

Report of Research Sponsored by the History Project and
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Examining the on-the-ground experience of credit and debt, my dissertation intertwines economic and social life in two British colonies—Jamaica and Pennsylvania—to address significant open questions surrounding the early-modern credit economy, including: What role did American lenders play in the maturation of the credit economy? How did colonists access credit, and prosecute debt? How did creditors gauge and manage risk both local and distant? How did better-connected colonists serve as intermediaries for their neighbors, and what was the effect on personal and class relations? What were the psychological and social effects of dealing on credit? Answering these and related questions will help scholars of the Anglo-American world appreciate the contingent development of the institutions of credit in the period. In order to accomplish this goal, my project must intertwine micro and macro sources to reveal the complex evolution of the institutions that compose the credit economy.

Philadelphia area archives hold a diverse assortment of materials ranging from official to personal, of both qualitative and quantitative natures. Due to natural and historical forces, however, Jamaican records for the period 1650-1750 are relatively scarce. While legal records such as deeds, wills, estate inventories, and those of the supreme court exist in various stages of preservation on the island, sources capable of revealing interactions within the credit economy in a personal voice have largely vanished. For these reasons, I chose to prioritize Jamaica in my limited time in the United Kingdom.

The Long collection at the British Library—a mixture of official, unattributed and occasionally apocryphal papers collected or created by the eighteenth-century historian and

slavery apologist Edward Long (1734-1813)—is the fullest and most referenced collection of Jamaican history. While not unproblematic due to a strong pro-plantation and pro-slavery bias, Edward Long’s notes and collected research remain the major source for early colonial Jamaican history. These papers, combined with the British Library’s Sir Hans Sloane’s material for his own history of Jamaica and personal copies of correspondence from and to the Lords of Trade sprinkled across a number of collections, make the Library the ideal archive for investigation given constraints of time and money.

As such, and with the generous support of the History Project and the Institute for New Economic Thinking, I undertook a month of research there and emerged with a significantly fuller understanding of the internal and transatlantic credit economies of the island. In some cases, the materials consulted are of interest for how they will guide future research. In other cases, their importance is in the fact that they were excluded or altered in Long’s three-volume history. A third set contains a striking example of the emergence of an increasingly developed and highly specialized segment of the credit economy that has gone unexplored by historians—namely financial speculation in the colonies.

The first set, consisting of demographic materials—including survey returns and parish-level censuses—provide a macroscopic view of investment and reinvestment within the colony as plantations were created, expanded and exchanged; useful in themselves and for how they will guide future research. The creation and expansion of plantations required capital, frequently in the form of credit (from either merchants or planters in Jamaica, or overseas sources). The number of new acres under cultivation between surveys, combined with period estimates of the cost of each new acre will provide very rough estimates for total investment in the island, and thus suggest the magnitude of credit extended and debt incurred. Additionally these sources

enable me to create a meaningful sampling procedure with which to undertake research in the 142 volumes of Jamaican deeds held in the Island Record Office of Jamaica. Identifying one or two letters most likely to represent both established and upstart planters will allow me to focus greater attention on a smaller number of representative records than would be possible without having consulted the Long collection. Finally, a collection of Jamaican will abstracts (while no substitute for consulting the originals) at the British Library contained more than twenty merchants' names I had not previously encountered. When those names are combined with the ones I have recorded from commercial correspondence originating in London, Boston, Rhode Island, Philadelphia, and other ports I will be closer to describing the size and composition of the local mercantile community and their role as intermediaries or originators in the Jamaican credit economy.

Included in that set of materials Long (and before him Sir Hans Sloane) had access to but did not include in his history, those illuminating the difficulties faced by creditors (especially overseas creditors) in Jamaica stand out. Both the Long and Sloane manuscripts contain copies of Henry Barham Senior's unpublished history of Jamaica written some time around 1722, which contains a long discussion of Jamaican law as it applied to debt that is missing from the works of Sloane and Long. Barham interrupted his discussion of the establishment of Jamaican courts with a cautionary passage for British creditors. In it, Barham acknowledges that he had heard "some complain in England of the difficulty of getting due returns" and recovering "just debts" from the island. This was, he assured the reader, not due to any deficiency of Jamaican law. Quite the opposite, in fact, as Jamaican law was superior in its rules of evidence in debt cases.

Powers of attorney to the island had to be accompanied by witnesses who had viewed the signings in England. While finding a witness willing to accompany the document to the West

Indies may have been frustrating, it was necessary so that no objection would be made despite the appearance of a notary's seal of that of the City of London considered sufficient for legal instruments in England and the majority of the other English colonies. This requirement was not the only burden imposed on foreign creditors to the island, for just as an original witness had to accompany a power of attorney, so too was the original account, bill or bond required in Jamaican courts. An English creditor had to hazard the sea to recoup their just debts, for if the original was lost in transit, no copy would suffice as evidence. Whereas *copia vera* were largely acceptable in English law, it was felt—and Barham agreed—“unreasonable to recover against any man on a copy” in Jamaica. By imposing overly strict rules of evidence in cases of debt, Jamaican courts effectively hindered foreign, but not resident, creditors. Even if a creditor secured judgment, there was no guarantee they would collect. This was James Knight's complaint in his own unpublished history written in 1742 and preserved in the Long collection. Knight's complaint was not directed at the courts, but at the provost marshal and his deputies, who stood accused of selling off attached estates and pocketing the money.

While Sloane was silent on the subject of credit and debt, Long did engage the topic frequently. Instead of the courts or corrupt officials, he blamed a subset of the planters themselves. Long believed it was the foppish taste and unethical behavior of a small number of Jamaican planters, living beyond their means, and slow to make payments when they could, who created a bad reputation for the island. While Long's explanation fit his Toryism—and remained an undercurrent of older, conservative antiquarian histories directly linking consumption to debt—Barham's and Knight's accounts appear to be closer to the mark. Very early in Jamaica's history the Assembly protected residents from foreign (but not local) creditors when the body passed an act, which shielded immigrants from their debts contracted in England for seven years.

After the expiration of the original act, the Assembly did not (it appears from the surviving records) attempt to reinstate such a transparent stay. Instead, it appears the courts erected a partial bulwark against overseas creditors by raising the risk and cost of supplying evidence. While Knight's conflict with the governing class in the island almost certainly shaped his opinion of the morals of the provost marshal and his deputies, it does not mean that weak institutions were not to blame for some of the problems English creditors faced. The importance of informal institutions—such as rules of court and the practices of officials—highlighted by Barham and Knight must be considered alongside the more recognized acts of Parliament in the transatlantic battle between creditors and debtors.

Also in the Long papers is the third significant set of documents, unused by historians, which shed light on one surprising intersection of the South Sea Bubble and Jamaica. This set also illuminates both attitudes to credit and the ill effects of colonial practices on direct investment in Jamaica. In the summer of 1720, a scheme was floated that involved Jamaica and the South Sea Company, and consequently would crash with the popping of the bubble. Edward Long's grandfather, Charles Long, along with other prominent Jamaicans living in London secured a royal patent to exploit mines of gold, silver and copper in the island. They established the Royal Mines Company and began selling shares for £75 apiece. In a matter of a few days, they had subscribers for nearly 1500 shares, demonstrating the connection in the popular imagination between Jamaica and sure wealth. While it had been long speculated that gold and silver were present in the island, and the very name of the river on which the capital, Spanish Town, sat was Rio Cobre—copper river—no such minerals had been discovered. That did not diminish the enthusiasm of investors, who thanks in part to sugar and in part to the connection the South Sea Company had to Jamaica, thought of the island as a sure path to riches. An

interesting point of exploration here, aided in part by the list of subscribers, is whether investment in the Royal Mines Company represented a genuine interest in direct investment in the colonies (a path not taken) or merely reflected the mania of the times.

Unfortunately for the investors, the proprietors appear to have been only partially interested in mining. Miners were sent to Jamaica, and some small assays returned (the most promising of which was for copper, a mineral extremely important to sugar manufacturing, and of which low-grade deposits do exist on the island). The bulk of the fund, however, was diverted to personal loans for the promoters and to the purchase of South Sea Company stocks near the top of the market. The whole “scheme” quickly collapsed in a manner that could not have engendered confidence in investing in Jamaica.

The casual misappropriation of the company’s funds by Jamaican planters suggests that there was an anything-goes attitude to credit among at least a portion of the planter class. Additionally, after the bubble collapsed and the promoters began casting about for means to make their promised returns, one avenue they explored was making large loans in Jamaica with the funds remaining in their hands. Showing both a cavalier attitude towards creditors and an assuredness of their own ability to collect from their debtors evidences a form of cognitive dissonance that appears endemic to the Jamaican credit economy—which future research may reveal was not unique to that colony. Eventually, after 26 years of legal battles, a few surviving investors were able to recover against an even smaller number of descendants of the original promoters showing that even in the more creditor-friendly English courts, recovery of “just debts” could be a very lengthy process. While the papers surrounding the spectacular rise and meteoric fall of the Royal Mines Company are only partial (some apparently were destroyed to

hide malfeasance), they are an unexplored example of the differing attitudes towards credit and debt displayed in the metropole and the colonies.

The above represent a tiny fraction of my findings at the British Library. In addition to Jamaican sources, I also consulted materials on Pennsylvania and a handful of general sources on the English credit economy. While the above stand out relatively well on their own, the bulk of materials consulted provide context for, and ligaments connecting, sources consulted in other archives. Thanks to the considerate support the History Project and the Institute for New Economic Thinking provided in enabling research in London, I am equipped with many fantastic sources—both expected and unexpected—with which to tell the story of the development of Anglo-Atlantic credit as in Jamaica and Pennsylvania.