 (1838): 196–221; and Thomas Fitch to Thomas Crouch and S. Arnold, February 6, 13, 1710, in Thomas Fitch Letterbook, 1703–1711, American Antiquarian Society, Worcester, Mass.

36. For Bromfield and Henchman, see, for one of many examples, the September 20, 1719, entry in the 1719–1721 Wastebook, Henchman Family Papers,

Boston printers and publishers also marketed their own versions of almanacs and editions of commercial handbooks that relayed the chief dictates of Petty, Davenent, and others, especially the dictum that the best conduct of commerce relied on mathematical analyses of long-term profits and national productivity. Almanacs included patriotic maxims, anniversary and other notable days for the Crown, demographic data, and practical clues to the observation and recording of natural events. Merchants used them to track tides and the weather and to keep their accounts. In such cases, they quite literally inscribed their daily business transactions in a frame of imperial, scientific, and calculating advice. Printers produced several commercial manuals for New Englanders at the turn of the eighteenth century. Thomas Goodman's 1702 *Experience'd Secretary* introduced aspiring traders to new legal protocols, cosmopolitan diction, and formalized communication. Thomas Hill's *Young Secretary's Guide* of 1707 modeled equally formal, polite, and impersonal language, adding to Goodman a legal lexicon and dictionary of aristocratic titles and addresses. The first book of mathematics published in America, James Hodder's *Arithmetick* (1719), illustrated every mathematical, statistical, and tabular task with commercial problems (from multilayered contracts to the calculation of interest on foreign currencies), and reduced every economic transaction to numbers. Boston's printers did not publish a New England edition of Petty or Davenant, but they did make books that instructed merchants in the calculating skills and scientific worldview promoted by the great economists in London.[37]

American Antiquarian Society (microfilm of the original from the New England Historical and Genealogical Society, Boston). For Gerrish's sales, see the sale catalogs: Samuel Gerrish, *Choice English Books* (Boston, 1720); and *Catalogue of Choice and Valuable Books* (Boston, 1723). For booksellers and printers, see Hugh Amory, "Printing and Bookselling in New England, 1638–1713," in Hugh Amory and David D. Hall, eds., *A History of the Book in America,* vol. 1, *The Colonial Book in the Atlantic World* (New York, 2000), 83–116; and Elizabeth Carroll Reilly, "The Wages of Piety: The Boston Book Trade of Jeremy Condy," in William L. Joyce et al., eds., *Printing and Society in Early America* (Worcester, Mass., 1983): 83–131. For Old South's cadre of printers and publishers, see Mark A. Peterson, *The Price of Redemption: The Spiritual Economy of Puritan New England* (Stanford, Calif., 1997), 91–92, 139. For Defoe especially, see Chester Noyes Greenough, "Defoe in Boston," *Publications of the Colonial Society of Massachusetts,* vol. 28: *Transactions, 1930–1933* (Boston, 1935): 461–94.

37. T[homas] Goodman, [*Experience'd Secretary*, mistitled as] *The Young Secretary's Guide* (Boston, 1703); Thomas [John] Hill, *The Young Secretary's Guide* (Boston, 1707); James Hodder, *Hodder's Arithmetick*, 25th ed. (Boston, 1719). Here is a typical example from Hodder (150): "Four Merchants ventur'd to Sea a Stock of 2475£ whereof A put in 710£ B put in 960£ C put in 207£ D put in 598£ and they

Boston clergymen revealed an equal appetite for such works. They accumulated a small collection of political economy, including Davenant's *Discourses on the Public Revenues, and on Trade in England* (London, 1698) and *An Essay upon the Probable Methods of making a People Gainers in the Ballance of Trade* (London, 1699), and Child's *A New Discourse on Trade* (London, 1694). Old South Church ministers established a library with treatises also by Defoe and Locke. At Old North Church, where Cotton Mather preached, the Mather family library held merchants' manuals and occasional tracts on trade policy, from issues of Steele's *Guardian* to essays on public credit, the Whig government, and the politics of overseas investment schemes. One of the advice books in the Mather collection, *The Compleat Tradesman,* made explicit the connection between mathematical proficiency and mercantilist ideology. Advising young merchants on tabulation of prices, making ledgers, keeping accounts, and pursuing debt litigation, it urged cunning and diligence as a national duty, and free trade as a political necessity. England, it asserted, "is properly a Nation of Trade," and its rulers ought to heed the advice of merchant advisors. All laws should promote the "conveniency and advantages for a Trading People," or the availability of credit and ease of international exchange. As for merchants, they should pursue profits according to their own best economic intelligence: "our business is to keep unity with our selves, and enjoy a free Trade" in "profitable Places, whereby we become Masters of Trade." One of its Boston readers—Cotton Mather is the chief suspect—made marginal notes on its discussion of the valuation and use of money in London.[38]

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gained 2000£. But Tempestuousness of Weather arising, were forced to cast overboard as many goods as amounted to 769£. I demand what each Man must bear of the Loss?" The implicit presence of mercantilist ideas in almanacs and merchants' handbooks is discussed in Patricia Cline Cohen, *A Calculating People: The Spread of Numeracy in Early America* (New York, 1999), 32–33, 77, 81–115.

38. N.H., *The Compleat Tradesman,* 2nd ed. (London, 1684), 2–3 (for the quotations), 65 (for the marginalia on the copy from the Mather family library at the American Antiquarian Society). Illustrations of other relevant titles in the Mather library include John Withers, *The Whigs Vindicated* (London, 1715); Daniel Defoe, *Caledonia; or, The Pedlar turn'd Merchant* (London, 1700); and [Anon.], *Reasons Showing the Necessity of Large and Speedy Supplies to the Government* (London, 1691). The American Antiquarian Society holds the Davenant and Child titles mentioned here, the latter of which stressed the new meaning of usury. The catalog of the Old South Library, largely assembled by Samuel Sewall's son Joseph, lists works by Davenant, Defoe, and Locke, as well as several issues from London serials such as the *London Magazine*: [Boston, public library], *The Prince Library: A Catalogue* (Boston, 1870), 91–92, 103, 121, 113.

Mather often mentioned popular literary commentary on the economy. He favored Addison and Steele's *Spectator,* for which he wrote (but never had published) several essays "to the best interests," as he put it in fashionable diction, "of the Nation." Defoe held the interest of New Englanders like Mather as well. Despite his elusive, fairly unorthodox religious opinions, Defoe appeared as an ideal associate on the other side of the Atlantic. He was a merchant with a large literary audience who justified religious dissent, applauded New England's struggle against the French in Canada, legitimated robust overseas trade, sounded the note of social reform, and supported Protestant empire against Catholic challenges throughout the Atlantic world. Mather corresponded with Defoe about reform societies and adopted some of his literary devices, from satirical fables to titles. Just one year after the appearance of Defoe's *Robinson Crusoe,* Boston publishers printed *News from Robinson Cruso's [sic] Island* (Boston, 1720), Mather's satire against critics of Governor Samuel Shute (1716–23). Succeeding writers in New England emulated England's poets who venerated the nation's naval might and commercial supremacy. When America's poets celebrated colonial participation in England's empire of Protestant civility, they at least tacitly recognized the legitimacy of mercantilist theory. They consented to economic policy made scientific by Petty and Davenant, turned political by North and Barbon, and popularized by Steele and Defoe.[39]

THE RELIGIOUS APPEAL OF POLITICAL ECONOMY

The appeal of political economy to pious Bostonians begs for further explanation. How was it that heirs to a Puritan tradition that eschewed market ideologies and fashioned itself as an alternative to the moral corruptions of England embraced the new economic science? We cannot settle on the pragmatic benefits of expanded commerce as the only answer, because that leads to a further question: why accept commercial prosperity, and therefore

39. For Mather and the *Spectator* essay, see Norman S. Fiering, "The Transatlantic Republic of Letters: A Note on the Circulation of Learned Periodicals to Early Eighteenth-Century America," *William and Mary Quarterly* 33 (1976): 642–60, 643. On Defoe and his connections to New England, correspondence with Mather, and economic views, see Paula R. Backscheider, *Daniel Defoe: His Life* (Baltimore, 1989), 48–49, 56–57, 70, 85–86, 437–66; and Greenough, "Defoe in Boston." For Mather's authorship of *News from Robinson Cruso's Island* (Boston, 1720), see Davis, *Colonial Currency Reprints,* 1:121–26; and Kenneth Silverman, *The Life and Times of Cotton Mather* (New York, 1984), 320–26. For Mather's style and later New England poets of empire, see David S. Shields, *Oracles of Empire: Poetry, Politics, and Commerce in British America, 1690–1750* (Chicago, 1990), 22–25; 110–23.

the usefulness of mercantilism, as a moral good, when Puritanism carried deep-running impulses to submerge material and national interests beneath a heavy piety? In fact, new theories about money and its commercial potency went hand in hand with new religious sensibilities. Theological innovations from within Puritanism, dating from the 1680s, sanctioned new economic theories. The cultural appeal of political economy to New Englanders had much to do with changing conceptions of God's activity in the world: what Puritans called Providence.[40]

Puritan understandings of Providence underwent a transformation in Massachusetts during the Glorious Revolution. The rise of a Whig government in concert with the Hanoverian monarchy made New Englanders marvel. The Crown promoted, by common recognition, the Protestant interest, constitutional rights, and commerce across the Atlantic. In England newspapers and serials publicized the empire as the means of peace and prosperity throughout the Atlantic world and the Continent. "The Sovereign of Merchandize," as one observer described Britain, deployed trade as an instrument of diplomacy, offered principles of political liberty, and relieved persecuted Protestants in Europe. Whig religious policy tolerated most Protestant sects in the kingdom. British commerce funded the ongoing struggle against France and French Canada. Enlightened commentators in Britain concluded that the current monarchy enacted moral good; their counterparts among Boston's clergy, accepting the same terms of moral discourse, drew the same conclusion.[41]

It was a nearly constant refrain from Boston pulpits, beginning during the 1690s and mounting to a nearly irrefutable orthodoxy during the first three decades of the eighteenth century: Britain promoted order, equity, and stability in civil affairs, and therefore reasonably claimed to be an in-

40. Cultural and literary historians have frequently noted the correspondence between the abstracted, symbolic function of money in the modern market system and Protestant sympathies with a dematerialized nature of truth. Without denying the insights to this line of thinking, I focus here on the intellectual shifts of the late seventeenth and early eighteenth centuries—transformations geared to new political realities rather than to supposedly dematerializing Protestant mind-sets more generally conceived. See, for two recent examples, Mark C. Taylor, *Confidence Games: Money and Markets in a World without Redemption* (Chicago, 2004), 57–89, and Annabel Jane Wharton, *Selling Jerusalem: Relics, Replicas, Theme Parks* (Chicago, 2006).

41. See especially Eliga H. Gould, *The Persistence of Empire: British Political Culture in the Age of the American Revolution* (Chapel Hill, 2000), 3–21 (10 for the quotation from the anonymous observer).

strument for divine rule. Such celebration of the Crown—not as a mere rhetorical formality but as a substantive reflection on the empire and Providence—signaled a remarkable turn. Older Puritan notions of Providence centered on a unique covenant for New England, the special status of the Puritan community, and a godly social order defined by peculiarly biblical commands. Puritans of Mather's generation instead embraced a version of Providence focused on the virtues of the British state, the importance of a pan-Protestant struggle against Catholicism, and the dictates of an increasingly cosmopolitan moral discourse.[42]

Boston pastors such as Benjamin Wadsworth and Thomas Foxcroft of the First Church, Ebenezer Pemberton of the Old South Church, and Benjamin Colman of the Brattle Street Church developed this politically inflected understanding of Providence. They asserted that the British Empire embodied providential designs for civil order in the world. They observed what they deemed to be a series of divinely inspired events: the Glorious Revolution of 1688, which replaced a nefarious regime hostile to Protestantism with monarchs who supported true religion; the March 1707 Act of Union between the English and Scottish parliaments; the 1714 accession of George I and suppression of the 1715 Jacobite Rebellion; George's promotion of military intervention on behalf of Protestants on the Continent; the rising power of a Whig Parliament; and the succession of George II in 1727.

Their reading of Britain's history located New England within a drama of imperial contest across Europe and the Atlantic world. Boston pastors began to develop their new historical consciousness during the 1690s, and they shaped it into a doctrine of Providence and the nation especially after the death of William III in 1702. Preachers knew that they were making theological innovations; they went to great lengths to argue for the legitimacy of their views. Wadsworth lamented William's passing with claims that the king, like Israel's Josiah, served as an instrument of Providence to promote political liberties against Catholic oppressions in England and Europe. Colman went further. In a 1708 sermon to the governor and Council, he celebrated the Union of the Scottish and English parliaments by drawing parallels between biblical Jerusalem and London. As the city of

42. See, for one study of this shift, Thomas S. Kidd, *The Protestant Interest: New England after Puritanism* (New Haven, 2004). For changes in the doctrine of Providence, see Peter Lockwood Rumsey, *Acts of God and the People, 1620–1730* (Ann Arbor, 1986), and Michael P. Winship, *Seers of God: Puritan Providentialism in the Restoration and Early Enlightenment* (Baltimore, 1996).

David, which Colman described in most contemporary terms as "the *Imperial Seat* and Metropolis of the Kingdom of *Israel,*" represented the reign of peace and happiness, so too did the capital of the new British Empire. Colman exhorted provincial officials to pray for the "*External Prosperity*" of London because the success of the metropolis vindicated true religion.[43]

Colman elaborated a two-pronged argument. First, commercial success, enhanced by the new union, funded the military defense of Protestant hegemony. Speaking in mercantilist idioms, he asserted that "the Flourishing of *Trade,* and the Increase of Riches" strengthened "the Sinews of War." Second, wealth supplied the social institutions that sustained republican political principles and Protestant cultural production. That is, by the logic of natural law, a polity that supported enlightened ideas and philosophic virtue—London's literary societies and publications, its architecture, the Royal Society, and moral reform societies—earned "a Reputation to Goodness." That reputation, like the beauties of the natural order, drew people to Christ. London's political, economic, and intellectual superiority gave visible expression to divine goodness, eliciting religious devotion: it "ravishes away the Souls of Men with the most pleasing Force." In sum, "Divine Providence" had made Britain the vanguard of Protestantism, displaying God's design for the world in the glories of the capital city.[44]

Foxcroft elucidated the relationship between moral principles and imperial politics even further in his 1727 sermon on the succession of George II. Moving quickly past conventional correspondences between recent monarchs and Israelite leaders—William as Moses, George I as David—Foxcroft stressed the work of God through natural law, or ordinary political principles. As Newton had shown, God made lucid and intelligible laws to rule nature and sustain order in the cosmos; so God promoted political stability through rational laws that rewarded civic virtue—liberty, toleration, and justice—and toppled vicious regimes. Nature thereby provided "an excelling *Pattern* for all Rulers and Judges." By Foxcroft's reading, "the *Hanover Succession*" clearly promoted virtue, including "securing the civil and religious Liberties of these dependent Colonies," and so by "the great Ac-

43. Benjamin Wadsworth, *King William Lamented in America* (Boston, 1702); Benjamin Colman, *A Sermon on the Union* (Boston, 1708), 14.

44. Colman, *Sermon on the Union,* 3, 13, 16, 29. Colman reiterated such claims throughout his career, as in his *Religious Regards We Owe to Our Country* (Boston,1718) and his *Government the Pillar of the Earth* (Boston, 1730), a lecture in which Colman contrasted Protestant political sensibilities—patriotic and liberty-loving—with Catholic (Jacobite) treason and perfidy.

tions" of "Providence" had triumphed over its enemies. George I had preserved peace in Europe, restored and extended Britain's trade through prudent treaties, and fixed the public treasury. George thereby had restored "the public *Faith*": a telling reference to public confidence in the Bank of England. Painting New England into this imperial vista, Foxcroft urged the citizens of Boston to understand their history as caught up in the Hanoverian dynasty: to mourn the loss of George I as their loss, honor the new king as their king, and defer to the judgments of Lieutenant Governor William Dummer, a favorite of London. Because Protestantism depended on Britain, Britain on trade, and New England on Britain, so all New Englanders ought to pray for "the Trade and Quiet of the Nation," secured in the "Royal Line."[45]

Sewall, as much a lay religious leader in Boston as he was a civil magistrate, articulated the connections among Providence, Britain's imperial warfare, and mercantilist ideology in a striking manner. In 1723 he authored a treatise on the fulfillment of biblical prophecies and contemporary political affairs, *Proposals Touching the Accomplishment of Prophesies.* By his reading, the books of Daniel and Revelation predicted that the key events preceding the return of Christ to establish his millennial kingdom would take place in North America. At the end of his essay, Sewall focused on Revelation 11:8, which mentions violence in "the great city," where all humanity would witness the beginning of these last things. This metropolis, Sewall deduced from a scattering of sources, anchored an empire that spanned an ocean and attracted the attention of all civilized people. He surmised that the most likely candidate was London. It was the administrative capital of a regime that stretched from the British Isles to America. As for the "greatness" of London, Sewall contended that the 1707 Act of Union had elevated it to jurisdictional prominence far surpassing other European cities. For his evidence, he cited William Petty: "if the Elaborat Calculations of my Learned Country man *Sir William Petty* be Credited, LONDON, the Metropolis, is not only a Great City; but it excels in Greatness, if compar'd with *Paris* or *Rome.* And if the Regal Style in its Completeness [GREAT BRITAIN,

45. Thomas Foxcroft, *God the Judge* (Boston, 1727), 10, 14, 27–28, 39. See also Thomas Prince, *A Sermon on the Sorrowful Occasion* (Boston, 1727), 20–21. For an overstated yet suggestive reading of colonial veneration of the Hanoverians, see Brendan McConville, *The King's Three Faces: The Rise and Fall of Royal America, 1688–1776* (Chapel Hill, 2006) 105–41; for shifts from relative trust in the empire in the 1720s to contestation during the 1730s and 1740s, see David Armitage, *The Ideological Origins of the British Empire* (New York, 2000), 170–98. On toleration and empire, see Gould, *The Persistence of Empire,* 21.

FRANCE, and IRELAND] be regarded; it will certainly be allow'd to be a Great Jurisdiction." In Sewall's worldview, Petty's political economy served as a version of divine knowledge, illuminating providential actions that called for an ensemble of true piety, anti-Catholicism, and devotion to the crown.[46]

Sewall's particular eschatological formulations were somewhat idiosyncratic, but many of Boston's pastors shared in the general sentiment: God used the new economic science to illuminate divine rule in the world. Mather argued as much in his *Theopolis Americana,* a popular sermon consisting of a hodgepodge of metaphorical readings and ruminations on the golden streets of heaven. Mather conflated New England's commercial prowess, the sagacity of merchants who followed the latest science of exchange, predictions of financial collapse among Catholic states such as France and Spain, and the eternal felicity of believers. Other Boston pastors avoided such extravagant eschatology but nonetheless illuminated variations of the same themes. Preachers such as Colman and Thomas Prince of the Old South Church inscribed a providential history that linked Britain, New England, and worldwide Protestantism into a divinely guided whole energized by commercial expansion, informed by political economy, and driven by moral purpose. All this made patriotism, along with economic activity on behalf of the metropolis, a providential mandate.[47]

Binding their understanding of providence to the economic ideas of theorists such as Petty and Davenant, North and Barbon, Puritan preachers urged cooperation with metropolitan commercial strategies. In his 1710 election-day sermon, for example, Pemberton claimed that the imperial government stood as the apex of godly rule in the world, the defender of "the Common *Rights* of Mankind," so that the electors were "Instructed by GOD with a great Opportunity to serve HIM, your QUEEN, and *Country*" at once. He invested the government with nearly complete authority to establish economic policy. As he argued, civil rulers exercised the necessary knowledge and skill to unravel the complexities of the market system: their "skill and Prudence" capacitated them to administer "the affairs of the Pu-

46. Samuel Sewall, *Proposals Touching the Accomplishment of Prophesies* (Boston, 1713), 11. (The square brackets in the quotation are in the original text). It appears likely that Sewall made reference (without citation) to two publications of William Petty: *Two Essays in Political Arithmetick concerning London and Paris* (London, 1687) and *Observations on the Cities of London and Rome* (London, 1687).

47. Cotton Mather, *Theopolis Americana* (Boston, 1710); Thomas Prince, *Civil Rulers Raised Up by God* (Boston, 1728) and *Chronological History of New England* (Boston, 1730); and Colman, *Government the Pillar of the Earth.*

bick to the best advantage," as they used "*Dexterity* and *Skill*" in analyzing contemporary political and economic conditions. The "requisite . . . Penetrating *Sagacity* to foresee Publick dangers," he explained, derived from political experience and familiarity with international affairs. By this reading, Providence mandated a mercantilist policy.[48]

Colman made the same point in his 1716 election-day sermon, *Rulers Feeding and Guiding Their People.* Good representatives and magistrates, he argued, knew the latest statutes, reasoned from the constitution of the province, and obeyed imperial decrees. Moreover, their economic sophistication qualified them above the common, nontrading citizen to make judgments on commercial affairs: "they should be well acquainted with various sorts of *Trade, Business, Imployment* to be followed by the People; that so the same may be the better *Directed, Protected, Encouraged.*" Lest any of his audience mistake him, he elucidated. Civil leaders ought to be experts in overseas exchange and international politics, because Massachusetts depended on Britain's trans-Atlantic empire of trade. "The more they know of the *Scituation, Strength, Trade, Designs of Neighbouring Nations or People,*" he preached in reference to civil rulers, "so much the better able they'll be to care for and promote, the good and welfare of their own People."[49]

Boston's leading preachers, in sum, understood their task to explain the providential purpose for and meaning of an economic order calibrated by mercantile specialists. To be sure, they set trade within a conflict with Catholicism that had eschatological dimensions. They attempted to humanize the market with moral reform and warn individuals against self-destructive idolatry of personal wealth. Yet even as they provided traditional religious counsel about such matters, they accepted the economists' fundamental terms, from their reliance on trade statistics to their definitions of money and, principally, their promotion of wealth throughout the empire as an instrument of British hegemony.

This helps explain their nearly complete acceptance of political-economic theories that redefined credit as a commodity, treated money and prices as mere markers in a fluctuating market, and encouraged merchants to pursue profits in the trans-Atlantic exchange as a thoroughly religious duty. This was the case not only for Mather and his colleagues who debated the case of usury in the 1690s, but also for other Puritan pastors. Even the sober and

48. Ebenezer Pemberton, *The Divine Original Dignity of Government Asserted* (Boston, 1710), 79, 89, 33–35, 41–45 (in order of quotation); see also 65, 100–101.

49. Benjamin Colman, *Rulers Feeding and Guiding Their People* (Boston, 1716), 49.

otherwise staid Samuel Willard of Old South Church—New England's most accomplished theologian before Jonathan Edwards—encoded the new economic perspective during the first decade of the eighteenth century in his lectures published as *A Compleat Body of Divinity*.

Speaking to a merchant audience, Willard accepted many of the opinions of England's economic thinkers as straightforward facts, and he correlated their advice on merchants' callings, trade, and credit with divine commands to engage in "Commerce or Exchange" for the "furthering of our own, and our Neighbour's Wealth." To be sure, Willard offered customary exhortations to moral solidarity. The Christian businessman ought to care for the poor, give alms, treat customers and employers with equity beyond mere legality, avoid ostentatious consumption, employ their "Scruple[s]" to avoid extortionate pricing, shun fraud, and "use Discretion and Piety" as general rules for business.[50]

Yet when Willard applied these somewhat vague exhortations to the techniques of exchange, he displaced older conventions with current economic axioms. Avoiding the term usury, he ridiculed long-standing moral objections to "*Lending Money* upon *Interest*" as "*Noise* and *Railery*, without solid Reason, or Cogency of arguing," filled with "opprobrious Language" and "over-heated Zeal" but void of real economic knowledge. Speculative investments, banking, trading in mortgages, and financing loans had been "found on Experience, to be as necessary and profitable for the common Benefit of Mankind" as any other trade. The Bible "no where absolutely" forbade usury. Medieval Aristotelian arguments about the sterility of money "were insipid; and a Man of Reason, and Thought, would be ashamed so much as to take it into his Mouth; much more to leave it on Record." To the contrary, money "is become the most Fertile thing in the World; and most serves to promote Civil Commerce among a People, as Experience abundantly confirms."[51]

Willard furthermore brushed aside the arguments of former Puritan divines such as William Perkins, William Ames, and John Cotton. They disparaged loan contracts that guaranteed a profit to creditors who provided money for commercial ventures but shared none of the risks of failure. He trumped their qualms with "a point of Prudence" and, moreover, the doctrine of "God's Providence." Creditors and debtors ought to make contracts

50. Samuel Willard, *A Compleat Body of Divinity* (Boston, 1726), 685, 689, 706, 720. Willard delivered the lectures quoted here in 1704. There are repeated mispaginations and repaginations in this edition.

51. Ibid., 698–701.

as a "rational Consideration," figuring the going rate of money and probability of commercial success as the market decreed, knowing that Providence worked justice through the market and its natural laws. For Willard, Christian teaching mandated productive exchange for the common good. Mercantilist knowledge and commercial skill, gained through experience, provided realistic guidance to that exchange and assumed the status of a moral imperative.[52]

When it came to prices, Willard also conflated pragmatic acumen with providential dynamics. He warned against profiteering from temporary shortages in necessary supplies, but he thought that monopolies and collusion (merchants who by secret consent raised prices artificially) were far worse vices. Indeed, he encouraged traders to set their prices by the laws of the market. Goods held no intrinsic values; they rose and fell with supply and demand "for good and just Reasons." Merchants rightly raised prices to account for changing tastes for various products, "the uncertainly of the Market" demand, the cost of transport and protections against hazards, and loss of products through storm or piracy. Sanctioning such practical wisdom with biblical authority, Willard claimed, in a fit of circular logic, that "the Word of God indeed hath not fixed the stated Value of things, because these things are to vary according to Circumstances."[53]

In taking this position, Willard, like Mather, reversed the linguistic analysis of his Puritan predecessors. Previous divines took scriptural language, with its strictures against usury and oppression, to convey absolute moral imperatives. They critiqued secular economic language as contingent and dispensable: the artificial constructs of a self-interested class of merchants. Willard and his contemporaries like Mather, in contrast, accepted mercantilist arguments as descriptions of economic fact. They treated the language of political economy as a universal certainty, while discarding, or at least relegating to the category of anachronism, generations of Reformed teaching about the Bible.

Here, however, I have focused less on the transformation of Puritan teaching about the economy—its changes over the course of the seventeenth century—than on the religious reasons for provincial Puritans to sanction the new political economy at the turn of the eighteenth century. The moral and ideological appeal of the market in provincial Massachusetts depended greatly on the currency of political economy and new monetary definitions played out by London's mercantilist thinkers. Those definitions gained pop-

52. Ibid., 701.
53. Ibid., 703, 706.

ularity because of their attachment to, and resonance with, an ideology of empire that had become inflected with new ideas about Providence. If the argument here is right, then historians of the market in early America ought to recognize that doctrines of providence, sacred histories, Protestant attitudes toward Catholicism, and assumptions about the relationship between scientific and scriptural languages are integral to their story. We cannot understand the appeal of a market culture without attention to religious language. Ideas about money had everything to do with convictions about God. The history of economy is as much a narrative about fundamental religious and moral beliefs as it is about profits. The economists of our day have been telling us this for some time.[54]

54. For one of many recent statements in this regard, with reference to economists such as Amartya Sen and Deirdre McCloskey, see Robert H. Nelson, *Economics as Religion: From Samuelson to Chicago and Beyond* (University Park, Pa., 2001).