

# HARVARD STUDIES IN BUSINESS HISTORY

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BY W. T. BAXTER

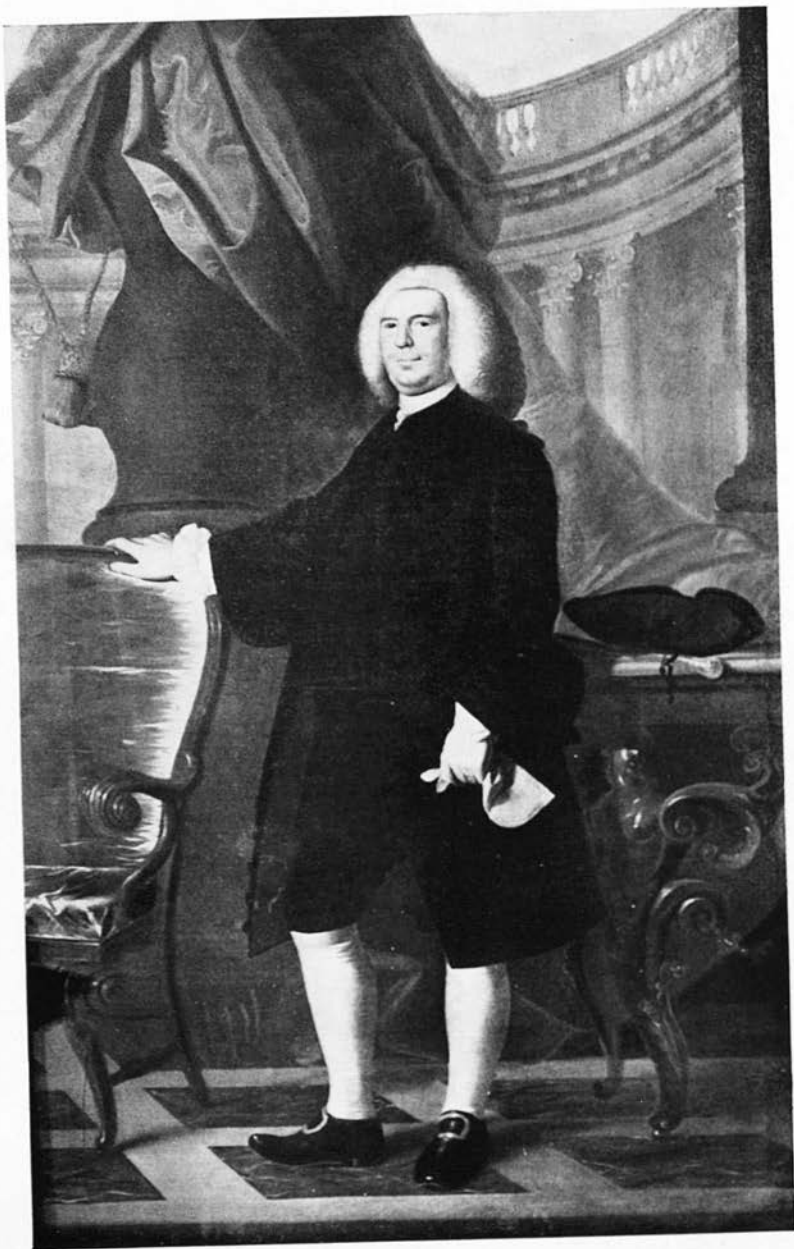
HARVARD STUDIES IN BUSINESS HISTORY

X

EDITED BY N. S. B. GRAS

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THOMAS HANCOCK  
Founder of the House of Hancock



# THE HOUSE OF HANCOCK

*Business in Boston*  
1724-1775

BY

W. T. BAXTER

*Professor of Accounting, University of Cape Town*



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*To*  
MY MOTHER

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LIST OF CHIEF LIBRARIES CONTAINING  
HANCOCK MATERIAL

- BOSTON. Boston Public Library.  
Harvard Business School. This houses the main Hancock  
collection (referred to as "H. MSS." in the footnotes).  
Massachusetts Historical Society.  
New England Historic Genealogical Society.
- LONDON. British Museum.  
House of Lords Library.  
Public Records Office.

A full list of the account books is given as a footnote on page 35,  
and the letterbooks are listed in a footnote on page 63.

## EDITOR'S INTRODUCTION

ONLY AN ACCOUNTANT could be fully qualified to write this book, because so much of the research has depended upon the utilization of accounts, especially journals, as well as letter books. There could be no sounder foundation for a business history than the accounting on which the business was based, for accounts are the ever-flowing record of what actually happens. They unfold the true story to one who can read them. It has been a weakness in history, particularly business history, that so few workers have had a flair for accounting. We might extend this lament, of course, to students of economics and government who often reckon not the costs nor determine the net results of the events they deal with. Many a business man has for a time succeeded without himself having an accounting sense; but, when circumstances have turned in the wrong direction, the lack of sound accounting procedures has led to sure bankruptcy and social loss.

While the author of the present volume is an accountant, his mode of presentation is never technical. He rises above his own discipline to tell his readers the story that he as a specialist has discovered. His touch is light and his disposition is to be playful. We are in the presence of a delightful scholar.

The type of historical writing which has long stood highest in the esteem of scholarly historians is exemplified by the present book. The author has built up from unimpeachable original sources the story of an important part of history. He has recreated the struggle of a business firm that did yeoman public service in its day. He has shown with deft strokes the human strength and the human weakness that went into the struggle. He has unfolded to our gaze the slow and uneven process of building up a business and has disclosed for our benefit the steep, declining road of decay. To all who read this book the Hancock family must mean something more than the bold signature on a political declaration.

The *House of Hancock* displays something of the life of colonial Bostonians, uncovers the policies and operations of two distinguished merchants, Thomas and John Hancock, and dissects a section of general business growth. Robed in provincial setting, the theme has universal implications. Because of the political importance of John Hancock, the records of his able uncle have been preserved. And, reading these records, we sit down in a countinghouse roughly similar to that of thirteenth-century Genoa, sixteenth-century London, and eighteenth-century New York. The story here unfolded constitutes a chapter in the history of mercantile capitalism — the oldest and longest-lived system of large-scale business.

It would be difficult to overemphasize the importance of mercantile capitalism for modern business. Not only in policy but also in accounting technique and the spreading of risk has it been the school for great business men — even for those who have never heard of it specifically but who have felt its influence through survival and tradition.

The author uses the term “general merchant” which is indeed quite applicable to the Hancocks; but in America this phrase is also applied to the retailer who keeps a general store. The term “sedentary merchant” has the advantage of harking back to early origins when there were traveling merchants as well as sedentary merchants, the difference between the two being enormous. By the eighteenth century, however, the origin of the merchant, the sedentary merchant, had indeed been forgotten.

The part played by the House of Hancock was not political but economic. The head of the house made decisions as to policy and managed business operations so as to bring goods into this country to the profit of the people who lived in New, rather than in Old, England. He found produce — local or from other parts — to pay for these imports. He provided the ships for import, export, and the travel of occasional passengers. He shared in providing an informal mail service abroad. He broke bulk and wholesaled his imports. Or he retailed what he could not wholesale, and in taking local products in payment for these goods he provided a market for the surplus output of the coun-

tryside. He did some banking for friends, customers, and military officers. He skillfully mastered the technique of handling bills of exchange. He furthered the local making of paper, potash, and ships; and, through his participation in the whale-oil trade, he played a part in the whaling industry.

In helping to build up the metropolitan economic community of Boston, the two Hancocks played a real part. In seeking profits for themselves, they helped to build up a Boston that was stronger than before, more independent of London, and more able to marshal the economic resources of the hinterland. True, the Hancocks traded with London and with that city chiefly; and, true, Boston was little more than a mature satellite of London. But the Hancocks were not the selling agents of London merchants: they took profits and not fees. And Boston was gaining the strength that would soon blossom into a full-fledged metropolitan economy with its own commercial banks, factories, and railroads. These things did not just happen under the benign influence of heavenly deities or cosmic forces: they were mapped out and realized by men at work earning a living or a fortune for themselves.

We often read of the battles of a war but rarely do we learn of supply. How were the ships, foodstuffs, clothing, and pay for the troops provided? The general historian assumes these, perhaps implying that they came from heaven. (In the case of Columbus' great voyage the supplies are said to have come from a queen's jewels: that is an approach to reality but not a very close one.) Professor Baxter has lifted the veil of military supplies in a realistic manner. His contributions in this respect will be of help in the writing of a chapter some day on military procurement in the newly developing literature of business history.<sup>8</sup>

The smuggling of Thomas and John Hancock was at once a problem to the government and an opportunity to the individual. It was the black market of the day which kept open the stained door of freedom. Like prohibition in later America, the restrictive system of trade was to be revised in favor of freedom. Thus did the criminal smuggler champion the freedom of trade on which the greatness of the next century was

in part to depend. The author has shown other sides of this issue and we should follow his reasoning closely.

The contrast presented between the successful Thomas and the unsuccessful John is one of the illuminating comparisons in American history. The former was self-reliant, sure-footed, and capable of sustained creative effort in business. The latter was vain, petulant, and incapable of pulling a steady oar. Thomas was devoted to the economic means except for his military contracts, while John was a devotee of the political art. Thomas sought the substance in life, while John was content with the shadow. Finding himself successful in business, Thomas went on from one conquest to another, while John, realizing only failure in business, turned to politics for satisfaction. At a later date he might have become a journalist or a teacher. In business Thomas was generally effective in dealing with his London agents, while John almost never was. Thomas knew as much about his own affairs from an accounting standpoint as was possible in mercantile capitalism, while John was generally hopelessly swamped. Thomas coöperated with others easily, while John did not. In fairness to the situation we should add that, while Thomas operated chiefly in an upward secular trend in prices and business profits, it was the misfortune of John to struggle along in a downward trend.

Although Professor Baxter's book may assist us in deciding whether Thomas or John should be put on the higher plane, still much depends on our social philosophy in handling this question. It would not be extreme to say that we might expect Thomas to help build a civilization and John to reform it.

These pages illustrate the degree to which the sedentary merchant was the key to big ventures and to progressive moves. No war could be fought without him. New industries could not get far without his financing and marketing. Shipbuilding progressed in answer to his demands and in accord with his plans. He is the forgotten man in economic history and the tallest single figure in business history.

Although this book deals with a closed business, still the central theme recurs in subsequent periods and never more than now—running risks in the midst of physical storms, un-

friendly political situations, and changing marketing conditions. The problem of meeting risk was similar to the problem today — through insurance, diversification of products, and multiple economic functions carefully integrated. The stronger industrial capitalists of the late nineteenth and early twentieth centuries were to follow this plan of integration, and financial capitalists of yesterday were to impose integration on weak industrial capitalists when the latter required financial succor from the outside. Indeed the whole subject of this book is ultra-modern; only the setting is remote.

The Hancocks belonged to that group of families which in providing wealth for themselves did much for many over a wide area. Other such families in New England are the Jacksons, Lees, Shattucks, Cabots, Lowells, Lawrences, Appletons, and Dwights. Let those who will, emphasize their foibles; the historians must at least record their creative work, in which all Americans have a share.

To Mrs. Elsie H. Bishop the book owes much for her work in preparing the manuscript for the press, helping to select illustrations, reading proof, and making the index. The editorial responsibilities have been unusually great in view of the fact that the author, being 70 days distant by mail, could not be consulted during publication. Fortunately we have had the assistance of Mr. C. K. Shipton in meeting these responsibilities. Mr. R. F. Bingham has again put this Series in his debt by drawing the charts presented.

The printing of the book at this time has been made possible by grants from the Associates of the Business School and from the Business Historical Society. It is not unfitting that the two Hancocks, who were in their time close to Harvard College, should now be honored in publication by the Harvard University Press.

N. S. B. GRAS

## AUTHOR'S PREFACE

AN ACCOUNTANT is sometimes asked to probe into the history of a business, and to make a report on his findings. But, as his employers on such occasions are not concerned with knowledge for its own sake, he is usually told to restrict his researches straitly to recent years. So he has seldom the satisfaction of tracing the life of a firm from birth to death. Far more rarely has he the chance of studying a business which dates back to another age, whose methods are unlike anything that he has met before, and which even proves to have had some hand in the founding of a new empire and the shattering of an old one.

Yet such has been my good fortune. Thomas and John Hancock were merchants of Boston, Massachusetts, between 1724 and 1775. Thanks to the fame that John won as a patriot during the Revolution, a mass of the firm's accounts, letters, and papers have been preserved. I have tried to piece these documents together; *The House of Hancock* is my report.

What is the good, I have been asked, of digging out the tale of a firm that has so long been dead and done with? The question is pertinent. A cynic might reply that the only real justification for any historical research is that the researcher likes it. Even on these narrow grounds, *The House of Hancock* has been worth writing; but I venture to doubt the truth of the statement. To put the matter at its lowest, other people besides the researcher may find pleasure in learning about the past. Take my present subject: commerce during the Colonial era. In many minds — quite rightly — this trade is linked with smuggling, with privateers, with expeditions against the French, with the settlement of the frontier, and with other enterprises that have a certain tinge of romance. The books of our childhood were filled with such matters. What could be more natural, when we reach adult years, than to wonder how these adventures were organized? Who planned the smuggling trips? How were the privateers financed? By what means did Gen-

eral Wolfe's redcoats get their sparse rations of pickled pork and biscuits? The Hancocks were behind the scenes when all these things were being arranged; their account books reveal the mechanics of romance and empire.

But I think that there are still other, and more serious, grounds for prying into old business records. Today a major branch of economics deals with the internal working of the business unit. Such learning is incomplete if it neglects the growth of administration in the past; and any generalized study of business history must have, as its basis, descriptions of individual firms like the Hancocks'.

Nor is this all. Questions about the internal organization of business may be fare for specialists only; but many people are interested in the relations between business and society. How, for example, did rich families get their wealth? Did they perform services to match their gains? Here is a set of questions that is often asked; and the story of the Hancocks gives the answer in one case (which may or may not be typical). Again, there is nowadays a widespread call for a planned economy and the state regulation of trade. The eighteenth century was also a period of planning and control; by looking at these things through the Hancocks' eyes, we can see blunders to be avoided. And similarly, where many other living issues are at stake, the historical approach is well suited to quicken our understanding.

I do not suggest that a knowledge of business history will yield conclusive answers to present problems; abstract logic is usually the only valid basis on which these can be solved. To the imaginative person, however, study in the inviting field of history may well serve both as a lure to sterner mental tasks, and as a useful means for testing the soundness of his reasoning.

A great amount of help has been given to me as I worked on *The House of Hancock*. Many friends have made me their debtor by aiding, encouraging, and reproving me at a thousand-and-one different points. To thank each of these persons separately would be a giant task; I feel indeed like one of the Hancocks' customers who, having been handsomely treated in the matter of a bill, wrote: "It's so very Friendly, Generous and

kind, I am quite at a Loss how to make any return; and therefore shall not attempt it."

In some cases, however, my liability is so large that it must be plainly stated. Professor N. S. B. Gras, of the Business History Department of Harvard University, first introduced me to the Hancock records. Ever since, he has been helping me — by giving advice, by criticizing my manuscript, and above all by providing the stimulus and example of his own lively yet scholarly pen. His associate professor, Dr. Henrietta M. Larson, has also aided me in countless ways. I thank them, and all the other members of Harvard's Business History Department.

My wife has contributed much to the drafting of my manuscript, which has also been read by Dr. H. M. Robertson, Dr. J. S. Marais, and Mr. B. S. Yamey; among them, they have cured many faults.

One major acknowledgment is left. Each fall, well over a score of British students have had the good fortune to be taken to the United States on a two-year trip. While there, they were given the privilege of studying at the best American universities, besides being encouraged to travel far and wide, and to explore all that interested them. The fairy-godmother whose beneficence and wealth have performed this magic is called the Commonwealth Fund. I was enabled to work on the Hancock records through being among the lucky recipients of its bounty. The aim of the Fund has been the increase of understanding between Britain and America; I hope that *The House of Hancock* may seem some slight proof that this aim is being realized.

W. T. B.

CAPE TOWN, 1944.

PART I

THOMAS HANCOCK, 1724-1764

## CHAPTER I

# Introduction to Thomas

### I. THE HANCOCK FAMILY

THREE GENERATIONS of Hancocks had lived in America before Thomas was born.<sup>1</sup> First came Nathaniel Hancock, who sailed from England about 1634 and settled in the newly formed town of Cambridge, Massachusetts. There he had a son, also christened Nathaniel. The latter grew up to become the township's shoemaker and the father of thirteen children; included among these was a boy called John, who, when he had reached a fitting age, was sent to study at Harvard College near-by. After graduation, John acted as the schoolmaster of Cambridge for some years, but in 1698 was asked to become minister in the community now called Lexington. Accordingly he moved to that settlement, a few miles to the northwest, and built for himself the low wooden home that may still be seen. He married shortly after settling there. His second son was Thomas, born on July 17, 1703.

We know little about Thomas before he entered his teens. When he was nearing the age of fourteen, it became necessary for the family to decide upon his future calling. The ministry offered the most obvious avenue to positions of dignity and influence in a Puritan community. On the other hand, his elder

<sup>1</sup> Information concerning the genealogy of the Hancocks may be obtained from the following sources:

*New England Historic Genealogical Society Register*, vol. IX, p. 352 (family tree). (Hereafter this source will be referred to as *NEHGS Reg.*)

L. R. Paige, *History of Cambridge, Mass.* (Cambridge Historical Society, 1930).

C. A. Staples in *Proceedings of the Lexington Historical Society*, vol. II, pp. 5-18; vol. III, pp. 29-35.

E. Edelman, "Thomas Hancock, Colonial Merchant," *Journal of Economic and Business History*, vol. I, p. 77. This article is the most scholarly and painstaking account of Thomas Hancock that has been written. (Hereafter this journal will be referred to as *Jour. of Ec. & Bus. Hist.*)

brother (named John like the father) wished to go to Harvard and become a minister, and it was perhaps felt that the family income would be heavily strained if two boys had to be supported at college. Perhaps, also, young Thomas had already seen enough of local austerity and was hankering after a richer livelihood than the Church could offer. All that his father got from the Lexington congregation in a year was £60, plus a special collection; yet John, Sr., was an able and energetic man, who loomed sufficiently large in religious affairs to earn for himself the nickname of "Bishop Hancock," and whose congregation grew so fast that by 1714 a fine new meetinghouse had to be built, with a special gallery for Negroes and (at least at a later date) a room up in the steeple for storing the village gunpowder. Thomas may also have thought about becoming a farmer; but farming too seemed an unlikely path to wealth in a land with harsh winters and an ungenerous soil. No, the people who made money in New England were the merchants of Boston. Therefore it was finally decided that the boy should go off to the city and enter business; possibly out of deference to his father's literary tastes,<sup>2</sup> the trade chosen for him was that of book-selling.

## 2. LEARNING THE BOOK TRADE

And so it came about that Thomas, when not quite fourteen years old, said good-bye to his family and set out to seek his fortune in Boston. He was lucky in his choice of cities. Boston, with some 14,000 inhabitants, was not much more than a market village by later standards; nevertheless, it was North America's biggest town and foremost business center. Its geographical position made it the prime link in traffic between Britain and her continental colonies. About a hundred vessels reached it each year from London; fleets of small craft carried away its imports of British wares to the fast-growing coastal and river settlements of New England, returning with fish and farm produce for export. Thus Boston was the heart of New

<sup>2</sup> His library is listed on an undated inventory, Harvard Business School, Hancock MSS., case 6, file 2. (Hereafter this manuscript collection will be referred to as H. MSS.)

England's trade. As the capital of the province of Massachusetts, it could also claim some little political and social importance, being the seat alike of the elected General Court and of the royal governor.<sup>3</sup>

Thomas went to live with a bookseller called Samuel Gerrish, whose shop stood in the city's chief thoroughfare, Cornhill, later renamed Washington Street. After some months, when Bishop Hancock had become satisfied that his son would be properly cared for by Gerrish, a formal indenture of apprenticeship was drawn up and signed: Thomas would serve Gerrish and his wife for seven years, gladly obeying their commands, keeping their secrets, warning them of evil-doers, not wasting their goods, "Matrimony he shall not contract, Taverns and Ale-houses he shall not frequent, at cards, dice, or any other unlawful games he shall not play." In return for this exemplary conduct, Gerrish would instruct him in the mystery of book-binding and provide him with meat, drink, and lodging, whilst Mrs. Gerrish would see to the washing of his clothes. Wages are not mentioned in the agreement.<sup>4</sup>

For seven years Thomas lived with the Gerrishes and spent his time selling quills, binding sermons, and running around Boston on errands. At last, in 1724, his apprenticeship came to an end. It is possible that he celebrated his new-found freedom by visiting England, but the evidence on this point is weak.<sup>5</sup>

### 3. SETTING UP IN BUSINESS

The next step for Thomas was to set himself up as an independent bookseller, and within a few months, when still only twenty-one, he contrived to start trading under his own sign-board.<sup>6</sup> His shop stood in Ann (since rechristened North)

<sup>3</sup> C. M. Thompson and F. M. Jones, *Economic Development of the United States* (New York, 1939), p. 63. C. P. Nettels, "Boston, Philadelphia and New York," *Jour. of Ec. & Bus. Hist.*, vol. III, pp. 186-203.

<sup>4</sup> "Indenture of Thomas Hancock," *Bostonian Society Publications*, vol. XII, pp. 99-101. The indenture is dated May 20, 1718, but the apprenticeship ran from July 1, 1717, to July 1, 1724. See also W. K. Watkins, "The Hancock House and Its Builder," *Old-Time New England* (July, 1926), p. 4.

<sup>5</sup> "Indenture of Thomas Hancock," p. 101. Apparently someone with the same name was a witness at Plymouth, England.

<sup>6</sup> The close of 1724 appears a likely date. See the dates of his publications in

Street, close to where the latter is now crossed by Blackstone Street. A part of the harbor that has long since been filled up was within a stone's throw of Thomas' doorway, and warehouses then covered a neighborhood which is today occupied chiefly by wholesale butchers.

It is impossible for us to say how Thomas scraped together enough capital to finance his new undertaking. But, since his elder brother John had by this time left college and his younger brother Ebenezer had not yet gone there,<sup>7</sup> it is reasonable to suppose that his father at last felt able to spare a little money for the hitherto somewhat neglected second son. It is also probable that Thomas now turned his training as a binder to good stead and did odd bits of work for older-established booksellers, receiving for his pains either cash or, more probably, stocks of printed matter and stationery. In any case, the amount of capital needed would be small.

Thomas very properly considered that the whole Colony ought to learn of his enterprise, and accordingly he was quick to announce the new venture in the advertisement columns of the Boston press: "Thomas Hancock, at the sign of the Bible and Three Crowns, has for sale *The Danger of People's Losing the Good Impressions made by the late awful Earthquake, A Sermon Preached a Month after it Happened*, by the Rev. Mr. Cooper, and all manner of other improving tracts."<sup>8</sup> A second advertisement is shown on the opposite page.

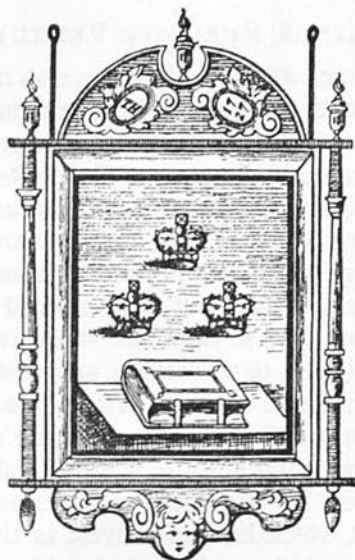
Thomas plunged into his work with zest, and the infant business grew fast. From the start, he was a publisher as well as a bookseller. He was soon forced to hire an assistant to cope with the many orders for binding. During a period of six months his purchases from one firm alone mounted to more than £2,200, although he could not make payment save in a long series of petty installments. And, not content with the rapidly increas-

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Charles Evans, *American Bibliography*, vol. I (Chicago, 1903). See also advertisement in *Boston News-Letter*, Mar. 4, 1724/5.

<sup>7</sup> John was graduated at Harvard in 1719, and Ebenezer in 1728. See Paige, *op. cit.*, pp. 343-344.

<sup>8</sup> *Boston News-Letter*, Mar. 4, 1725, Jan. 4, 1728. MSS. of Massachusetts Historical Society. Apparently Hancock described his address as "Ann Street, near the Drawbridge," or "Drawbridge Street," at one and the same time.



## THOMAS HANCOCK

Bookseller

At the Bible & Three Crowns in Drawbridge Street near the  
Town Dock Boston.

Sells Bibles large and small, Testaments, Psalters, Psalm Books with tunes or without, Singing-books, School-books, with Books in Divinity, Philosophy, History, Navigation, Physics, Mathematics, Poetry, etc. Also Pressing Cartridge and Writing Paper, Books for Accounts or Records, Ink, Quills, Sealing-wax, Inkhorns, Spectacles, Letter-cases, with other Stationery wares, and all sorts of Cutlery ware at the lowest prices, by Wholesale or Retail.

Books are also rebound.

ADVERTISEMENT, 1727

ing sales of his own shop, he entered into an agreement with another bookseller whereby the latter was to sell 3,000 books on a 6 per cent commission basis, and in addition was to do some of Thomas' binding.<sup>9</sup>

<sup>9</sup> See Evans, *Amer. Bibl.*, vol. I. Articles of agreement between Hancock and Woody, Jan. 11, 1725; Lexington Historical Society MSS. Boston Public Library, Ch. M. 3. 5., Wendell's account, Feb. 13, 1727; G. 48, agreement between Hancock and Gray. See also H. MSS. (6) 9, July 22, 1728.

## 4. MINOR BUSINESS VENTURES

During these same busy years Thomas also managed to make friends with a number of Boston's leading men of affairs. Intimacy with such persons meant a great deal more to an ambitious youth than mere invitations to the politer tea parties: it meant that he might every now and then acquire shares in commercial ventures quite outside his ordinary range of business. For, in an age when limited-liability companies were still very uncommon, merchants were accustomed to group themselves together from time to time into short-lived and informal partnerships, the better to undertake any costly or hazardous enterprise that presented itself.<sup>10</sup> With the aid of such partnerships it was possible — if only one knew the right people — to have a finger in all sorts of commercial ventures. And before long, helped by his social connections, Thomas had reached a stage at which he could invest in these joint adventures such portions of his small capital as happened to be idle; thus, when a clique of prominent Boston merchants boldly determined to set up New England's first paper factory (1728) he was allowed to take a share in the undertaking. Its story will be told later.

The leading spirit in this paper-making scheme and many other enterprises was a man called Daniel Henchman, who came to play an important part in Thomas' life.<sup>11</sup> Henchman was some fourteen years older than Thomas, and, although born in America, is said to have been descended from the famous Vicar of Bray. His career began very like that of Thomas, for he too set himself up as a stationer at an early age, and grew to importance after only a few years. Generous and good-looking, he was well liked by his fellow citizens, and held many public offices — overseer of the poor, church deacon, lieutenant-colonel of the militia, and Justice of the Peace. His outward respectability did not however prevent him (or so the story goes) from publishing a pirated edition of the Bible, in flagrant

<sup>10</sup> N. S. B. Gras, *Business and Capitalism* (New York, 1939), pp. 81-85.

<sup>11</sup> For a fuller account of Henchman's life, see W. T. Baxter, "Daniel Henchman," in *Essex Institute Historical Collections*, vol. LXX (Jan., 1934).



LYDIA HENCHMAN  
Wife of Thomas Hancock

defiance of all the King's laws; since only holders of royal patents were allowed to print this book, Henchman imported special paper and type from London, and then induced a printer to make an exact copy of a legitimate English edition. If this story be true, he was the first man to publish the Bible in America. In any case, his other exploits were sufficiently noteworthy to win for him the description of "the most eminent and enterprising bookseller that appeared in Boston, or indeed in all British North America, before 1775."

Henchman seems to have taken a liking for Thomas shortly after the latter had started in business. Since a person who was well versed in everything that related to book-selling could be of help in a hundred and one different ways to the fledgling, this was most fortunate for the younger man. It was Henchman who handed on to Thomas the catalogues and newspapers that were sent out by English exporting houses<sup>12</sup> and who probably first gave Thomas an introduction to these houses. At a stage when Thomas' credit was still weak, Henchman bought supplies from the ship-captains trading between London and Boston and then transferred the goods to his young friend, thus in effect acting as the latter's guarantor. Together they purchased large consignments of paper and other commodities, whilst they also combined to do publishing and jointly issued works on the burning questions of the day, such as "A Dissertation concerning Inoculation of the Small Pox."

### 5. MARRIAGE

Yet another cause for increasing intimacy lay in the fact that Henchman had a daughter. Lydia Henchman, Thomas decided, would be the ideal wife for a man with his ambitions; she seemed attractive and capable, and the advantages of a closer connection with Henchman were so obvious as to need no emphasis. Accordingly, Thomas made himself known to the lady, pressed his suit, and was accepted. The marriage took place in 1730, Lydia being then sixteen.<sup>13</sup>

<sup>12</sup> H. MSS. (7) 1, Osborne to Hancock, Aug. 6, 1728. Henchman's Journal 4, May 19, 1729, Oct. 6, 1729; Ledger B, pp. 30-58. Evans, *Amer. Bibl.*, vol. II (Chicago, 1904), p. 5.

<sup>13</sup> *Report of the Record Commissioners of Boston Containing Boston Mar-*

It is uncertain whether Lydia brought with her a dowry, but there can be little doubt that in other ways she was to prove an able helpmate to her husband. His letters are filled with references to the interest that she came to take in the welfare of his correspondents, while her friendliness and open-handed hospitality were again and again to smooth the way for delicate business negotiations. In their prime, she and Thomas must have made a rather striking pair. Copley's portraits of them show that she grew into a handsome woman with obvious force of character; Thomas' face became perhaps too heavy in the jowl to be good-looking, yet by reason of this very disproportion had an air of bluntness and strength. His love of the table, which was by middle-life to make him fat and gouty, could hardly have marred his looks by the time of his wedding.

The young bridegroom may well have felt that the world was using him not ungenerously. His business had grown by leaps and bounds. He had come to be regarded as a worthy associate by some of Boston's leading merchants. His wife was eminently presentable, and his father-in-law was both prosperous and well disposed. Life seemed very rosy, and Thomas' ambitions soared high.

Flourishing as was the culture of Boston in this period,<sup>14</sup> the book trade had its limitations. While the demand for books might be considerable, there were many booksellers competing for the business. Although Thomas might indeed continue to sell books and stationery, he made up his mind, about the time of his marriage, to follow the trail already blazed by "Father Henchman" and branch out into other spheres.

*riages, 1700 to 1751* (Boston, 1898), p. 154. Edelman, *op. cit.*, p. 80. The estimate of Lydia's age is based on the date of her father's marriage.

<sup>14</sup> Carl Bridenbaugh, *Cities in the Wilderness: the First Century of Urban Life in America, 1625-1742* (New York, 1938), pp. 451-455.

## CHAPTER II

# Trade Without Money

### I. THE DEARTH OF COINS

TO APPRECIATE fully the skill with which Thomas built up his business, we must know something about the obstacles that he had to overcome. It is easy for us to guess what many of these were: restricted markets, tedious communications, frequent threats of war, and so on. However, the difficulties that probably seemed most irksome to him and his fellow merchants did not spring from the factors just mentioned (important though they were), but rather from the wretched state of New England's currency. Accordingly, before we go on to consider Thomas' next step, we must first learn something about the money with which he had to work.

In Hancock's day, a well-ordered monetary system was still a rare blessing in any part of the world; but the financial muddling of Massachusetts and her neighbors was remarkable even for the age. The main features of the position can be quickly sketched.<sup>1</sup> The New England settlements were practically without coins of their own; and, since they were in a state of chronic indebtedness to Britain, any foreign coins that they might acquire were usually within a few months sent off to creditors in the mother country. Lacking hard cash, the precocious young settlements became pioneers in the art of printing paper money. Issue, withdrawal, and fresh issue were soon following one another in headlong succession, and prices were in consequence swinging up and down — on balance, with a

<sup>1</sup> For an able treatment of this subject, consult C. P. Nettels, *The Money Supply of the American Colonies before 1720* (Madison, 1934); see also W. B. Weedon, *Economic and Social History of New England, 1620-1789* (Boston, 1890); J. M. Davis, *Currency and Banking in the Province of Massachusetts Bay* (New York, 1901); articles in *Proceedings of the American Antiquarian Society* (Feb., 1898); and *NEHGS Reg.*, vol. LVII, p. 280.

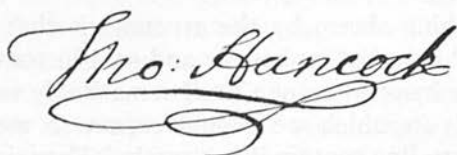
marked upwards trend. We may safely assume that, from the beginning of Thomas' career until at least 1750, the currency with which he had to carry on his business was in a state of chaos. And of course he lacked most of the banking and exchange facilities which we now take for granted.

The shortage of coins, the surfeit of notes, and the violent fluctuations in the price level are well established. Our histories tell us little, however, about their effects on the ordinary citizen. Did merchants have enough money to finance everyday trade? If not, how did they contrive to do their buying and selling? By what means could a struggling young bookseller like Thomas build up a flourishing business in the face of such persistent muddle and instability? These and similar questions at once rise into the mind when we consider the conditions under which Thomas had to work. The obvious place in which to look for the answers is his account books. Happily, a few of these still exist; they are stalwart volumes, bearing their years lightly, and rich with the smells of old paper and leather. From them (supplemented, where there are gaps, by the surviving records of Daniel Henchman<sup>2</sup>) it is possible for us to gain some insight into the methods by which Thomas and his fellows fought against the difficulties with which they were faced.

On opening the Hancock journals, the present-day reader is first struck by the fact that Thomas recorded his bargains in terms of Massachusetts pounds, shillings, and pence. However untrustworthy or scarce the local currency may have been, it was evidently used as a yardstick for measuring the values of all goods that were bought and sold. Of course, these pounds, shillings, and pence were very different from their namesakes circulating at the same time in Britain. Some half-century be-

<sup>2</sup> Only the journals of the Hancocks appear to be left to us; none of their ledgers have been found. This means that we possess chronological lists of Thomas' day-to-day transactions, but not the books in which he grouped these transactions together so as to show the entire story of his dealings with each debtor or creditor. However, many of the bills that he received or rendered are still extant; also, Daniel Henchman's records include three ledgers, and we may reasonably assume that Thomas' missing books closely resembled those of his father-in-law, since the two men's journals are much alike, and their letters and statements provide further proof of the similarity of their methods.

fore Thomas was born, when Massachusetts money consisted of real coins, a definite relationship was maintained between them and sterling; but, after the colony had taken to inflation, a



SIGNATURE OF THOMAS HANCOCK, 1733

steadily widening gulf came to separate the two currencies. The following tabulation shows the course of the exchange (and therefore, by and large, of prices) during Thomas' lifetime:<sup>3</sup>

<i>Date</i>	<i>Number of Massachusetts £'s (Old Tenor) equal to £100 sterling</i>
1705	135
1713	150
1722	270
1728	340
1730	380
1737	500
1741	550
1749	1100

The Massachusetts government twice admitted frankly that its issues were hopelessly depreciated, and intimated that notes printed henceforth should be equal to several of those already circulating. Students of the Hancock records must therefore distinguish between "Old Tenor," "Middle Tenor," and "New Tenor." Thomas kept his accounts in old tenor up till about 1750, and thereafter gradually changed over to "Lawful Money," a stable currency which the province achieved, at long last, in 1750. Lawful money to the amount of £133.13.4 was in that year made the equivalent of £100 sterling, and this rate was maintained, with only minor fluctuations, until the Revolution.

<sup>3</sup> Davis, *Currency and Banking*, p. 367.

My reader should therefore remember that, when I refer to pounds, shillings, and pence, the units in question are those of Massachusetts, and not of Britain unless "sterling" is specifically mentioned.

The next thing shown by the accounts is that Thomas, although he valued what he bought and sold in terms of money, seems to have handled money itself remarkably seldom. Parts of his records in which we should expect to meet the word "cash" on every line contain it but rarely. There is little reason to suppose that either he or Daniel Henchman ever kept cash-books; and almost every debtor's account tells the same story of a long and weary struggle to scrape together the means of payment. Clearly, either the New Englanders had not enough money for ordinary trade purposes (despite all the emissions of paper), or else the government's notes circulated only within very narrow limits, possibly because they were everywhere held in deep distrust.<sup>4</sup>

Even on the rare occasions when Thomas did use the word "cash," he was not necessarily thinking of either sterling or the colonial currency. He quite often meant Spanish dollars, at that time (as every reader of *Treasure Island* knows) called "pieces of eight." The records abound with references to these and other romantic-sounding foreign coins, which the New Englanders obtained by trading with the West Indies and also, it has been alleged, by selling provisions to pirates from the Spanish Main.<sup>5</sup> But, although the dollar circulated with sufficient freedom to justify our regarding it as an important standard of *exchange*, the evidence shows that Thomas never accepted it as his chief standard of *value*. Late in his life (say, by 1760) he had come to mention it frequently in his correspondence, but

<sup>4</sup> Adam Smith cites evidence to the effect that the notes were often distrusted, being sometimes redeemable only after long periods and at their depreciated values; they were thus "a scheme of fraudulent debtors to cheat their creditors." — *Wealth of Nations* (Cannan edit., London, 1930), vol. I, p. 309, vol. II, p. 426.

Why were coins not attracted to a coinless colony by the ordinary market process of bidding them up, i.e., by a fall in prices? Presumably because, despite the difficulties, people managed to make payment with the notes and the devices that I mention. Smith on p. 426 admits that the notes were a cheaper and more convenient means of exchange than gold and silver.

<sup>5</sup> Nettels, *Money Supply of Amer. Col. before 1720*, p. 88.

neither he nor John Hancock (Thomas' famous nephew, who, after Thomas' death, carried on the business until the eve of the Revolution) ever kept his accounts in terms of dollars. Instead, each of the many foreign coins that found their way into the Hancocks' strong-box was first appraised for weight and fineness, and was then entered in the books as being worth so much Massachusetts money. Thus payment might be made with hard cash from abroad, while reckoning was being done with the somewhat nebulous home units.

The highly varied nature of the currencies that passed through Thomas' hands may be illustrated by the following list, which shows the coins that he found on forcing open baggage left with him by a British general who fell overboard near Boston:<sup>6</sup>

		<i>Sterling equivalent</i>
694 $\frac{5}{8}$ joannes	@36/-	£1250. 6. 6
37 moidores	27/-	49. 19. 0
300 guineas	21/-	315. 0. 0
8 $\frac{1}{2}$ pistoles	16/6	7. 0. 3
1 French guinea		1. 0. 0
1 dollar and 1 copper halfpenny		4. 6 $\frac{1}{2}$
26 "small heart" bits of silver, weight 3 oz., sold for		15. 0
6 pieces gold amounting to 9 dollars		2. 0. 6
7 pieces small silver, sold for		5. 7 $\frac{1}{2}$

It will be noted that most of these coins are of a fairly high denomination. The "real" (none found in the general's baggage) was a Spanish piece of money worth one-eighth of a dollar; it was probably the least valuable coin in use.<sup>7</sup> As a result, shopkeepers found great difficulty in providing their customers with small change.

Thomas' accounts thus show us that his methods must have been quite different from those of present-day traders. We may indeed be helped to see him in his true perspective if we compare him, not with business men living in an age of sound

<sup>6</sup> H. MSS., Waste book, 1759-62; Jan. 5, 1762, General Whittmore.

<sup>7</sup> Nettels, *Money Supply of Amer. Col. before 1720*, p. 170.

money and banks, but rather with medieval merchants. For the latter had also to work with the untrustworthy coins of many different States, and sought to lessen the consequent difficulties by attaching themselves to one single currency and keeping "their accounts in terms of that one alone, leaving the other values to wander at the will of the market."<sup>8</sup> So perhaps Thomas was in this regard much closer to the twelfth than to the twentieth century.

## 2. SUBSTITUTES FOR MONEY

Having found that Thomas seldom had sufficient cash and knew nothing of bank credit, we are at once tempted to ask whether he was, as a result, driven back upon an older and simpler kind of trade — money-barter. Probably he was. This conclusion is supported not only by a strong array of accounting evidence, as will shortly be shown, but also by innumerable letters and other papers. Nearly all the Hancock correspondence is marked by an assumption that, since money is scarce, liabilities may be settled with goods; again and again debtors sent messages such as: "I must pay . . . by sending corn for the hard money is not to be had. I must entreat you not to sue me;" or (as late as 1787): "I am out of the limits of the circulation of money." The records abound with phrases like "Balance due to me . . . to be paid in goods," "paid him in pork and cheese," "settled this day in cordage," and "turn them [foreign goods] by barter . . . into more saleable articles and then by Retail into Cash or Lumber."<sup>9</sup> A hundred and one similar sentences could be quoted, all assuming that payment

<sup>8</sup> See Allan Evans, "Some Coinage Systems of the Fourteenth Century," *Jour. of Ec. & Bus. Hist.*, vol. III, p. 496.

<sup>9</sup> H. MSS. (1) 3, Porter to Hancock, Mar. 11, 1762. (17) 1, Brown to Hancock, May 15, 1787. Another letter (Robinson-Lyman, same date) contains an interesting hint that the shortages were at least sometimes *seasonal*. "We have appraised Governor Hancocks Farm in Grenville, at two Hundred pounds in Money at one Years Credit or two Hundred & Thirty pounds to be paid in Beef or Fat Cattle, or Grain delivered at Springfield in one year & an half." A covering letter explains "the reason of putting the Time of payment for the Beef or Fat Cattle or grain at one year & an half is because the appraisers did not consider it would be any advantage to Mr. Baldwin to pay in beef or Grain in a Year from this Time, as money is as easily procured as these Articles at that

in kind was usual, and that monetary settlement could never have been taken for granted.

The fact that Thomas was able to carry on a business quite as complicated as that of a modern trader, and yet had to rely on money-barter instead of a checkbook, makes us look at his accounts with all the greater curiosity. Exactly what sort of bargains were made in his bookshop? Was he really forced to barter so many works on theology for his new suit, and to offer supplies of paper, quills, and ink to any baker who would in return give bread to his household? If so, how did he solve the problem of repaying the printers and manufacturers who had in the first place provided him with the sermons and stationery?

The Hancock records give us fairly clear answers to these questions, and show that the New Englanders invented or resurrected a number of curious devices for overcoming the lack of stable money. Some of these devices may not strike the reader as being unexpected, but others are in sharp contrast to our own practices. Perhaps the chief value of the Hancock manuscripts is that they lay open this picturesque but forgotten page of commercial history.

It may be convenient to list the devices of which we shall speak; then we shall describe each in some detail. They are:

The "two-way flow of trade," and "bookkeeping barter."

Commodity money.

Triangular transfers of goods.

Bills of exchange payable in kind.

Triangular transfers of credit.

Contracts partly in cash and partly in goods.

Contracts in terms of stable currency.

### 3. THE "TWO-WAY FLOW OF TRADE" AND "BOOKKEEPING BARTER"

A person who has seen many present-day debtors' and creditors' accounts would immediately notice a big difference between such statements and the personal accounts in Thomas'

Time of the year." (22) 2, Sayward's account current with Hancock, Dec. 29, 1772. (15) 1, Erving's account current with Henchman, Feb. 12, 1748. Journal, Nov. 19, 1765. (16) 2, Langdon to Le Poole, Jan. 23, 1785.

records. This difference at the same time emphasizes the frequency with which barter was still employed in Thomas' day, while showing the methods that were used to avoid its worst crudities. Between Thomas and each of the people with whom he had dealings there was what we may call a "two-way flow" of goods. The meaning of this phrase can easily be seen by looking at the periodical statements that passed between Thomas and his correspondents. Nowadays such statements nearly always fall into two clear and separate groups: those for debtors and those for creditors. Normally, a debtor's account shows nothing on the left side but the goods sold to him, and nothing on the right but the cash sent back in return; again, a creditor's account shows on the right only the articles bought from him, and on the left the cash given to him. In other words, goods for the most part now move in only a single direction so far as each debtor or creditor is concerned; one person supplies goods, and the other pays cash.

But in eighteenth-century New England, matters were less simple. Goods moved both ways. As a result, there was no great difference between the account of a debtor and that of a creditor; commodities appear on both sides of each. Often, it is true, the entries for goods were mixed up with a sprinkling of cash payments, but some traders could apparently carry on long and elaborate series of dealings without any money whatever changing hands.

What is more, the goods that were exchanged seem at times to have been selected in the oddest way. Their variety and unexpectedness are often startling. Thus, for instance, Hensman repaid a carpenter for repair-work not only with books, as we might have foreseen, but also with a gun, cider, barrels of beef, pencils, candles, hogs, molasses, and wood. A number of other queer facts heighten the air of disorder: a transaction involving imposing quantities of merchandise may be closely followed by the purchase of a trifle such as a few pennyworth of cloves; identical kind of goods are transferred backwards and forwards between the same merchants;<sup>10</sup> and, most

<sup>10</sup> H. MSS., Ledger B, p. 139, William More; E. G. (14) 3, Pattin's account, Feb. 19, 1755; (3) 1, Atkins' account, Dec. 17, 1746.

confusing of all to the modern accountant, the names of third parties appear frequently, with indications that these outsiders were somehow mixed up in the transfers, which must therefore on occasion have been triangular rather than two-sided. In short, instead of being primitive and simple, Thomas' books seem impossibly complicated and topsy-turvy to the accountant who has grown used to the more sedate methods of today.

However, greater familiarity with Thomas' records enables us to detect some of the reasons behind his curious bargains. The fact becomes clear that, although barter was indeed the basis of much trade, yet it was barter in refined and subtle forms. Thomas did *not* offer his tailor so much stationery for so many suits. Instead, if the tailor wanted paper or sermons, but had no cash with which to make prompt payment,<sup>11</sup> he bought them on credit, and his account was charged with their value. Then Thomas and Mrs. Hancock from time to time purchased clothes, the prices of which were offset in the tailor's account. Next the tailor would buy more of Thomas' wares, and so the process would be repeated.

Here is the actual record in question: Thomas' account with his tailor.<sup>12</sup> The nephew mentioned is John Hancock, who at a later stage in our story was adopted by Thomas.

<sup>11</sup> As has already been noted, neither the Hancock nor the Henchman surviving account books include cashbooks, and indeed it is doubtful whether cash records were kept. Their absence makes it difficult to find out what percentage of transactions was for ready money, since the other accounts, although helpful for enabling us to gauge the relative importance of cash and barter as means of settlement after credit had been allowed, would not be used if immediate settlement took place. That outright cash purchases were possible is shown by one of Hancock's agreements (Boston Public Library MSS., G. 48, July 22, 1728) wherein an agent undertook to sell books for Hancock on a strictly cash basis; the same contract states that the agent is to receive a salary of £200 p.a. in good bills of Massachusetts. However, other evidence suggests that the monetary machine broke down fairly often. The journals refer but seldom to cash transactions, and most of the records show that, when credit was given, repayment in money was rare, and was likely at best to take the form of a long series of desultory installments. If debtors could not find money even when allowed a generous period of credit, the chances are that they were also unable to find it when they wanted to make cash purchases.

<sup>12</sup> H. MSS: (2) 3, Philip Freeman's account, Oct. 22, 1754. The error in addition is not mine.

In the space of about a year, Thomas is charged by the tailor with:

A p <sup>r</sup> of Breeches for y <sup>r</sup> Nepue	1. 6. 8
A p <sup>r</sup> of Breeches mended for D <sup>o</sup>	0. 2. 4
A p <sup>r</sup> of Breeches newseated and mended for y <sup>r</sup> Sarvant	2. 8
A p <sup>r</sup> of Breeches for y <sup>r</sup> Nepue	1. 6. 8
	<hr/>
	£2.18. 4
Cash paid in full	1. 6
	<hr/>
	£2.19.10
	<hr/> <hr/>

On the other side, the tailor acknowledges receipt of the following goods in return:

4 po <sup>d</sup> of Tee	1. 1. 4
1 Quire of Cartrige paper	0. 2. 0
1 Doz <sup>e</sup> of women's glazed Lamb Gloves	1. 2. 8
Ballance due last Settlement	0.11. 8½
	<hr/>
	£2.17. 8½
Sundrys short credited	0. 1. 1½
	<hr/>
	£2.19.10
	<hr/> <hr/>

This statement is shorter and simpler than most of the others, but it serves to illustrate Thomas' methods. While some "two-way trade" would be natural enough in a small town at a time when most merchants were still rather unspecialized, exchange difficulties must also have been an important factor in creating the two-way flow. Clearly, by keeping an account of the kind shown, Thomas and the tailor could go on buying from one another for many years (during which the balance of indebtedness might swing from side to side), with no cash ever needed to change hands. Thanks to a smattering of book-keeping, traders could overcome the chief difficulty associated with barter: the infrequency with which there is a simultaneous coincidence of wants. Perhaps therefore we may call this

part of Thomas' system "bookkeeping barter." The home trade of Massachusetts was obviously being run on lines resembling the international barter agreements and blocked exchange accounts made familiar by Germany in the nineteen-thirties.

Bookkeeping barter might work smoothly enough if both merchants were generous in the matter of credit, and over some time could make use of nearly equal amounts of the other's wares. But the system was marked by endless delays and much bickering. An unscrupulous shopkeeper could doubtless fleece his country debtors by undervaluing their produce and forcing them to buy from him only. On the other hand, the accounts over and over again tell of the creditor's weary efforts to get his dues by accepting a tardy and halting series of odds and ends; and (as prices were often soaring, especially in 1740-64) the longer a debtor could put off payment, the fewer goods might he need to hand over to square a liability for so much money. There must have been a marked tendency to buy from a man simply because he was one's debtor, and possibly the best way to get orders from an unfriendly merchant was to run deep into his debt.

#### 4. COMMODITY MONEY

I have already mentioned the seemingly unreasonable manner in which goods moved to and fro between Thomas and his correspondents. We can go a stage further in understanding this matter if we regroup the personal accounts on a geographic basis. When this is done, certain clear currents of trade become apparent in what would otherwise seem meaningless comings and goings. Let us in the first place find out what goods were exchanged between Thomas and those customers who lived in the small towns and country places of New England. In these cases the flow of articles was often comparatively simple. The customers would buy books and manufactured articles, paying for them chiefly in farm produce.<sup>13</sup> Thus,

<sup>13</sup> In her vivid description of *The New York Merchant on the Eve of the Revolution* (New York, 1935), Virginia D. Harrington shows that much the same conditions obtained in New York. On p. 64, she quotes an advertisement in which merchants state their willingness to take payment in country produce.

a merchant living in Fairfield, Connecticut, wrote to Henchman as follows:<sup>14</sup>

Decon Henchman, Sir. I have sent you by Cap<sup>t</sup>. George Gorham 83 bushels  $\frac{1}{2}$  oats & 18 bushels Rye: Sir.

pleas to send me by Cap<sup>t</sup>. Gorham as foloeth

1 Doz Scotch bibels smal common sort

1 Doz testements

2 Doz Psalters

[Etc. etc.]

and I believe I shall be down in the Spring & see you well paid from your Humbel Serv<sup>t</sup>. Sam<sup>l</sup>. Bradley.

We can guess that the arrival of "country pay" must have put a severe test on a creditor's resourcefulness; on occasion, he might open his door to find a farmer there with rye, corn, wheat, poultry, and a couple of hogs, all of which had to be valued and disposed of as quickly as possible. A number of fates might befall such remittances. Presumably they were sometimes eaten without further ado by Thomas and his wife. Often they were handed over to other Bostonians in payment for purchases made locally. But quite frequently they were exported to Newfoundland or the West Indies; we shall come across this trade in a later chapter.

Next we should consider the accounts with English firms. As might be expected, these show Thomas' imports of manufactured goods on one side, while opposite are the money, bills of exchange, and raw materials that he shipped back to Europe.<sup>15</sup>

<sup>14</sup> Boston Public Lib., G. 41. 8. (Oct. 20, 1752); Bradley's account in ledger B., p. 103, shows that at another time he took:

1 account book,	1 dozen buckles,
1 quire	1 dozen jews harps,
6 raisors,	2 dozen catechisms,
3 dozen buck knives,	1 dozen Watts' songs,
1,000 needles	6 "Earl on Sacrament,"
100 darning needles,	6 spectacles.

The commodities sent from Fairfield in return included:

quills [two entries]	pork [several entries]
rye,	provisions.

<sup>15</sup> There are innumerable examples of such statements in the Hancock MSS. A good instance of a ledger account is contained in the Henchman ledger B., p. 70 (Horrock's account).

The accounts with fellow Bostonians are, however, much less simple than those with country customers and overseas correspondents, particularly where the other citizen was a general merchant like Thomas himself. In such cases, goods were often moved back and forth without any obvious reason whatever. For example, one statement shows that Thomas took from another merchant: "Corn, tea, ratteen, sugar, logwood, oil, hose, fish (several entries), rum, half a ship." In return, Thomas sent: "Fish (many entries), salt, paper, wood, oil, skins, ducks."<sup>16</sup> Here foodstuffs and manufactures appear on both sides; fish would seem to have been a particularly restless commodity.

The frequency with which goods like fish and meat were shuttled to and fro suggests that they were not being traded in for reasons that we should now consider normal. Instead of taking them for his own use or for resale at a profit, a merchant probably took them for the simple reason that he had no hope of receiving payment in any other form, and could reasonably expect in his turn to pass them on to his own creditors. He thus looked upon the meat and fish, not as things to eat or sell, but as another kind of money. The Hancock records show that Thomas and his contemporaries fell back on such "commodity money" freely and that it was in everyday use among traders long after it had been discarded as an official means of payment. Presumably the goods in question were valued at the prevailing rate and went on changing hands at the same figure until market prices had altered; thus Thomas often "sold" goods without making any profit on them. Most of the staple commodities found in New England (pickled pork, corn, molasses, and so on) would serve as commodity money, since they were durable and had well-established markets.

An advantage of commodity money was that it was wel-

<sup>16</sup> H. MSS. (3) 1, Dec. 17, 1746. H. Atkins' account current. It is possible that, in this special instance, an explanation of the transfers is that some of the entries concern shipping ventures. One person may have supplied the ship with food and cargo, and, at the end of the voyage, may have received from the other any unused food, or part of the return cargo.

came everywhere, in sharp contrast to the various provincial currencies. Thus a Rhode Island merchant writes:<sup>17</sup>

As My son John Jenks is now bound to Boston in order to buy two hundred small arms for our force and two hundred blankets for them & our Currency will not pass at Boston I prepare to pay for the above articles in molasses.

However, one of Hancock's New Hampshire debtors emphasized the clumsiness of the system as follows:<sup>18</sup>

I received your letter & in answer thereto would Inform you that it gives me great uneasiness as to the ballance between us. You mention Boards & Planks in the way of pay which I should gladly comply with long before now but must Do it with such prodigious loss that it would be very hurtful to me to give £16 and when sent to Boston on my Cost will turn out no more than £10.10/- or £11 your money — however, will comply with that rather than keep you out of your money. I have a fair prospect to get Some Silver money having an Execution out against a man in the County of York for £200 your money.

#### 5. TRIANGULAR TRANSFERS OF GOODS

There must often have been times when Thomas did not want the goods that formed his debtors' sole means of payment. He would regard commodity money as a bulky and unsavory addition to his stocks of books; while, if the debtor was a craftsman, the position would be even worse, for Thomas might foresee no chance either of using the specialized wares himself or of passing them on to others.

Faced with a choice between unwelcome goods and no payment, Thomas' obvious plan was to look around for a neighbor who wanted the articles in question. If such a person could be found, then payment might be accepted without risk. And if the third person happened to be one of Thomas' own creditors, whose claims could now be met without any need for raking cash together, the arrangement would clearly be ideal; one

<sup>17</sup> H. MSS. (14) 1, Dan. Jenks to Hancock, May 21, 1755.

<sup>18</sup> *Ibid.* (1) 2, Jos. Hanson to Hancock, Sept. 3, 1755.

transfer of goods would neatly discharge two separate and disconnected liabilities.<sup>19</sup>

We can now guess why the names of third persons appear in many of Thomas' accounts. Triangular contracts of the type just described were apparently an everyday affair, despite their clumsiness. The records teem with references to them, and show that they were developed to a high pitch of complexity. And, as we shall see, the New Englanders found short cuts by which these three-sided bargains could be engineered with much less trouble than might be expected, and by which costs of transport and storage could be minimized.

Sometimes the original contract paved the way for a triangular transfer. Thus the buyer of a long-boat promises "to pay unto said Hancock or His order on demand twelve pounds thirteen shillings & 4<sup>d</sup> Lawfull Money in Ironwork at the cash price."<sup>20</sup> The phrasing of this receipt is worthy of careful consideration for several reasons:

- (1) It reëmphasizes the fact that goods were sold without any immediate hope of a cash return.
- (2) It shows that payment in kind was not a device by which creditors avoided changes in the value of money; the ironwork is to be appraised at whatever cash prices are current when the debt is squared.
- (3) The agreement clearly implies that, if Hancock cannot himself find any use for the ironwork, he is free to transfer his rights to a third party, whom he will arm with authority to demand the goods. This device of transfer

<sup>19</sup> A good example of such a transfer is to be seen in the Henchman Journal (1729-31, Jan. 11, 1731):

Messrs Jacob & Jno Wendell, Dr	
To 2 Barrells of Pork at £9	£18.0.0
Capt Isaac Hubbard Cr	
By 2 Barrells of Pork sold to Mr Wendell	18.0.0

The ledger accounts for both Wendell and Hubbard are extant, and neither shows any commission to have been charged by Henchman for managing this transfer; the accounts do show, however, that he had long been deep in the Wendells' debt and that he was a creditor of Hubbard.

<sup>20</sup> H. MSS. (25) 3, Barker's receipt, Sept. 1, 1766.

at sight of a written order seems to have been the very heart of the triangular system.

- (4) The phrase *or his order on demand* has a familiar ring; it reminds us of the wording on our checks and bills of exchange. We are thus at once led to wonder whether the Bostonians' orders for payment in kind had the other familiar attributes of the modern bill of exchange. For instance, could they be passed on from endorser to endorser, and so act as a kind of money?

#### 6. BILLS OF EXCHANGE PAYABLE IN KIND

The Hancock manuscripts give us an abundance of clues on this subject. The "orders" by which the New Englanders effected their triangular bargains, if hardly credit instruments according to our strict definitions, did at any rate perform much the same task as the modern bill of exchange. Let us consider some specimens from the rich collection bequeathed to us by the Hancocks, beginning with "orders" that are easy to understand and then working our way towards more difficult transactions. In so doing, we may perhaps be following the very steps by which the New Englanders evolved their exchange system; conceivably, indeed, our study will enable us to hazard a guess about the obscure origins of the bill of exchange itself (though of course that document had been known in Europe some five centuries before Thomas Hancock ever put pen to paper).

The idea of credit documents payable in kind might develop quite easily from ordinary business letters in which instructions were given for the delivery of purchases. Thus a country correspondent would write to Boston:<sup>21</sup>

Sir

Pleas to send me by the first oppertunity in April next six Barrils of Flower and one Barril of Good poart to be Left with Sam<sup>l</sup> Jourdan Esq<sup>r</sup> at Biddeford. . . .

In an age when postal services were bad, carriers, drovers, sailors, and others were often asked to deliver such orders in Boston and to bring back parcels. Thus even plain country folk

<sup>21</sup> H. MSS. (19), Brown to Hancock, Feb. 20, 1766.

would readily grasp the idea of intervention by a third person, though the latter is here not a *creditor* but an *agent*. It was a simple development, with commodity money in everyday use, to rephrase the order as if it were for money instead of goods:<sup>22</sup>

John Hancock, Esq<sup>r</sup>

Boston, March 25, 1766.

Sir

Pleas to let Mrs. Mary Greenwood have Thirty shilling Lawfull Money in goods, and charge it to the Acco<sup>t</sup> of y<sup>e</sup> Humble Serv<sup>t</sup>

£1.10.0

Nath. Greenwood.

To order delivery to creditors, instead of to mere agents, would be an easy step; so easy, indeed, that it would probably be taken without any notion that important new principles were at stake. If a clamoring creditor could not be paid in cash, and would not accept any of the debtor's own goods, he might perhaps be fobbed off with an order on a merchant possessing suitable wares. So we get notes like the following:<sup>23</sup>

Please to Lett Mr. Daniel Clap have what he may want in your Store & charge to Acco<sup>t</sup> of my Father.

Boston Octob<sup>r</sup> 25th 1768

Coll. Jackson

Please to Deliver Mr. John Wharton One best Beaver Hatt, & Charge it to, Sir,

Your most hum. Serv<sup>t</sup>.

John Hancock.

Yet a further step was taken when the order was made *assignable*, e.g.:<sup>24</sup>

<sup>22</sup> H. MSS. (19).

<sup>23</sup> H. MSS. (19), Tileston to Hancock, Jan. 2, 1770, and British Museum, Addl. 38. 808, respectively. Consider also entries such as that in Journal 2, 1755:

3 Mar.	R. Pierpont	Dr.	to Mchdse		
			for his note paid Aaron Chamberlain in flax	8/-.	
25 Apl.	Edward King	Dr.	to Mchdse		
			for his note paid Nath <sup>l</sup> . Winslow		
			1 l. tea	5-4.	

<sup>24</sup> H. MSS. (19) 1; (15) 5, Jan. 3, 1742.

Boston March 27, 1770.

John Hancock Esq<sup>r</sup>.

Sir Please to deliver two barrels of Pork to Mr. W<sup>m</sup>. Gault or order and charge your humble

Serv<sup>t</sup>.Two barrels.

Thos. Dawes

or again:

Please to let Mr. Edmund Dwight or Order have Thirty five pounds seven shillings Old Tenor in goods & charge ———.

Another stream of orders had its source in a somewhat different custom. Certain kinds of goods were often entrusted to agents for storage or manufacture; thus gunpowder was kept in special warehouses, for obvious reasons, while molasses was frequently handed over to a distiller for manufacture. The warehouseman or distiller would give out the goods again on being presented with a written order. This is one of the few practices upon which the accounting writers of the time have vouchsafed information to us; when discussing business methods in the tobacco colonies, the author of *Bookkeeping Methodiz'd* says: "The tobacco being thus lodged in the warehouse, the planter goes to the merchant, sells him the tobacco, and delivers him the notes . . . the notes, whether crop or transfer, circulate and pass from hand to hand, without endorsement; the title to or property in the tobacco lying entirely in the possession of the notes."<sup>25</sup>

The extent to which goods became the basis of the credit system is shown by the frequency with which Thomas' clerks penned phrases like: "Benjamin Hewis's note of hand payable on demand in molasses," "my note to pay — in goods," and "my note to pay — in pork."<sup>26</sup>

<sup>25</sup> H. MSS. (5) 1, Account current with Lowell, Sept. 5, 1754. John Mair, *Bookkeeping Methodiz'd*, 6th edition (Edinburgh, 1793), p. 499.

<sup>26</sup> H. MSS. (24) 5, Apr. 2, 1745, Trecothick's receipt. Daniel Henchman's Ledger A. 44. H. MSS. (15) 1, Feb. 12, 1748, Erving's account.

## 7. TRIANGULAR TRANSFERS OF CREDIT

Besides these three-sided movements of goods, the Hancocks and their contemporaries were experts at arranging straightforward transfers of credit. Such transfers were similar in principle to modern banking or bill-of-exchange transactions; but there were no banks and seldom any documents that the modern lawyer would call bills. Any merchant who had a sufficient number of accounts in his ledger would play the part of banker, by putting cross-entries through his books, while the most informal requests would take the place of our stereotyped checks and bills as the signals for these credit transfers.

The procedure was probably as follows. If A wished to pay B, he would try to find a third person, C, in whose ledger there happened to be suitable accounts for both A and B. C was then induced to put a cross-entry through his ledger, charging A's account and crediting B with the same sum. As a result of this change, in effect A has paid B, B has paid C, and C has paid A; three birds have been killed with the one stone, and book-keeping has again successfully deputized for cash. In a sense, C was serving the others like a modern banker, who, on receipt of a check, transfers credit between two customers.

What took the place of checks as the signal for these switches of credit? There were probably plenty of cases in which the "banker" was given his instructions by word of mouth; thus one account tells us that a transfer resulted from a "verbal order."<sup>27</sup> However, written documents were in widespread use and were clearly preferable from the standpoint of evidence — e.g., a receipt was often scrawled across the back of the paper. But the written orders might be quite informal. Cases abound in which they were part of a letter or some other simple document. For instance, a man receives a statement showing that he is in debt for three hogsheads of molasses; he cannot him-

<sup>27</sup> Henchman's Ledger A., p. 102. Interesting comparative information on the great importance of verbal orders in fifteenth-century Europe may be had from A. P. Usher, "Origins of Banking," *Economic History Review*, vol. IV, pp. 410 et seq., and "Deposit Banking in Barcelona, 1300-1700," *Jour. of Ec. & Bus. Hist.*, vol. IV, pp. 121-155.

self pay, so he passes on the statement to one of his own debtors, scribbling on the back:<sup>28</sup>

Please to pay — [name of creditor] the within Account and charge the same to

Your humble Servant

John Winthrop

Such easy informality should not be a matter for surprise. We may conclude, from the many different kinds of notes passing through Thomas' hands, that these documents did not circulate exclusively among persons who were well versed in business. The whole community appears to have felt the lack of money and to have joined in the hunt for substitutes; triangular arrangements that now seem excessively elaborate were the everyday fare, not only of skilled merchants, but also of the small fry, and were used to help on the most humdrum transactions.

It must also be remembered that, although bills had been common in foreign trade for centuries, they had been used extensively for inland transactions in England only since the late seventeenth century. Promissory notes and checks had made their appearance at the same time. And these novel documents still tended to vary according to the whim of the drawer rather than to follow the stereotyped lines that please our prim standards. As a "Gentleman of the Middle Temple" conceded in 1760, "the same strictness and nicety are not required in the penning of Bills current between Merchant and Merchant, as in Deeds, Wills, etc." One instance is enough to show that this was indeed the case: a married man, wishing to give a present to his wife, wrote out the check in the following terms:<sup>29</sup>

Good Mr. Latouche  
Pray open your pouch  
and pay my soul's darling  
One thousand pounds sterling.

<sup>28</sup> H. MSS. (20) 3, Apr. 30, 1770.

<sup>29</sup> See R. D. Richards, *Early History of Banking* (London, 1929), p. 40. *The Law of Bills of Exchange*, by A Gentleman of the Middle Temple (London, 1760), p. 18. W. H. Bidwell, *Annals of an East Anglian Bank* (Norwich, 1900), p. 48.

Both of the Hancocks obligingly acted as voluntary bankers for their neighbors, and made many cross-entries of the kind described.<sup>30</sup> The frequency with which they were called upon to do so is shown by the liberal fashion in which the word "discount" is scattered through their accounts. Thomas, we must remember, used "discount" in a sense that is now obsolete. He very seldom "discounted a bill" after the manner of modern merchants; to him a discount was any kind of deduction, and "to discount" meant to deduct or to make a counter-claim.<sup>31</sup> Therefore, when he transferred credit from one person to another in his ledger, he was "discounting" their accounts. This fact explains why a correspondent would write "pray discount with Mr. Samuel Gray fourty pounds Lawful Money for Fish I received from him" or "Sir pleas[e] to Discount with Mr. Sheldon ten pounds and place it to acc[oun]t of your humble servant."<sup>32</sup>

The notes were sometimes made out "to order." For example, a Nantucket correspondent would write: "Please to Pay unto Simon Crew or Order the sum of one hundred & thirty Pounds Six Shillings & 8<sup>d</sup> . . ." In this way, credit transfers sometimes took place between *more* than three parties, and four-sided settlements resulted (e.g., one Walley charges Hancock with "Richard Coffin's order on you in favour D. Silsby which Silsby endorsed to me"<sup>33</sup>).

<sup>30</sup> For instance, H. MSS., Journal, Jan. 20, 1756: "Samuell Treatt Dr. to Lydia Lewis for his order pay<sup>l</sup>. to her 8 --."

<sup>31</sup> *Oxford English Dictionary*. Consider "my prayers and penance shall discount for these sins" (Dryden). "Discount," as we now use the word, was originally "interest discounted" — i.e., a charge deducted from the principal.

Interest seldom appears to have been taken into account in ordinary dealings, though occasionally the records contain sentences such as "Plese to Draw an order by or put my Note into the hand of Capt. Henry Champion or Mr. Ben'm. Ackley Droveyers — if that is Not So Good as hard Cash I will allow what is Reasonable over the Debt." — Han. MSS. (1) 3, Barber to Hancock, Apr. 24, 1762. Perhaps the orders were not often used to gain time (but rather to avoid any need for cash); a note "accepted to pay in 6 months" (Henchman Ledger A., p. 243) is probably exceptional.

<sup>32</sup> H. MSS. (16), Boardman to Blanchard & Hancock, Apr. 29, 1766. Boston Pub. Lib., G. 41. 8., p. 24, Johnson to Henchman, Mar. 16, 1732.

<sup>33</sup> Han. MSS. (19), Barker to Hancock, Mar. 31, 1766; (22) 3, Oct. 8, 1783, T. Walley's account.

At this stage we have in effect reached normal bill-of-exchange procedure. But such recognizable bills were usually issued more as a means of settling debts due to English creditors than for internal trade. They were often made payable in sterling, and probably had but a brief local circulation, being exported whenever they fell into the hands of a person indebted to an English house.

Some idea of the importance of the various types of orders may be obtained from the fact that the Hancock manuscripts — which are but fragmentary — contain as many as one hundred and seventy examples for a single year.<sup>34</sup> Despite all the variation, there was some tendency to standardize the wording and also the shape of the paper (to an oblong, like our checks); this too is suggestive of a big commerce through the medium of orders. In an age when printed business forms were rare, one Boston firm even issued printed orders on itself, as do modern banks.<sup>35</sup>

#### 8. CONTRACTS PARTLY IN CASH AND PARTLY IN GOODS

Settlement was often effected by a jumble of different means. Hancock's orders might stipulate for payment in neither cash nor goods, but a mixture of the two. Thus there are references to notes "for 2/3 money 1/3 goods," one-third money and two-thirds goods, and half money and half goods.<sup>36</sup> In this respect, too, Thomas was but following an old and widespread practice. A sixteenth-century merchant from England to the Levant, describing how he exchanged English cloth for silk, wrote that trade often went much more smoothly if he offered some cash or a promissory note along with his wares; finding it "difficult to dispatch cloth without the help of a third money," he and his fellows used to adopt tactics similar to those of Thomas.<sup>37</sup> And here is an example in which Hancock settled a debt partly

<sup>34</sup> *Ibid.* (12), 1770.

<sup>35</sup> Boston Pub. Lib., Ch. M. 1. 10., p. 85.

<sup>36</sup> See, e.g., journals for Aug. 9, 1737, and July 18, 1765.

<sup>37</sup> G. Ambrose, "English Traders at Aleppo (1658-1756)," *Economic History Review*, vol. III (1931), p. 253. For a much earlier example see A. E. Sayous, "La monnaie à Genes au XII<sup>e</sup> et XIII<sup>e</sup> siècles," *Annales d'Histoire Economique et Sociale*, No. 6, 15 Avril 1930.

with commodity money and partly by acting as banker; a memorandum, written at the bottom of a statement showing that he owed £12.4.9½, runs:<sup>38</sup>

memo d[elivered]d 2 Bb [barrels] Pork @ 13 Dollars	
Each, in part pay for the above	7.16.-
p <sup>d</sup> his order to Mr. Remington Hobby dated June 14 <sup>th</sup>	
1769	4. 8.9½
	<hr/>
	L. M <sup>y</sup> £12. 4.9½
	<hr/> <hr/>

### 9. CONTRACTS IN TERMS OF STABLE MONEY

We might imagine that, if the New Englanders were worried about the depreciation of their currency, they would make their contracts in terms of a stable unit such as sterling. This was in fact done occasionally. A letter written by Thomas at the height of the inflation shows him investing certain funds (which had been entrusted to him for safe-keeping) in sterling, and letting a house in terms of that currency.<sup>39</sup> Moreover, the following receipt<sup>40</sup> suggests that, in long-period contracts, regard was sometimes paid to the vagaries of Massachusetts money:

Boston Feb. 1 [1741/2]

Rec<sup>d</sup> of Mr. Thoms Hancock Fourteen pounds for a quarters rent due this day Saving what is by agreement mentioned in a Leese between us in respect of the rise or fall of Money.

Ben Pollard.

What is really surprising is that barter contracts were not framed with an eye to stable values. As we have seen, most of Hancock's exchanges of goods were arranged, not on the basis of "I'll give you  $x$  barrels of beef for  $y$  gallons of molasses," but "I'll sell you  $£x$  of beef, and you can later square our account with molasses to the value of  $£x$  at the prices then

<sup>38</sup> H. MSS. (20) 3, June 6, 1769, Elihu Getchell's account.

<sup>39</sup> Massachusetts Historical Society, Letter book, June 6, 1747.

<sup>40</sup> H. MSS. (5), 2. The bond given by Hancock for his land — *ibid.* (6) 8, Aug. 29, 1735 — suggests a fear of wild inflation; Hancock bound himself to pay £1,000; but this clause was to be void if he paid £500 within a year!

current." But occasionally Thomas did safeguard himself by stating the rate of exchange, as when he made a debtor agree "to pay in good Merchan<sup>ble</sup> Molasses delivered at Boston free of charge as soon as may be at  $1/6\frac{1}{4} \frac{9}{15}$  p.Gallon."<sup>41</sup>

#### 10. CONCLUSIONS

Perhaps we may summarize our discoveries in the Hancock manuscripts by saying that the New Englanders, deprived alike of cash and satisfactory bank notes, ingeniously filled the gap by devising home-made means of exchange. They had no money; so they built up a barter system based on debits and credits. They had little precious metal; so they backed their notes with beef and pork.<sup>42</sup> They had no banks; so every book-keeper became a banker.

Crude barter is an appallingly clumsy method of carrying on business. If goods had been exchanged only for goods, trade would have slowed down almost to a standstill. But when the New Englanders paid for goods with assignable titles to other goods (relying on money units for reckoning only), the situation improved immeasurably; as a result of this new lubricant, the machinery of commerce could run at a reasonable speed. Today we sometimes wonder how we should fare if our governments and banks stopped furnishing us with money. If this ever happened, perhaps we too should be able to maintain at least the necessary minimum of commercial dealings by creating documents similar to those of Thomas Hancock. We might, for instance, draw and assign bills upon our mail-order houses; the latter would then assume the importance of the Federal Reserve System. In such a fantastic world the Hancock manuscripts would be regarded as a priceless source of information, since they show us in detail how a community did in the past manage to build up a prosperous trade by making the most of similar devices.

<sup>41</sup> Journal, June 5, 1755. The debtor had bought £200 of arms and £47.14.4 of blankets.

<sup>42</sup> I feel sorely tempted to talk of a "bimeatallic system."

## APPENDIX TO CHAPTER II

*The Accounting System*

Readers with an interest in accounting may like to have some description of the Hancocks' system; in particular, they may want to see how the New Englanders' transfer devices affected bookkeeping.

As has already been said, the Hancocks' ledgers are lost; we have some of their journals only. But the Henschman accounts are fortunately much more complete, and include both journals and ledgers.<sup>1</sup>

Henschman did not use the complete double-entry system. He kept only such records as were needed to show his relations with other persons. His ledgers are thus filled with accounts for people and for joint adventures in shipping, et cetera, but have neither summaries of income and expenses nor information about assets. There is no sign of his having made periodical lists of debtors and creditors; he did not even bother to balance off personal accounts until they were full and had to be carried to another page. Accounts kept in sterling appear cheek by jowl with those kept in local money — a fact that would make double-entry almost impossible. Purchases for the household are mixed up with business expenses.

<sup>1</sup> Here is a list of the account books that I have examined:

	<i>Journals, etc.</i>	<i>Ledgers</i>	<i>Receipt books.</i>
Hancock	1755-57 1755-57 (Waste book) 1759-62 1764-67 (Waste book) 1764-82		1755-63 Boston P. Libr.  1764-84 1796-98 Lexington Hist. Soc. 1798-'04 New York " "
Henschman	1718-25 1719-21 1725-29 Boston P. Libr. 1729-31 1732-35 1735-38 1741 (Waste book) 1745-50	1712-26   1729-47  1745-62	
Kilby	1737-39		

Unless otherwise stated, these books are in the Hancock MSS.

THOMAS HANCOCK ESQ <sup>r</sup> .	to	JOHN AVERY	Cr.
Dr.			
1750			
Sep <sup>r</sup> . 27	To 100 bussh <sup>l</sup> . Corn @ 18/-	By Joseph Carbutt my Order	
28	To 4 ditto @ 18/-	for cloth	£5.17.4
		By ditto for 3 yards Saxon	
		Green cloth	5.4
Oct. 27	To 2 Bussh <sup>l</sup> . Beans @ 30/-	By 2 p. Garlix	6
[1751]			
May 6	— Your Order to discount with Grigg <sup>s</sup>	By Matts	4
Aug. 26	— 1 barr <sup>l</sup> . Flour qr. 1.3.-@ 6£		
Oct. 7	— 1 ditto qr. 2 -- @ 6:5/-		
			£17. 5. 4
	— Ball. due to Tho <sup>s</sup> . Hancock Esq <sup>r</sup> .		£17. 5. 4

Apr. 20, 1750. The account opens when Avery orders Hancock to pay a third person, in cloth. Thus Hancock is apparently acting as a banker who grants an overdraft.  
A similar transaction follows.

July 11. Later in the year, a number of ordinary sales take place, on the "two-way" system. They end with Hancock still a creditor.

May 6, 1751. After six months of nonpayment; Hancock counters by ordering Avery to pay one Griggs (presumably Hancock's creditor). This Avery does by putting a cross-entry through his books.

The Hancocks seem to have taken greater pains over their books than Henschman, and may perhaps at times have achieved double-entry. Each transaction was first noted in a "waste book" or "blotter" and was then neatly rewritten in a journal before being posted to the ledgers. No attempt was made to split up the journals into specialized daybooks for sales, purchases, and so on, and, if a cash account was kept, it was probably part of the ledger and not a separate book.

Although the Hancocks were more careful than Henschman about their bookkeeping, they too were chiefly concerned with accounts for persons, ships, and joint adventures. Income and expense items were at best thrown into an omnibus "Expense" or "Merchandise" account. The main references to a profit-and-loss statement are connected with bad debts.<sup>2</sup> In an age that was innocent alike of company regulations and income-tax officials, there was much to be said for this neglect of annual profit calculations. If a trader had no partners, and if he kept track of his debtors and creditors and knew exactly how each of his little adventures was faring, he might reasonably claim to have done all that common sense demanded.

On page 36 is given a sample of the bookkeeping, which consists of a personal account that is not untypical. It is a copy of the statement sent by John Avery (another merchant) to Thomas Hancock.<sup>3</sup> There are ten transactions, yet no mention is made of cash. Three of the transactions are evidently triangular transfers. The price rates are in old tenor, but the extensions are in lawful money. The remaining transactions call for no comment.

Another example will show the type of entries made, in both journal and ledger, for a triangular transfer of credit. Henschman has accounts for both Wendell and Becham. Becham happens to be Wendell's creditor. So Wendell apparently requests Henschman (perhaps on the back of a demand note sent by Becham) to pay the debt; this Henschman does by cross-entry, crediting Becham and charging Wendell, as shown on the following page.

<sup>2</sup> E.g., Waste book, Mar. 9, 1762.

<sup>3</sup> Mass. Hist. Soc. MSS.

- Jan. 19, 1731. Henchman's journal contains this entry:  
 J. Becham, Cr.  
 By his note drawn on Messrs. J. J.  
 Wendell £80. 7. 7  
 Becham's account in the ledger has the words:  
 By a note from J. W. p. disc<sup>t</sup>
- Jan. 28. The other entry is made:  
 J. J. Wendell, Dr.  
 To their note to disc<sup>t</sup> with Mr.  
 Becham £80. 7. 0  
 In the ledger is written:  
 Their note p. disc<sup>t</sup> with Mr. Becham.

The delay in completing the two entries and the error in the figures are typical of Henchman's slipshod bookkeeping.

## CHAPTER III

# From Bookseller to General Merchant, 1725-1735

### I. THE CHANGE TO DIVERSIFIED TRADE

WE MUST now go back to the point at which we left Thomas in Chapter I. We there saw how drab were his prospects as a bookseller, because of the competitive conditions, and concluded that he had good grounds for wishing to supplement that trade with other activities.

The competition of the Boston stationers for the book business was intensified during the 'thirties by the arrival of an agent sent out to represent Cox, one of the London exporters, and Hancock's sales suffered still further as a result. When Thomas found himself unable "to strike larger into the book-trade," two other lines of activity lay open to him. He tried his hand at both of these, and found that they suited his bent much better than book-selling.

First, he began to sell other kinds of goods, mostly imports from Britain. His orders for cloth, tea, paper, and cutlery gradually grew far more numerous than those for books. By 1736, we find him publishing a newspaper advertisement in which he mentions books only as an afterthought, and puts the main stress on his varied stocks of millinery, et cetera.<sup>1</sup> His business

<sup>1</sup> In *Boston News Letter*, No. 1680, Thursday, Apr. 29, to Thursday, May 6, 1736. How many women of today would recognize all the stuffs listed?

Just imported, and sold by  
Thomas Hancock.

BEST Russia Duck, choice 3/4th, 7/8th and Yard wide Garlix, fine Oznabrigs and middle ditto, Callicoes of two and three Colours, blew and white ditto, purple and white Chints, Muslins, Cotton and Lungree Romals, Sooses, black & white and mourning Crapes, Cheloes, Buckram, Pistol-Lawns, Threds, Tapes, black, blew, green and red Taffeties, fine India Damasks, belladine sewing Silk, low-prized Fans, Ferrets, Girdles and sundry other sorts of Haber-

in Ann Street must for the rest of his life have looked more like a general store than a stationer's shop.

Second, he took to exporting and shipping ventures. In Chapter II, we saw that a simple retail trade was hard to build up because of the lack of sound money; even had Thomas wanted to specialize in book-selling, he could have done so only with difficulty, for the very good reason that he was often compelled to take payment in all kinds of commodities instead of in money, and so was forced willy-nilly to handle a wide range of wares. And to this situation must be added his need for finding acceptable means with which to pay his British suppliers.

## 2. HOW THE BOOK TRADE WAS CARRIED ON

It should not be thought, however, that Thomas gave up his whole business in books tamely. On the contrary, the book trade continued to play a big part in his life (even when he was fast adding other strings to his bow) for a dozen years or so after he had set up shop. At first, much of his buying seems to have been done in the local market. A retailer could carry on in a small way without direct recourse to the outside world. The Boston booksellers themselves published odd sermons and volumes on divinity, sometimes paying the printers with hogs,<sup>2</sup> and so on; these works were often sold or bartered by one bookseller to another. Thomas himself published about a dozen pamphlets,<sup>3</sup> either alone or in partnership, and carried on the usual exchanges with other merchants.

London was, however, the obvious source of supply for the Colonial book trade. At the outset Thomas probably bought most of his British stock locally, through well-established mer-

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dashery, Likewise silk Shoes, Mens and Womens Hose, Bohea and Green Tea, best Velvet Corks, large Bibles, Paper, and most sorts of Stationary and Cutlary Ware.

*Osnabrigs* were coarse linens named after Osnabruck; *lungree* is presumably a variant of linen (cf. *lingerie*); *romals* were squares like handkerchiefs; *soosy* was an Indian mixed striped fabric of silk and cotton; *chello* was another Indian fabric, and *ferrets* were cotton or silk tapes.

<sup>2</sup> Henschman's Ledger A., p. 174.

<sup>3</sup> S. G. Drake's notes at the American Antiquarian Society.

chants such as his father-in-law. But before long he took to dealing with Britain direct, and from 1728 onwards we find him ordering from London houses.<sup>4</sup> His main source of supplies was Thomas Longman, whose firm (alone among the Hancocks' multitude of correspondents) has survived till the present day — and has not merely survived, but has grown into the famous publishing house of Longmans, Green & Co.

Hancock's importations of books went on briskly for about a dozen years. Most of the works ordered were religious, though sometimes the lists show items such as "2 Spectators," "2 Virgills," and "6 Horaces." A sample order runs:<sup>5</sup>

As to the Bibles, I will take a 1000 of 'em at 2/4<sup>d</sup> well bound in Calves Leather Claspt & with New England Psalms, note if they have not the N. Eng. Psalms don't send 'em for they will not answer here.

### 3. THE STRUGGLE WITH COX'S MAN

Mention has already been made of the fact that Cox, a London merchant, during the 'thirties sent out an agent to sell books in Boston. This competition roused bitter feelings in Thomas — and he was to prove himself a good hater. As an opening shot in the struggle that followed, he and his father-in-law distributed an advertisement "in order to prejudice Mr. Cox in his business of bookselling."<sup>6</sup> But "Cox's man" was not so easily dislodged, and a fierce battle was waged for some years.

Because of this competition Hancock grew unwilling to take the risk of buying books outright from Longman, preferring that the latter should retain ownership and send consignments to be sold on commission. Longman not unnaturally refused, though he went so far as to make a 6 per cent reduction in price. Thomas accepted reluctantly; and, since his letter throws a good deal of light on the trade, as well as on Thomas' methods of bargaining, it is quoted at some length as an appendix to this chapter.<sup>7</sup>

<sup>4</sup> H. MSS. (7) 1, Storke to Hancock, June 26, 1728.

<sup>5</sup> Letter book, Longman, July 15, 1738, and June 20, 1739. J. Rowe, July 5, 1736.

<sup>6</sup> *Massachusetts Historical Society Collections*, vol. LXXV, p. 90.

<sup>7</sup> Letter book, Longman, Apr. 10, 1736.

Further correspondence continued, filled with Thomas' hopes and fears regarding Cox's man and showing him skillfully using this competitor as a lever for getting the best terms out of Longman. "It's my opinion Mr. Cox will Soon Drop his Trade here after which I hope to have the Pleasure to correspond more largely with you." "Cox has Sent Some Books here this Spring. I Cannot Learn that he's Called his man home yet but Daily expect it. I am a Great Sufferer by him as well as you having above £250 Sterling in books by me before what came from you now." "Mr. Cox's man has advertised his Shop will be Shutt up till Spring which gives us Reason to hope he's about Returning to England." And then a triumphant "Cox's man sailed for England."<sup>8</sup> In his absence, Thomas' hopes rose again, and, when the hated agent returned in six months' time, a more confident letter was sent off: "Cox's man came in Hall [name of ship's captain] about a month ago, brought Eight trunks and a Box or too of Books has opened his Shop makes no great Figure & is but little taken notice off . . . . am willing to do the Needfull to Discountenance him."<sup>9</sup> But the elation was short-lived; soon Thomas wrote sadly:<sup>10</sup>

. . . . his coming is a great Damage to me . . . . I am ready sometimes to Give up that part of my Bussiness & I think I Should 'ave done it ere now were I not in hope of Serving you in that Branch of Trade. Could you propose any Schem to discounten<sup>ce</sup> our Common Enemy in his unjust proceedings I will Gladly Joyn you.

Alas, neither of them was able to think of a "schem," and Thomas had to retire discomfited from the fray. In the years that followed, his trade in books (though not in paper) dwindled away to the level of an insignificant side line. It never guttered out completely; from time to time, we find him filling lulls in his main activities by purchasing spelling-books, publishing a couple of almanacs, and even importing some thousands of psalters.<sup>11</sup> Yet, in comparison with his other enterprises, such transactions were mere chicken feed.

<sup>8</sup> *Ibid.*, Longman, Dec. 15, 1737; May 24, 1738; Jan. 11, 1739; May 10, 1739.

<sup>9</sup> *Ibid.*, Oct. 29, 1739.

<sup>10</sup> *Ibid.*, Dec. 10, 1739.

<sup>11</sup> H. MSS. (2) 2, Fowle's bill, June 2, 1753; (2) 1, 1746; (8) 1, Hancock to Longman, Sept. 13, 1744.

Events were to show that Thomas had little cause to regret being squeezed out of book-selling.<sup>12</sup> The road was now left clear for bigger ventures, and Thomas, "having a genius for more extensive commerce, turned his views that way."<sup>13</sup>

### APPENDIX TO CHAPTER III

#### *Thomas Orders Books from Longman*<sup>1</sup>

. . . . Should have been Glad if you had seen it for your Interest you had Sent the Goods Commissioned however must Submitt to your better Judgement & thank you for your kind offer in the Deduction of 6 pc. but had rather you should Consign them on your own acctot. if it had been as agreeable to you. . . . Though I am not very fond of the affair I doe assure you only as I am Certain the Advantage will be on your Side hereafter, which will be pleasing to me the more because your Loss the 2 or 3 years past has been so great. I cannot think of doing much in the book way on any other footing at present unless Cox recalls his Agent which I am Certain he never will if you give up the point. I can Improve my Money In other Goods from Great Britton to much better advantage, however If you don't see fitt to send any but on your terms in your Last, please to Ship on my Accot what's mentioned in the Inclosed, and hope you make the Deduction on the whole Invoice which if you do they wont answer to me so well as other Goods, yet I am unwilling Quite to Quit the Book branch of trade and you Cant but be senceable that it was my Regard to you has occasioned its' being forced from me in this way — Please to send p. very first Ship what I have Commission'd will be much

<sup>12</sup> There is indeed some suggestion that Thomas at an early stage tried to free himself from more humdrum and straightforward work by inducing minor book-sellers to take over his cash trade in return for a salary or commission (H. MSS. (6) 9, Gray's agreement, July 22, 1728). Gray was to sell books at 6%. See also Boston Public Library, G. 48. 1728: Green (possibly a ward of Gray) is to be provided with a shop by Hancock, who is "to supply him constantly with books, paper, and other things to sell and bind up for his the<sup>sd</sup> Hancock's best profit & advantage," for seven years; a salary of £200 per annum is to be paid by Hancock; no goods are to be sold by Green except for cash; and all profits are to be accounted for, on oath if necessary. On occasion, too, Hancock would send batches of books round to his father-in-law for the latter to sell (Boston Public Library, G. 41. 8, list dated March 3, 1748).

<sup>13</sup> A contemporary opinion, quoted by Watkins in "The Hancock House and Its Builder," p. 84.

<sup>1</sup> Letter book, Apr. 10, 1736.

wanted, unless Cox sends a supply of them. I see no Great Difference to you whether you Send on your Accot or ours on the Terms proposed however what I now Write for we'd have either on your Acco<sup>t</sup> or on mine but hereafter have to propose viz. Goods on my Acco<sup>t</sup> Deduction of 6 p ct I risque the Goods to this port & pay freight & Charges, you Risque the Returns & pay the freight home. On other terms it's much for my Interest to leave off. I can lay my Money out in any Goods to better Advantage than in books. . . .

Three weeks later, Thomas backed up this letter with a list of the books that would not sell, coolly adding: "I say if you'll please to make a Present to me of the above named or any part of 'em they will be very acceptable to me."

## CHAPTER IV

# The Beginning of Roundabout Overseas Trade, c.1728-1738

### I. FAILURE OF DIRECT EXCHANGE WITH LONDON

OF THE VARIOUS avenues of escape from petty shop-keeping, overseas trade seemed by far the most tempting to Thomas. He had already had his first taste of this during his early days as a bookseller, when he placed small orders for books with various London merchants; his list of correspondents at that stage included even Cox, later the arch-enemy.

But he had soon found that it was one thing to order goods from Britain, and quite another to pay for them. The trouble was not due merely to the scantiness of his own wealth. Just as his home trade was distorted by the lack of an adequate internal currency, so too his overseas trade was hampered and twisted by the absence of good foreign-exchange facilities. In the eighteenth century there were still no specialized exchange dealers in America;<sup>1</sup> each merchant had to be his own expert in the matter of international settlement. The problem of making payment in sterling often pressed desperately hard on the New England importer, and was to prove a major preoccupation for Thomas throughout most of his life.

In his first dealings, Thomas planned to meet part of his debts with bills of exchange that he had somehow managed to scrape together. The suggestion is that, as a beginner, he took what wiser merchants refused. His group of bills included small notes drawn on men living in the far southwest of England; in all likelihood, he bought such drafts from the Devon-

<sup>1</sup>A. H. Cole, "Evolution of the Foreign Exchange Market in the United States," *Jour. of Ec. & Bus. Hist.*, vol. I, p. 389.

shire fishermen who came each spring to catch cod on the Banks.<sup>2</sup> When Thomas sent these notes to his London creditors for collection, the results were disappointing. Cox wrote back:

I have had that bill by me now this 3 Weeks & cannot get any person to negotiate it for me to Lynnton you ought to purchase these bills so much out of the way very cheap they being so difficult to negotiate. and:<sup>3</sup>

I sent Rawlings first bill on Pearce for £6.10 to Bideford but was returned to me again for non-acceptance I was obliged to send it back again to Bideford to a Notary to have it protested.

Such hitches quickly taught Thomas that the local market could seldom furnish him with enough good bills. Nor could it give him sufficient specie. He would have to hunt for other means of payment.

If bookkeeping barter made home trade feasible despite the lack of money, why should it not render a like service to overseas trade? Plainly, if a London supplier could be induced to take American goods equal in value to his exports, the exchange battle was won. And this device of a two-way flow of goods was in fact the solution to the problem of payment; it formed the basis of most transatlantic business until bankers entered the picture during the next century,<sup>4</sup> and it certainly was the key to Thomas' dealings with England (explaining, for instance, why he and his London agent could not specialize on importing or exporting: unless each man did both, they could never pay one another).

But when Thomas set about looking for wares that would prove an acceptable return to his suppliers, he soon saw that he had a stiff task ahead. The trouble was that New England, unlike the tobacco colonies, had few products for which there was any demand in Britain. As Thomas pointed out to an English creditor: "our Country Produce being so Low in London makes it Difficult to get money there."<sup>5</sup> If Britain did not want

<sup>2</sup> H. A. Innis, *The Cod Fisheries* (New Haven, 1940), p. 145.

<sup>3</sup> H. MSS. (7) 1, Cox to Hancock, Sept. 10, 1728; Dec. 19, 1728.

<sup>4</sup> Cole, *op. cit.*, p. 386.

<sup>5</sup> American Antiquarian Society MSS., July 4, 1735, Hancock to Storke. See

lumber and victuals, how was a Boston merchant to meet his debts?

The youthful Thomas boldly resolved to send local goods to London, even though this meant going dead against the usual flow of business. If Europe did not take kindly to the country produce of New England, why not see if there was a market for that other staple, the theological tract? So he hopefully consigned sermons in bulk to his agents. The response was bad. Perhaps the fault lay less in the sermons than in his employment of three different London agents (Storke, Osborne, and Cox) at one and the same time; these squabbled among themselves for his trade, each writing disparaging letters about the others, and suggesting that he should be made sole factor for Thomas.<sup>6</sup> Never again did the latter send sermons to Britain.

Having burnt his fingers in these early dealings, Thomas soberly began to revise his methods. He had learned some useful lessons from his mistakes. Boston and its hinterland could not provide the kind of remittance that Britain wanted; he must go far out of his way to find a sure supply of sterling exchange. Moreover, he must spare no pains in choosing the men with whom to be associated; a good London agent was essential to success, while the difficulties of overseas trade were big enough to make desirable the help of an old and experienced partner. Thomas took such lessons to heart. He let his direct trade with London die away, concentrating instead on a roundabout quest for sterling.

We noted in Chapter II that his country customers provided Thomas with pork, corn, et cetera, in large — perhaps indeed embarrassing — quantities. He now saw that his first step must be to export these products to a third party who could pay in sterling, or in wares that would sell in Britain; if the third party's wares were not wanted in Britain, then there was noth-

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also D. Neal, *History of New England* (London, 1747), p. 246: "Tis the Unhappiness of this Country indeed to have no Staple-Commodity to send to England in lieu of the Merchandise they receive from thence, but what may be had cheaper from some part of Europe or other."

<sup>6</sup> H. MSS. (7) 1, Aug. 6, 1728, and Sept. 10, 1728, Osborne & Co. and Cox to Hancock.

ing for it but to send them in their turn to a fourth person who had the right goods. A neat and simple trade was thus out of the question for Thomas; he must peddle his stock over the whole North Atlantic. In doing so, he was but falling into step with many another Colonial merchant. The triangular traffic, by which some New Englanders took rum to Africa, slaves thence to the West Indies, and molasses back to New England for making more rum, is familiar. There is no evidence that Thomas engaged in this grim business, but the patterns traced by his ventures were every bit as devious.

## 2. WHALEBONE, FINS, AND OIL

Thomas was quickly led into ramified overseas trade when he embarked on yet another of his experiments. There was still one group of local commodities which he had so far left alone but which was highly prized in Britain. If the soil of New England was niggardly, her seas were bountiful. Whaling was developing rapidly. The importation of whale oil into Britain was not merely tolerated, but was encouraged. A few decades earlier, methods of "fishing" had been primitive; if a whale was seen from the shore, all available men pushed off in rowing boats and gave chase.<sup>7</sup> But the happy-go-lucky sport had now become a methodical massacre; an industry had been built up, with Boston as the main market and Nantucket as the chief fishing center.

Here then was a valuable source of sterling, and Thomas resolved to tap it. Soon after the breakdown of his scheme for a simple exchange with England, he tentatively began to trade in oil and the other products of the whale, buying them in return for country pay, sending them to London, and importing manufactures with the proceeds. He was on the right track this time; in 1731 and the years that followed, he was each season able to import many hundreds of pounds' worth of London goods.

Thomas went about his new scheme cautiously, spreading the risk of most ventures by consigning the oil in company with other persons. The most noteworthy of his partners was William

<sup>7</sup> See Weeden, *Ec. and Soc. Hist. of N. E.*, pp. 430 *et seq.*

Tyler, with whom he shared a multitude of undertakings for about a decade — say, from 1731 to 1741. Tyler, whose bluff features have been preserved for us in a portrait by Smibert, was the older by sixteen years, and was a wealthy brazier and hardware merchant of Boston;<sup>8</sup> one of the partnership papers describes him as an “Esquire,” whereas Thomas is dismissed as a mere “stationer.”<sup>9</sup>

The two merchants took pains to employ a man of some standing as their London representative. Their choice was Francis Wilks, the official agent for the Province of Massachusetts. Sad experience had already taught Thomas the need for care in making such appointments. Even more depended on a wise selection now, since the amounts at stake were bigger and prices were sensitive and variable. Inasmuch as America was so remote, the onus of making decisions fell chiefly on the London agent; all that Hancock could do was to send off the goods and hope for the best. “Inclosed you have bill of lading for forty-two bundles of Whalefins . . .” (he writes to Wilks), “you be best Judge at what Season to Dispose of it. There be little more to come if any this Season from New England.”<sup>10</sup> Thomas also looked to his agent for information about likely price trends, regularly sending requests such as “pray Favour me with a Line from Time to Time as you have oppertunity & Let me know how the Marketts Govern for Oyle and bone.”<sup>11</sup>

Wilks proved far more satisfactory than his predecessors, and carried out his duties well. He remained one of Hancock’s chief links with the outside world until his illness and death made change necessary about 1740.<sup>12</sup>

The intelligence and skill of the different captains plying between America and London also counted for a good deal in the oil trade. These men had frequently to do the buying (at Newfoundland and elsewhere); hence Thomas’ request to Wilks: “please to advise Capt. Atkins (for his better Government) By

<sup>8</sup> *Mass. Hist. Soc. Proceedings*, vol. LI, p. 196; his dates are given as 1687-1758, *NEHGS Reg.*, vol. XXIX.

<sup>9</sup> Boston Pub. Lib., G. 41. 8, Mar. 8, 1734, Bill of sale.

<sup>10</sup> Letter book, 1735-40, Hancock to Wilks, Nov. 4, 1737.

<sup>11</sup> *Ibid.*, Sept. 15, 1737.

<sup>12</sup> *Ibid.*, Dec. 24, 1739, Kilby. Wilks apparently died in 1742.

Every Opportunity the price of Oyle." <sup>13</sup> Since the arrival of one or two cargoes was quite enough to cause a marked drop in prices, speed in reaching London was important. Accordingly there was often a race to get across the Atlantic first. A young friend who sailed to England on one of the oil ships wrote back to Thomas:<sup>14</sup>

Our ship for her being a better saylor than any in the Fleet was ten Days longer on her Passage than Crocker Dussett & Blackadore [other captains] for we went north about, & they because we left them, resolved to try to be here before us, & stood directly up the Channell, & some Oyle that came in Crocker was sold for £15, & when we arrived with Homans, & Jones, in came a Brigantine & a Sloop from Nantuckett (in which sopose you were concerned) laden with Oyle so was obliged to sell mine for £14.

For his services in selling the oil, et cetera, Wilks kept back a 2½ per cent commission from the proceeds; brokerage accounted for another ½ per cent. Freight came to about 8 per cent, and, after allowing for all the other expenses, some 75–80 per cent of the sale price was left in Wilks' hands for the purchase of a return load of English goods.<sup>15</sup>

In this way, Thomas was in his early years furnished with an invaluable stream of sterling exchange, which covered more than half of his payments to English exporters.<sup>16</sup> His debt to the whale was thus enormous. He continued to export oil until about 1739; then, suddenly changing his policy, he allowed the

<sup>13</sup> *Ibid.*, May 24, 1736, Wilks.

<sup>14</sup> H. MSS. (7) 1, July 22, 1734, Jos. Gerrish to Hancock. The beginning of the letter deserves quotation; then, as now, young travelers were prone to judge new countries by the first glimpse:

Am sorry had not the Pleasure to kiss your hand & of paying my Respects to my Dear Aunt before I saild, but was at your House twice & was unhapily disappointed by her not being at home.

I arrived at New Castle ther<sup>d</sup> of July, where found the Women at work in the Streets, & the Men in the Houses: which made me Reflect on the Hapiness of my Country Women, who live so much at their Ease to what They do in these Parts: but Providence that has taken a wonderful Care to fitt us all for our severall Stations in Life, has made these Women the more masculine & strong, & has given to Ours all the soft Graces that are possible to please Mankind.

<sup>15</sup> H. MSS. (8) 3, Wilks' accounts current for this period.

<sup>16</sup> Boston Pub. Lib., Ch. M. 3. 5, May 31, 1734, Wilks' accounts current.

trade to collapse. He did not return to it with any enthusiasm for a score of years; about 1763, when circumstances once more made oil seem his best means for paying suppliers, he made another *volte-face* and resumed his exports.

### 3. TRIANGULAR TRADE WITH "THE LAND" AND LONDON

A good deal of Thomas' oil was doubtless acquired at Nantucket<sup>17</sup> and the small coast ports, in return for shipments of beef, rum, cotton, hemp, and other commodities.<sup>18</sup> But his letters tell us that he had to look farther afield for a substantial part of his supply, and that in particular he sent big remittances "by way of the Land," i.e., from Newfoundland. The "whalemen" often hunted their prey in the seas to the far north, and ports such as Saint John's were convenient for unloading the catch. Much of Hancock's trade with London was thus triangular, since exchanges with "the Land" (as well as Nantucket) were a necessary preliminary to the shipment of oil across the Atlantic.

Hancock had begun his business with Newfoundland by 1729. The times favored him, for the fisheries were growing fast, and permanent settlements were beginning to flourish; hitherto the Land had known few men save transient summer populations of rough fisherfolk, largely from the southwest of England.<sup>19</sup> Such visitors were however welcome customers for Thomas and his kind, since they paid not only with fish and oil, but also with somewhat illegible bills on their home-country. In return, they took all kinds of stores, but especially rum, with which the New Englanders debauched them on a large scale.<sup>20</sup>

Often in partnership Hancock consigned provisions to agents in Bonavista and other Newfoundland ports. The pace at which this trade grew may be gauged from the fact that within a few years he was commissioning New England distillers to make

<sup>17</sup> Mass. Hist. Soc., July 8, 1732, Wilks' account sales. The coast whaling ports are set out by A. Starbuck in *History of Nantucket* (Boston, 1924), p. 176.

<sup>18</sup> Judging by the later trade, per H. MSS. (25) 3, Coffin's accounts current, 1773-74.

<sup>19</sup> *Cambridge History of the British Empire*, vol. I, pp. 384, 397.

<sup>20</sup> Innis, *Cod Fisheries*, p. 153.



upwards of five thousand gallons of rum at a time, while he and Tyler in 1736 sent five ships from Boston to Newfoundland during the brief summer season.<sup>21</sup>

The agents sold the rum, etc., and with the proceeds bought sterling bills, "oyl," and skins for London, or fish for the Mediterranean. One set of instructions from Thomas runs:<sup>22</sup> ". . . truck our Goods for Skins, feathers and fish, and be sure you Gitt all the Sile [seal] Skins both dry & Pickled . . . and for our Goods now we Prefer Skins etc. to Bill unless they are such as you are Certain to be Good, and as we Expect you will Purchase more than the Schooner will Bring Back, we have ordered Cap. Beale to Go to St. Johns with a load of Boards which you may sell for Bills if you can, and Load him with fish . . . if you Cant Gett fish [you] may fill him with salt or other freight . . . ."

#### 4. VENTURES TO PORTUGAL AND SPAIN

This triangular commerce with "The Land" and London played an effective part in swelling Thomas' meager supplies of sterling. But the course of trade did not always run smooth. "I am sorry things happened as they did last Year," writes his Bonavista agent, "& to Prevent the same disappointments . . . Empower me to Freight the Neat [net] Proceeds of your Account to Spain, Portugal, or Italy in case Bills of Exchange or an opportunity of sending it to New England should fail."<sup>23</sup>

What had gone wrong? A trim triangle of trade (Boston-Newfoundland-London) was evidently not always feasible; sometimes Thomas would have to chart an even more complex course for his ventures. As we have seen, his consignments to

<sup>21</sup> A sample consignment of provisions consisted of:

56 tierces rum	18 hogsheads molasses	12 boxes soap
58 barrels flour	10 casks tobacco	101 casks bread
1 barrel coffee	13 barrels tar	5500 staves
30 barrels Conn. pork	7 barrels Irish pork.	

H. MSS. (13) 1, May 4, 1740, Tyler and Hancock to Gross; Boston Pub. Lib., G. 41. 8, pp. 53-57.

<sup>22</sup> H. MSS. (13) 4, May, 1745, or '46, Hancock to Atkins. See also (3) 1, Nov. 26, 1735, Cummington's account current.

<sup>23</sup> H. MSS. (1) 2, July 11, 1730, Shepherd to Hancock.

Newfoundland were often "trucked" for fish. Good markets for dried fish lay far afield, notably in the Iberian Peninsula<sup>24</sup> and the West Indies. So, within a year or two of beginning his overseas business, Hancock was experimenting with those distant places.

The first enterprise of the kind was a joint adventure with Tyler and (to a small extent) one or two other merchants. This temporary company in 1731 sent off a cargo of fish to Bilbao. Agents there sold the fish, bought sterling, and remitted it to Wilks.<sup>25</sup> Thereafter a consignment of fish to Spain became almost an annual event, Malaga<sup>26</sup> or Lisbon<sup>27</sup> being sometimes substituted for Bilbao as the port of unloading. In this way Hancock's stature in foreign trade soon grew big enough to cause merchants scattered as far away as Amsterdam, Lisbon, and Madeira to write, politely offering him their services as agents.<sup>28</sup>

The return journeys from Spain were varied in an exploratory fashion. One voyage consisted of a trip from Newfoundland to Bilbao with fish, thence to Cadiz with freight,<sup>29</sup> and back to Boston via Madeira, where fish was traded for wine ("My View in Shipping the fish is only for an opportunity to procure the best wine for my own use . . . I dont Stand for any Price provided the Quality of Wine answers the Price").<sup>30</sup> Some lemons were also taken aboard in Spain.

Innocent enough though the matter sounds, the direct importation of lemons into America was an act of dubious legality. In this trivial affair, we see Thomas for the first time being brought to grips with the sweeping restrictions which England, in the interests of her merchant class, had imposed on shipping and trade. The theories known as mercantilism<sup>31</sup> assumed,

<sup>24</sup> *Ibid.* (7) 5 (1749-61). Horne of Lisbon writes, "This Market annually consumes from Sixty to Seventy thousand Quintals."

<sup>25</sup> *Ibid.* (7) 1, Aug. 24, 1731, Wilks to Hancock.

<sup>26</sup> *Ibid.* (13) 8, Oct., 1734, Bill of lading.

<sup>27</sup> *Ibid.*, Letter book, Aug. 28, 1738, Wilks.

<sup>28</sup> *Ibid.* (7) 5.

<sup>29</sup> *Ibid.*, Letter book, Aug. 1, and Dec. 17, 1737, Wilks.

<sup>30</sup> *Ibid.*, Dec. 2, 1737, Scot.

<sup>31</sup> In view of the importance of the mercantilist regulations throughout the rest of our story, it may be worth while to refresh the reader with a quick

among other things, that a big home *entrepôt* trade was desirable, and that this ought to be fostered by making the plantations do much of their importing and exporting via England. Accordingly, a formidable series of laws had been passed to squeeze commerce into the mold that seemed most sane and constructive to the eyes of economic nationalism. The 1663 Act for the Encouragement of Trade very clearly required that (with some exceptions) all European goods destined for the Colonies should first be carried to England or Wales. But the law was not enforced with undue zeal and severity, and in particular "there had been an indulgence time out of mind allowed — the permitting Lisbon lemons & wine in small quantities to pass as ships stores."<sup>32</sup> This indulgence probably meant that Thomas had no trouble over his lemons. However, he may not have been quite easy in his mind about them, for, when a later load was brought, he cautiously warned the captain to divide "them out when you arrive Below, before you Come up to Town."<sup>33</sup>

Another trip to Cadiz and "the Madaras" was a much more flagrant affair. Thomas and his partners ordered the captain to come back via Surinam (Dutch Guiana).<sup>34</sup> The English acts restricting trade with European countries had a weak point:

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sketch of the prohibitions that touched Thomas most closely. Broadly speaking, they were:

- (a) No goods were to be imported to or exported from the plantations except in English (including colonial) bottoms.
- (b) "Enumerated articles," such as sugar, tobacco, naval stores, and dyewoods, were English monopolies, and could be exported to England only.
- (c) Most European goods destined for the Colonies were to be imported via England.
- (d) Colonial manufactures were restricted.
- (e) A few goods were taxed on importation into America — e.g., molasses.

In short, the colonial empire was thought of as little more than a giant commercial agency, in duty bound to repay the mother-country for her sacrifices of man-power and capital.

For fuller details, consult C. M. Andrews, *The Colonial Period of American History* (New Haven, 1938), vol. IV.

<sup>32</sup> *Ibid.*, p. 242.

<sup>33</sup> H. MSS. (13) 4, May, 1741, Hancock to White. The rest of the cargo was salt, and so permissible.

<sup>34</sup> Letter book, Aug. 12, 1736, Greene; Oct. 22, 1736, Checkering.

they did not prohibit the Americans from exporting provisions, et cetera, to the colonies of such countries. There was a natural temptation to bring back loads of the forbidden European manufactures — a temptation to which the New Englanders succumbed freely. Surinam had accordingly become a notorious center for smuggling.

The purpose of the call made by Hancock's ship can be deduced from his anxious appeals to her captain for secrecy: "Closely observe when you come on to our Coasts not to Speak with any Vessells nor let any of your men write up to their wives when you arrive at our light house." This seems fairly clear evidence that the respectable bookseller and his partners were now taking to illicit trade. Their venture was a complete success. The Cadiz agent sent sterling remittances to London (as a result of which Thomas was able to import hemp); and, when the boat returned from Surinam, the partners also shared out a cargo of the coveted foreign wares.<sup>35</sup>

About this time Hancock tried to set up a direct exchange with Surinam and the West Indies, probably sending at least two ships there.<sup>36</sup> The cargoes consisted mainly of victuals and New England products. Thus a beginning was made with what was in the next decade to grow into a big traffic.

## 5. SHIPOWNING

A number of Hancock's foreign ventures were made in vessels of which he was himself an owner. His records give us several good reasons why he should have added shipowning to the many other functions that he now performed. The chief of these reasons were:

- (a) Only on a few well-established routes, such as that between Boston and London, could goods be sent in other people's

<sup>35</sup> *Ibid.*, Oct. 22, 1736, Checkering; and Dec. 20, 1736, Storke; H. MSS. (5) 5, a 1736 list gives the cargo from Surinam: taffeta, velvet, raisins, "handkers," French linen, Holland duck, broadcloth, calico, sweet oil, cordage, gloves.

<sup>36</sup> Letter book, Aug. 12, 1736, Greene; Boston Public Library, Ch. M. 3. 5, Nov. 24, 1736, Charter party *Willing Maid*.

The goods listed for the Surinam trip are onions, Irish butter, tobacco, "bear" & cyder, mackerel, oil, boards, hake & haddock, and geese & hogs.

The total cost is given as £1,200.

ships with any regularity. And difficulties might crop up even on those routes; for instance, Hancock's London agent writes:<sup>37</sup>

We are sorry to be put to the disagreeable task of informing you that we have not been able to prevail upon Cap<sup>t</sup>. Spender to take in your Cambricks & Lawns etc. though they were quite ready (& we applied to him sometime) before he was full, but his answer was, that what room he had, must be kept for his Owners goods: Tis crewell hard Usage.

- (b) Owing to the variability of the oil market, power to control the date of a ship's arrival was of the utmost importance.
- (c) Where out-of-the-way ports were concerned, business plans might be interfered with, and even need to be entirely recast, if communications were not dependable. One correspondent wrote that he would have to send double the intended cargo "in order to Induce some small Vessell to come away with it directly."<sup>38</sup>
- (d) Hancock's instructions to captains show that it was often undesirable to draw up rigid plans regarding the route to be followed; the captain was instead given a roving commission, empowering him to ramble from port to port in search of the best markets for selling his goods and buying the return cargo.
- (e) Ships were themselves a favorite form of export from New England. We shall come across many cases in which the vessel as well as her cargo was sold on reaching the foreign port.
- (f) Finally, if Hancock was going to take part in smuggling, there was obviously every reason for his wanting to have complete control over the ships concerned.

It was apparently during the bustling years just after his marriage that Hancock added shipowning to his already formidable list of activities. Less capital was needed for this type of investment than we might nowadays suppose. The boats

<sup>37</sup> H. MSS. (7) 1, Mar. 31, 1750, Kilby & Barnard to Hancock.

<sup>38</sup> H. MSS. (16) 1, Aug. 10, 1765, Gerrish to Hancock.

were tiny, and their cost per ton was small. Wages did not amount to much. Four men and a lad were counted crew enough to sail a one-masted craft anywhere between Amsterdam and Curaçao, though there is some question as to how often this was done. Moreover, Hancock usually bought only a part (an eighth, quarter or half) of the vessel, and not the whole. Thus, he probably started (about 1732) by taking small shares in a sloop and a schooner, the *Sarah* and *Speedwell* respectively, of which "Father Henchman" and others were also part-proprietors.<sup>39</sup> Thereafter Tyler was the more usual partner. Thomas gradually increased his shares, until by the end of the decade he was frequently sole owner.

Normally the vessels were sold after a year or two, and so it must not be thought that Thomas built up anything in the nature of a big permanent fleet. The *Sarah*, for instance, was apparently sent to England with freight in 1733, and was sold there by Wilks.<sup>40</sup> Next spring, Tyler and Hancock bought the sloop *Mary* for £505.<sup>41</sup> Henry Atkins (a captain who remained in Hancock's employ for many years) was put in charge of her. Her hold was filled with over £2,000 worth of sugar, rum, flour, and so on, and off she was sent to Newfoundland; in the fall, she pushed on to London, with twenty-two passengers crammed into her narrow frame.<sup>42</sup> Without waiting to find out the results of this voyage, the partners bought the whole or part of some four other boats, none of which appears to have been kept for more than a year or two.<sup>43</sup> And so the game went on. Probably Hancock held shares in well over a dozen ships in the period 1732-38.

<sup>39</sup> *Ibid.* (5) 5, List of assets, probably 1732; Henchman Ledger A., p. 221.

<sup>40</sup> Boston Public Lib., Ch. M. 3. 5, May 31, 1734, Wilks' account current. Thomas is credited with £66.2.6 sterling, being one-quarter of the proceeds of the "Schooner Sarah sold," and her freight.

<sup>41</sup> *Ibid.*, G. 41. 8, Mar. 8, 1734, Hutchinson's bill of sale.

<sup>42</sup> H. MSS. (8) 9, Oct. 25, 1734, Captain Merrick's account. The passengers were presumably Devonshire fishermen going home, for they disembarked at Dartmouth.

<sup>43</sup> The sloops *Kingston*, *Prosperity*, *Silvia*, and *Yarmouth* — H. MSS., respectively (5) 2, Jan. 19, 1734, Receipt for £85 for one quarter; (5) 4, Aug. 28, 1735, Bill of sale; (5) 4, Dec. 17, 1735, Bill of sale for a sloop of 55 tons, £630; (5) 2, Apr. 18, 1735, Receipt for one quarter, £70.

A variation in the procedure was to order that a boat should be built specially for the partnership. Thus, a Falmouth builder was commissioned to lay down a sloop late in 1734; she was in the following year filled with rum and sent to Newfoundland, where she was sold soon afterwards.<sup>44</sup> Since such boats could be (1) bought by barter from the builders,<sup>45</sup> (2) provisioned with the owners' surplus "country pay," (3) filled with a cargo of local products, and finally (4) sold abroad for sterling, they fitted most conveniently into the economy of a Boston merchant.<sup>46</sup>

Sometimes, too, Tyler and Hancock hired the vessels of other owners. For instance, there exists a charter party dated 1736<sup>47</sup> setting forth that the partners were jointly to have the right to fill one-half of the sloop *Willing Maid*, 45 tons, with "any lawfull goods," and send her to any part of the West Indies. A merchant of Scituate took a further one-eighth, and the owners kept the rest. The contract was to last for five months, with the option of a further four months, and Tyler and Hancock were to pay in "good bills of credit" at the rate of £30 per month, plus their half of the charges.

We saw earlier that Hancock's oil trade with Newfoundland and London seems to have died away round about 1738. That date also marks the end of the first phase in his shipping ventures — a phase of spirited expansion, during which he concentrated on getting sterling by exporting fish and oil. After 1738, he did not stop owning ships, but he took to using them in a very different fashion.

<sup>44</sup> Boston Public Lib., G. 41. 8, Nov. 11, 1734, Agreement with Gooding; Oct. 10, 1737, Wilks' account current. This was probably the *Industry*. Her cost was £6.10/- per ton. The dimensions were: keel 46 feet, beam 18½ feet, between-decks 3 feet 9 inches.

<sup>45</sup> H. MSS. (1) 2, Feb. 18, 1755, Osborne to Hancock.

<sup>46</sup> Kilby's journal (Han. 3) shows another aspect of the matter. Kilby, a general merchant at Boston, in 1738 acted four times as agent for London firms who bought New England ships. In one case, the cost was £5,885, with another £3,729 for equipment. Kilby got 5% on the cost and 6% on the equipment, besides being paid in sterling bills; further, he was given 5% on the cargo of planks.

<sup>47</sup> Boston Public Lib., Ch. M. 3. 5, Nov. 24, 1736.

## 6. THE RÔLE OF THE LONDON AGENTS

The tracks of Hancock's overseas ventures form an untidy network across the North Atlantic. However, two points stand out clearly as pivots in the maze. One was Boston, where Hancock himself tirelessly planned and directed the stream of new enterprises. The other was London; and here a rôle of almost equal importance was played by his agent.

Thomas employed about half-a-dozen agents between 1730 and 1740,<sup>48</sup> but Wilks stood head and shoulders above the others throughout the period. Occasionally the minor agents were directly responsible to Thomas, receiving their instructions from him and being paid by him; normally, however, Wilks intervened as representative-in-chief, finding the most suitable goods, shipping them, and paying the suppliers. The main dealer in cutlery, buckles, millinery, and the like was (surprisingly enough for the times) a woman, Mrs. Elizabeth Maplesden. Thomas' letters to her show how the trade was arranged, e.g.,

Have sent Esq<sup>r</sup> Wilks an Invoice in your way Directed to be bought of you, pray let me have Fresh neat Good Ware & let all be putt up as near to my Directions as Possible & be ready to Come per first Ships in Spring.<sup>49</sup> Should any unforeseen Accident prevent his Shipping them to me I Desire you to Send them on my Account & insure them for me . . . . Mr. Saint partner with Mr. Horrocks has been here some Time he Seems to be an honest Gentleman & well Esteemed . . . . he addresses very strongly most Dealers here in their Goods (or Wares) for their Commissions, I hope you'l Continue to use me as well as any other person in England offers to Doe & Give Mr. Wilks as long Credit as I can have of others, & while you do so I shall not order my Commissions but of you, & if I mistake not you heretofore wrote me that you would not Call on Mr. Wilks under twelve months which Credit I Expect for the Commission now sent it being pretty large.<sup>50</sup>

One of the accounts rendered by Wilks to Thomas is extant;<sup>51</sup>

<sup>48</sup> Longman, Mrs. Maplesden, Roe, Rowe, Storke, and Wilks.

<sup>49</sup> Letter book, Mrs. Maplesden, Nov. 22, 1736.

<sup>50</sup> *Ibid.*, Dec. 15, 1737.

<sup>51</sup> Boston Public Lib., Ch. M. 3. 5, May 31, 1734.

it enables us to see the fruits of the latter's different enterprises in their proper perspective. In just over two years his various consignments to Europe yielded £3,639 sterling, made up thus:

Net proceeds of eleven consignments of oil, fins, etc.	£1,908
Three remittances from the Bilbao agent	361
Net proceeds of one consignment of turpentine	74
Net proceeds of a quarter share in one ship sold	66
Miscellaneous bills of exchange on London and Bristol merchants, other remittances, etc.	1,230
	<hr/>
	£3,639
	<hr/> <hr/>

The opposite side of the account shows that Hancock was charged with £4,660 during the same time. A small part of this amount is for commission on country remittances and bills, for insurance of goods, and so on, and for cash paid to third persons; but over £4,000 is the cost of goods sent to Boston. Since Hancock already owed £1,298 at the beginning of the period, the adverse balance rose to some £2,320 at the close.

It is thus reasonable to suppose that "My Dear Friend Wilks" was the good fairy who furnished Thomas with much of his initial capital. We can get a glimpse of the youthful Hancock's finances from a scrappy statement that is probably a survey of his wealth in 1732.<sup>52</sup> His assets are given as:

Debts outstanding	£5,769. 8. 4
Bonds	644. 8. 8
Notes of hand	400
	<hr/>
	£6,813.17. -
D[unstable?] Farm	350
P.[aper?] mill	200
Scooner <i>Sarah</i>	200
Sloop <i>Speedwell</i>	75
	<hr/>
Cash	£7,638
	500
	<hr/>
	£8,138
	<hr/> <hr/>

<sup>52</sup> H. MSS. (5) 5.

Stocks of goods on hand, et cetera, seemed to be ignored.

Another list which is extant probably represents Hancock's chief creditors at the same time. It adds up to £2,013.5.0, of which Wilks' total was £1,400. However, since these latter figures are most likely for sterling, not local money, the £2,013 should be increased to some £7,000 if we are to compare liabilities with the above assets (£8,138). Wilks, Longman, and the other English exporters thus emerge as the chief buttresses of Hancock's business, and (since he in his turn made big advances to his customers) were the prime financiers to a host of small New England merchants.

By about 1735, Thomas was far along the road to fortune. With scant help at the start, he had raced to success within a dozen years. The speed of his progress seemed quite as remarkable to men of his own day as it does to us. "He had raised a great estate with such rapidity, that it was commonly believed that he had purchased a valuable diamond for a small sum, and sold it at its full price."<sup>53</sup> Thus speaks a contemporary, sourly adding that tea smuggling was the real secret of the rapid rise. The latter explanation can hardly be the whole truth. Hancock's own records never put much stress on tea smuggling; in any case, there were hosts of other merchants who smuggled, and yet such men did not all become business leaders. The contemporary is probably getting nearer the mark when he ends with still another explanation, which is surely significant of the times: Thomas "made easy and advantageous remittances." As far as we can now tell, this was the core of the matter; it was chiefly his skill or luck in handling the exchanges that brought Thomas to the top of the tree in such a short time.

<sup>53</sup> T. Hutchinson, *History of Province of Massachusetts Bay, 1749-74* (London, 1828), p. 297.

## CHAPTER V

# Upsetting Forces, c. 1738

### I. A NEW TURNING POINT

**T**HE LAST TWO chapters told of Hancock's spate of ventures and speculations in the period stretching roughly from 1728 to 1738. In them we saw how a still boyish Thomas managed to turn his little bookshop into the nerve-center of a complex and far-flung business; how he built up a home trade in a wide range of foreign manufactures; how, in order to pay for these, he exported rum to Newfoundland, oil to London, and fish to Spain; how he sent trial consignments of New England goods to the West Indies; how he experimented in smuggling cargoes back from foreign ports; and how he blossomed into a shipowner. And this imposing list by no means covers the whole of his activities: he also managed to dabble in mining projects, in the paper mill, and in other schemes whose story fits best into a later chapter. Generally speaking, his resource and enterprise had been rewarded with success, and towards the end of the decade (i.e., when he was still only about thirty-five) he may well have looked at his business with a certain complacency and felt that his plans had worked well.

It therefore comes as something of a shock to find him making big changes in his tactics during the next few years. True, his home trade was left to develop along the old lines, and probably went on growing fast. But his ways of acquiring and paying for imports were now radically altered. With his usual restless energy, he suddenly scrapped many of the exchange devices that had so far served him well, and started to build up new connections with the outside world. Were fresh forces at work? Why did Thomas abandon an overseas trade policy of proven value for novel and therefore risky methods?

On this point the evidence is not so clear as we might wish.

At the best of times, the story of the house of Hancock and Nephew must be reconstructed from fragmentary clues; and the trail grows fainter than usual from 1740 to 1745, since the letter book for this period is lost.<sup>1</sup> However, enough data remain for us to detect a good many factors that were likely to make for a change of policy. Let me state these disturbing forces, leaving it to my readers to decide whether or not a good case exists for thinking that Thomas adopted a new plan of campaign about 1738.

## 2. FINANCIAL DIFFICULTIES

The swift growth that had taken place in the business had not been achieved without strain. As we saw, Wilks and the other London agents bore the brunt of this financial burden. They did not take on the load without qualms; their correspondence, which had begun the decade with polite phrases such as "doubt not of your generosity in making remittances as soon as possible," and "I hope you will be mindful of further remittances to . . . your assured friend," ended on a sharper note. Hancock tried hard to placate his agents by supplementing his remittances in kind with odd sums of cash (e.g., "74 lb copper halfpence, five moydores of Gold and one Guinea"),<sup>2</sup> but the position became no better. By 1737, Wilks had grown so uneasy that the continuance of supplies from him looked doubtful. Thomas was forced to send a long and convincing letter, in which were set out all his plans for making payment; Wilks' "great generosity & kindness in advancing" were acknowledged, and he was assured that his loans were secure, since, to summarize one of his letters:<sup>3</sup>

- (a) Remittances would soon come from the Land per Atkins; the *Thomas and Lydia* had been kept idle all winter to be ready for this task.

<sup>1</sup> I have read the following business letter books: 1735-40 ("Han. 5"); 1745-50; 1750-62 ("Han. 5a"); 1762-83 ("Han. 1"); and 1783-86 ("Han. 1a").

These are all part of the Hancock collection, except the 1745-50 volume; this volume is in the library of the Massachusetts Historical Society, which also owns a political letter book for 1780-82.

<sup>2</sup> Letter book, July 22, 1736, Wilks.

<sup>3</sup> *Ibid.*, Dec. 17, 1737, Wilks.

- (b) A cargo of £910 sterling had been sent to Bilbao, and the vessel would take freight thence to Cadiz. Such earnings would all go to Wilks.
- (c) "What money I can [invest] in bills of exchange or Oyle" would be forwarded.
- (d) Mrs. Maplesden would give from nine to twelve months' credit.
- (e) All cargoes were insured, so there would be no losses on this score.
- (f) There was no risk from "mortality" (i.e., from Thomas' own death?).
- (g) At the special request of Thomas, Henschman's whalefins were to be consigned to Wilks.
- (h) Sundry bills, and silver, etc., were to be remitted.
- (i) A one-twentieth share in an ironworks belonging to Thomas was to be sold for Wilks' benefit.
- (j) Barrels of "oyle" were being sent.

After dwelling on all these encouraging factors, Thomas soared up to his conclusion: "[I] intreat the favour of you that the goods have wrote for may be sent p. first Spring Ship . . . . Your most assured Friend & most obliged obedient humble Servant."

This soothing letter was sent off at the close of 1737. Unfortunately, the promised improvement did not take place. Hancock's business seems to have been in the doldrums. These were the years, it will be remembered, when the feud between him and Cox's man reached its unhappy climax. But books were not the only articles that were selling badly; he wrote to Mrs. Maplesden, who supplied him with fabrics, buttons, and similar articles: "The Markett for your Ware is very poor this Year Great Quantitys having been Shipt to this place which hurts us very much, I have most of the last Cargo by me . . . ." <sup>4</sup>

Worse still was the decline in the oil trade. The 1737 season yielded a poor harvest: "Our Whalemen have done Little here, few fish Kill'd, & not half enough Got to pay their outsetts, The Bulk of what is Taken . . . cost me £48 per Ton besides the

<sup>4</sup> Letter book, June 20, 1739, Maplesden.

Charges.”<sup>5</sup> Even rum failed to exchange with oil at the Land; Hancock’s remittances from there to London fell short of what he had hoped for by upwards of £500 sterling, and, when winter came, much of the rum had to be left behind unsold.<sup>6</sup>

The next season was even blacker. True, Wilks gave way to Thomas’ blandishments and sent out the cargo of spring goods. He was rewarded by a letter that ran: “Your advancing for me So Largely this Spring has done me a Real Kindness, the Favour shall be retaliated as have Oppertunity.”<sup>7</sup> But retaliation proved difficult. Thomas had soon to confess that “our Remittances from the Land will fall this Year Considerably short of what was remitted the two Last Years . . . .”<sup>8</sup>

Although poor markets for oil in Newfoundland and London were perhaps one reason for Hancock’s troubles, his letters suggest that the fault lay rather in the Boston-Newfoundland side of the triangle; his slowness in paying was “Occasioned by the Rise of Rum, molasses & other Goods suitable for that Trade, they would by no means answer to That Market.”<sup>9</sup> This rise may have been due to two possible causes, though Thomas is silent on the point. The British government about this date began taking serious steps to enforce the Molasses Act, i.e., to stop Americans from smuggling in molasses from the French West Indies.<sup>10</sup> And the Colonies’ currency muddle is known to have upset the rum trade badly.<sup>11</sup>

The fact that Thomas found himself in such difficulties at

<sup>5</sup> *Ibid.*, Sept. 15, 1737, Wilks.

<sup>6</sup> *Ibid.*, Dec. 15, 1737, Clarke.

<sup>7</sup> *Ibid.*, Apr. 24, 1738, Wilks. Rowe, another agent, was also pressing for payment: “You will observe the Ballance due to me is £391.17.0, part of which has been of long standing.” H. MSS. (7) 1, June 9, 1738. To this, Thomas replied: “Have been Something more Slack in paying you on Acco<sup>t</sup> that I allowed you Interest which is a consideration for your being Longer out of your Money. However Design to lessen the Ballance which is in your Favour as fast as I Possibly Can.” Letter book, Aug. 26, 1738.

<sup>8</sup> *Ibid.* The letter also states: “Capt. Partington is here from Lisbon & is going to the Land & have ordered Capt. Atkins to Sell both our Snows [a small vessel comparable with a brig] there if possible but if no Sale offers, then to Get freight for both to London with oyle & Passengers & to be consigned to you to be Sold there.”

<sup>9</sup> Letter book, Aug. 28, 1738, Wilks.

<sup>10</sup> Andrews, *Col. Period of Amer. Hist.*, vol. IV, p. 243.

<sup>11</sup> Weedon, *Ec. and Soc. Hist. of N. E.*, vol. II, p. 502.

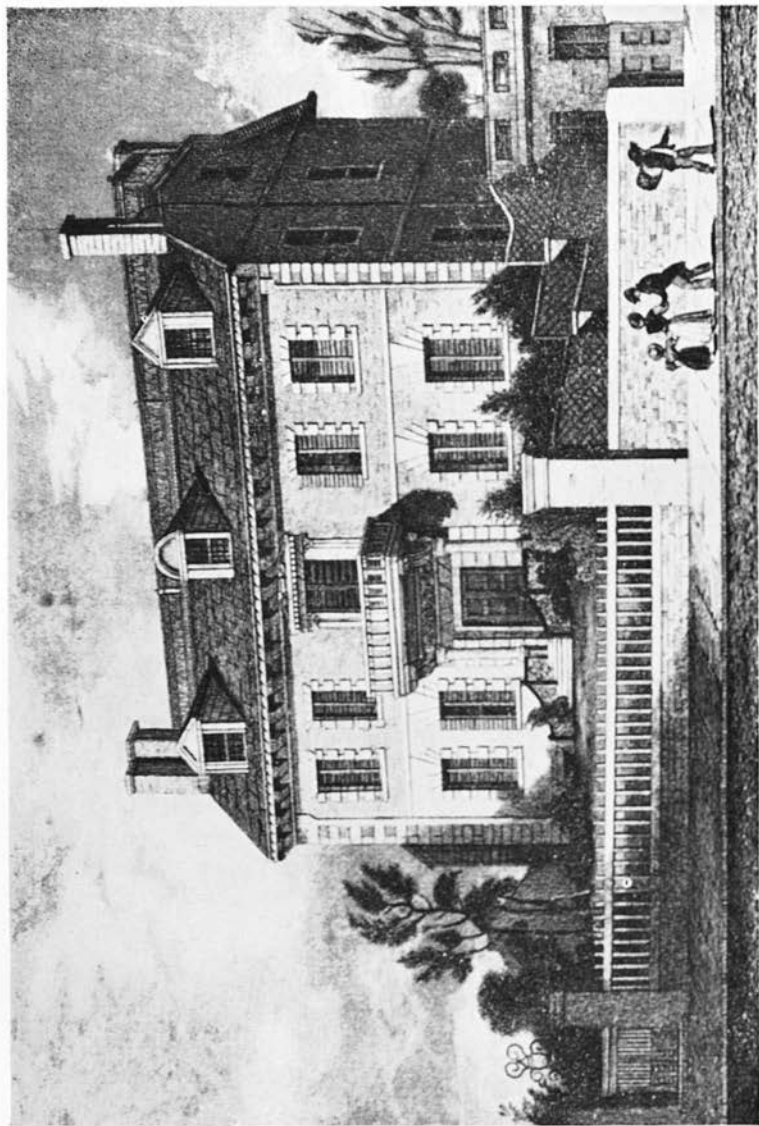
this time supports the view (which there are some grounds for holding) that about 1739 America was just reaching the bottom of a trade cycle or secular trend.<sup>12</sup> In Massachusetts, at least, business in general seems to have been in a sorry state then. A conscientious governor had for some years been forcing fiscal propriety and deflation on a reluctant province, and a grave shortage of money resulted.<sup>13</sup> The House of Representatives, growing thoroughly perturbed, took to examining all sorts of wild schemes for helping the currency, since "there is a great scarcity of bills of credit, which are the only mediums of commerce amongst us." By 1740 the debtor class was in such straits that, in the face of strong hostility from the governor and the conservatives, about a thousand persons joined together to float a private "Land Bank." The simple aim of the "bank" was to print notes freely; it had no capital, and its notes were issued in return for such illiquid assets as mortgages and even personal security. The merchants of Boston, shocked by this inflationist move, yet aware of the real need for currency, also set up a rival "Silver Bank" on somewhat sounder lines. Thomas was among the subscribers to the more sedate venture. Feeling between the debtor and creditor groups was running high, and, like his fellow subscribers, Thomas solemnly pledged himself on no account to touch the bills of the Land Bank or prodigal Rhode Island.

After a few months, Parliament passed an act that peremptorily squashed both "banks." This stringent move caused much bitterness and suffering among the poor folk who supported the Land Bank; it might well have whipped them up into open revolt if a new governor, Shirley, had not been a man of great tact and ability, and if international events had not halted the deflationary policy.<sup>14</sup> When one remembers how

<sup>12</sup> A. Bezanson, R. D. Gray, and M. Hussey, *Prices in Colonial Pennsylvania* (Philadelphia, 1935), p. 26.

<sup>13</sup> See the table of omissions and retirements: A. McFarland Davis, "Certain Considerations concerning the Coinage of the Colony and the Public Bills of Credit of the Province of the Massachusetts Bay," *Proceedings of the American Academy of Arts and Sciences*, vol. XXXIII, p. 211.

<sup>14</sup> Davis, *Currency and Banking in Mass. Bay*, pp. 130 *et seq.*; and "Banks" in *NEHGS Reg.*, vol. LVII, p. 280.



THE HANCOCK HOUSE, BEACON HILL, BOSTON

badly the lack of money impeded Thomas at every stage of his business life, one cannot but think that these unhappy currency squabbles may have done at least as much as the more-advertised Stamp Act to brew the Revolution.

### 3. CONSPICUOUS CONSUMPTION

The worries of the London agents must have been heightened by the knowledge that they were financing, not only a business that had sprung up from nothing and now seemed to be wilting, but also its owner's private extravagance. For Thomas and his wife had social ambitions. They had grown rich remarkably fast, and thought it but right that the world should see their new state plainly. To this end, their style of living was being made to match their income. During 1735 (i.e., when Thomas was only thirty-two and Lydia twenty-one), they set about creating a home that was to become famous in the story of American domestic architecture. In doing so, they were keeping pace with London's richer merchants, who at this period were for the first time quitting rooms over their City shops for more modish homes in Bloomsbury.<sup>15</sup> The Hancocks resolved that their house should be on some quiet spot outside the town. A stretch of pasture on Beacon Hill took their fancy; they bought over an acre of this land, with the help of a bond from the seller,<sup>16</sup> and began to lay out their grounds. "My Gardens all Lye on the South Side of a hill with the most beautifull Assent to the Top & its Allowed on all hands the Kingdom of England don't afford so fine a Prospect as I have both of Land and Water Neither do I intend to Spare any cost or pains in making my Gardens beautifull or Profitable."<sup>17</sup> So Thomas sent to England for seeds, bulbs, and walnut, mulberry, cherry, pear, plum, peach, nectarine, apricot, and gooseberry trees;<sup>18</sup> it has

<sup>15</sup> The rapid growth in the status and refinement of English merchants during the reigns of George II and III is described by W. E. H. Lecky, *History of England in the Eighteenth Century*, vol. VI (London, 1887), p. 185.

<sup>16</sup> H. MSS. (6) 8, Aug. 29, 1735, Alford's bond; Watkins, "The Hancock House and its Builder," p. 4. The other references to articles, etc., on the house are given in the appendix following this chapter.

<sup>17</sup> Letter book, Dec. 20, 1736, Jas. Glinn.

<sup>18</sup> H. MSS. (3) 4, List dated Mar. 16, 1735. Boston Pub. Lib., Ch. M. 3. 5. I, 17, Sept. 10, 1739, Wilks' invoice.

been suggested that New England horticulture bears a great debt to him and the few other merchants of his time who were able to stock their gardens well.<sup>19</sup>

The building of a house followed. It was roomy, though by no means palatial. Suitable furnishings were ordered from London: three marble hearths; <sup>20</sup> a clock with carved figures on top; "12 pieces Flockwork [wallpaper ornamented with tufts of wool, etc.] Green upon Scarlett or a Beautifull Red that wont fad[e] the figures to be very Rich & Beautifull fine Cloth not to Exceed 5/- per Role;" and wallpaper "well Done & as Cheap as Possible & if [you] can make it more Beautiful by adding more Birds here and there, with some Landskip at the Bottom . . . about 3 or 4 Years ago my friend Francis Wilks Esq had a hanging Done in Same Manner but much handsomer Sent over here for Mr. Sam'l Waldow of this place . . . In the other parts of these Hangings [i.e., sample patterns] are great Variety of Different Sorts of Birds Peacocks Macoys Squirrells Fruit & Flowers etc But a Greater Variety in the above mentioned of Mr. Waldow."<sup>21</sup>

In those days, as now, the task of furnishing a home to one's taste was hard and long. A whole year passed before Thontas acknowledged the coming of "the paper Hanging for my Room, which I think Very Dear & not so well done as I Expected."<sup>22</sup> The figures on the clock, "being too small," had to be returned to Wilks: "Please to Exchange the figures I have Sent per Capt. Morris for 3 figures viz' Fame, Peace, & Plenty, to be ten inches Long, let them be handsomely Cutt in Wood Well proportioned & Guilt with burnish'd Gold."<sup>23</sup> Moreover, "The trees I Received Last Year are above half Dead;" and "all the seeds . . . (Except the Asparrow grass) was not worth one farthing. Not one of them Came up They cost me £6.8.2 . . . to Send so far pay dear and be Imposed upon at such a Rate is hard to Bare & he must Return me the money or Send me the same Sortment of Seeds that are Good."<sup>24</sup>

<sup>19</sup> *NEHGS Reg.*, vol. XXXV, p. 296.

<sup>20</sup> Letter book, Jan. 23, 1737/8, Wilks.

<sup>21</sup> *Ibid.*, Rowe.

<sup>22</sup> *Ibid.*, Jan. 23, 1739, Rowe.

<sup>23</sup> *Ibid.*, July 10, 1739, Wilks.

<sup>24</sup> *Ibid.*, June 24, 1737, Wilks.

However, in spite of such setbacks, Thomas was now able to order his life with fitting style. Even his countinghouse was given a touch of dignity; he asked one of his London agents "to Look into the Herald Office & take out My Arms Let it be well Cutt Crest & Arms in Silver & fixt to Ivory for the use of a Compting Room."<sup>25</sup> Lydia ("as ladylike a person as ever lived")<sup>26</sup> entertained freely in her new home. A slave called Cambridge was bought for £160 to serve the many guests.<sup>27</sup> Thomas set aside a small room behind the great parlor as his library, and Longman was ordered to send over gilded copies of Cato and other classics;<sup>28</sup> Thomas' method of acquiring a dictionary is succinctly explained in the following quotations from his letter book:

- (December 15, 1737) " . . . if Chamber's Dictionary be out a Sett will be very acceptable to  
Sir your most obliged humble Serv<sup>t</sup>."
- (July 15, 1738) " . . . you'l please to Remember to put up Chamber's if Completed which will much oblige me."
- (May 10, 1739) "Return my hearty thanks for your Acceptable present of Chambers, Some Coppys will Sell here if they don't Run too high."

Yet another rung in the ladder to eminence was achieved when Thomas became one of Boston's selectmen, i.e., town councilors. He was first chosen about 1740, and he went on holding public posts of one sort or another to the end of his life.

#### 4. FRESH INCENTIVES TO SMUGGLING

Much of the paper bought by Thomas came from Holland. If England's Acts of Trade and Navigation were to be obeyed, such imports had first to be taken to an English harbor, and there solemnly unladen and re-laden before being sent on to America.<sup>29</sup> No evidence exists that Thomas had so far broken

<sup>25</sup> *Ibid.*, Nov., 1739, J. Maplesden.

<sup>26</sup> The description of Lydia is attributed to John Hancock's wife; see S. A. Drake, *Our Colonial Homes* (Boston, 1894), p. 4.

<sup>27</sup> H. MSS. (5) 4, Nov. 8, 1738, Ruggles' bill.

<sup>28</sup> Letter book, July 4, 1737, Longman.

<sup>29</sup> Andrews, *Col. Period of Amer. Hist.*, vol. IV, p. 108.

this law (if we overlook the one occasion when he bought a cargo in Surinam instead of England). His Dutch goods were usually obtained in the ordinary course of his trade with Wilks; thus the latter in 1731 told him that: "of the Paper is none in Town, it is wrote for to Holland, and shall be sent as soon as arrives," and three weeks later added that 228 bales of paper were being shipped across the Atlantic in a boat newly come from Holland.<sup>30</sup>

The aims of the above-mentioned mercantilist rules included the fostering of both (a) England's customs revenue, and (b) her entrepôt trade. But less stress was put on aim (a) than we might suppose, whereas (b) was treated very tenderly.<sup>31</sup> This was particularly true in Thomas Hancock's early years, before the wars of the mid-century had drained the British treasury. Thus the tax paid when his Dutch goods reached England was often refunded on their export to America (his London agents arranging for a "drawback"), and so he was little the worse for the customs interference.<sup>32</sup> He gained by some of the regulations, since a bounty was occasionally given on English exports to him,<sup>33</sup> as well as on his remittances of naval stores, et cetera, to Wilks.

But in 1737 came the ill news that the duty on Dutch paper was no longer to be refunded. This was a matter of concern to Thomas: "Am very Sorry the Drawback is taken off on Holland paper, am afraid the English paper will not Suit our Sale so well as the Dutch, & I shall be in great want of Cartridge paper this fall which I can't Expect to have, neither will it answer here without the Drawback be taken off."<sup>34</sup> Rowe (a London dealer in paper) sadly told him that "the worst Writing

<sup>30</sup> H. MSS. (7) 1, Aug. 2 and 24, 1731, Wilks to Hancock; (8) 1, Invoice of latter date for £453 (including £224 of cutlery from Mrs. Maplesden and £139 of books from Osborne and Longman). See also (7) 1, Aug. 24, 1734, Rowe to Hancock.

<sup>31</sup> Andrews, *Col. Period of Amer. Hist.*, vol. IV, p. 212.

<sup>32</sup> There were doubtless delays, and small fees had to be paid, e.g., "Charges on Debenture for the Drawback, 0.10.0." H. MSS. (8) 1, Sept. 18, 1734, Invoice.

<sup>33</sup> For instance, H. MSS. (8) 1, Wilks' invoice for 15 lb 8 oz of "wis" silk shows the deduction of a bounty at 3/- per lb.

<sup>34</sup> Letter book, Aug. 5, 1737, Rowe.

Foolscaps we can Import . . . will now come 3/9 per Ream dearer."<sup>35</sup>

Thomas could at least use this handicap on the London suppliers as a lever for extorting a still longer period of credit,<sup>36</sup> and he did so adroitly. He grumbled continually that "the English made paper no ways Comes up to the Dutch in Goodness nor in the Sale here,"<sup>37</sup> and "I find the Dutch paper will turn out too Dear am afraid will not answer here."<sup>38</sup> His demands on London suppliers fell markedly. No longer was Rowe to worry about the size of his advances to Thomas; instead, he now hoped "to be soon favoured with some Orders from you which will be very acceptable."<sup>39</sup> This decline in orders suggests that Thomas was beginning to rely on two other sources of supply, neither of which would the English authorities have regarded with approval: the local paper mill in which he and Daniel Henchman had shares (at this time near its peak of production), and direct trade with Holland.

That Thomas sent goods to Holland in 1738 is clear. "I have," he wrote to Wilks, "an Interest on board the Schooner *John Benj Hammett* Master per whom this comes He's bound to Rotterdam."<sup>40</sup> But such an act did not necessarily involve any breach of the law, since the ship duly touched at London while en route for Holland; moreover part of the cargo was logwood (used in the dye trade),<sup>41</sup> which was not an enumerated article and so might in any case be exported direct from the Colonies to European countries.<sup>42</sup> There is accordingly not

<sup>35</sup> H. MSS. (7) 1, Apr. 22, 1738, Rowe to Hancock.

<sup>36</sup> Letter book, June 20, 1739, Rowe: "I find the profit so Small on your ware, I shall not be able to Carry on a Trade with you on the same footing . . . Now I must make another proposal to you . . . Give me 12 months' Credit from the time the Goods are Shipt . . . I do assure you its what I have of other Gentlemen in England & you are the only Gentleman that I deal with there at so short a Credit & the only man I pay interest to on your side of the water. . . . I Suppose the Credit I ask for is longer than you Give to your other friends here, if so you may depend upon it I shall not hurt you by letting them know the Credit you give me but on other Terms it will not suit me to deal. . . ."

<sup>37</sup> *Loc. cit.*

<sup>38</sup> *Ibid.*, Jan. 21, 1740, Rowe.

<sup>39</sup> H. MSS. (7) 1, Aug. 16, 1740, Rowe to Hancock.

<sup>40</sup> Letter book, Apr. 28, 1738, Wilks.

<sup>41</sup> Letter book, Letters of Apr. 28, and May 24, 1738.

<sup>42</sup> Andrews, *Col. Period of Amer. Hist.*, vol. IV, p. 93.

much evidence of illicit trade at this date, but the establishment of closer relations with Holland shows which way the wind was blowing.<sup>43</sup>

It is reasonable to think that, if a man is wondering whether or not to break the law, a clear record will hold him back, whereas previous convictions may make the step seem less terrible. Perhaps, therefore, we should attach a good deal of weight to an otherwise minor event that now took place.

In company with Tyler and Captain Atkins, Thomas had bought and equipped a brigantine, which was appropriately christened *The Three Friends*.<sup>44</sup> She was probably bigger than any other craft in which he had yet been concerned. A trusted captain called Simon Gross was put in charge of her, and she was sent off to the Land with a cargo of the usual New England wares. An inventory of these goods and Hancock's letter of instructions to Gross, both extant,<sup>45</sup> show that no heinous breach of the law was planned. Gross was to sell his cargo in Newfoundland, preferably for bills of exchange, being warned by the cautious Thomas to take only good bills (even if the sums so obtained were smaller than the prices offered by unsound men); if bills were not to be had, oil or any other wares "in our interests" might be accepted instead; *The Three Friends* should herself be sold if she would fetch £400 in good bills or oil; and finally the proceeds were to be remitted to Wilks for the joint account.

The sequel to these innocent plans appears in a letter from Thomas to Wilks: "Capt Gross is Just arrived here from the Land, who by bad Officers for a Little Coffee & Tobacco found on board was Seized, Condemned at a Court of Admiralty &

<sup>43</sup> Thomas' attention was at the same period drawn to the importance of Holland's commerce by another incident. On June 20, 1737 (see Letter book) he wrote to Rowe: "This Covers you Gov. Waterman's Draft payable to Jn<sup>o</sup> Doggets at Amsterdam for 1065 Guilders which I desire you to forward for Acceptance and when paid note one half to the Credit of my Account the other half . . . for account of William Tyler Esqr."

<sup>44</sup> H. MSS. (13) 1, May 4, 1740, Invoice; (15) 6, Agreement of Dec. 23, 1738. The partners were to give "eight Pounds per Ton for the above Vessel, & Thirty Gallons of Rum, & to find Pitch, Tar, & Ocum . . ."

<sup>45</sup> H. MSS. (4) 1, List dated May, 1740; and (1) 1, Orders dated June 4, 1740.

Sold for £225 Sterling, it prevented his Going to the Northward, Sold his Goods at St. Johns at a Low Rate to Raise Cash to buy the Vessell again which occasioned you so small a Remittance from him . . . ." <sup>46</sup>

Probably the cause of the seizure was that rules connected with the "plantation duty" had been broken.<sup>47</sup> This was a duty levied at the port of clearance, to make sure that enumerated articles were not taken to Europe tax-free in ships ostensibly bound for other colonies only; the captain had also to take out a bond, which might be sued on if he violated the regulations.

Thomas had presumably neglected these rules. However, in the hold of *The Three Friends* were only eight barrels of tobacco, whose value is given in the inventory at £32, out of a total of £1,060 for the whole cargo. And the duty was but a penny per pound—say £5 on such a consignment—and would not have been payable had the tobacco been in bulk instead of in barrels. On the face of the matter, then, Thomas seems to have been dealt with harshly, and one cannot but admire the restraint with which he describes the incident to Wilks. But for all his show of unconcern, the heavy penalty may have changed his whole outlook on smuggling, making him resolve that in future he might as well be hanged for a sheep as for a lamb.

<sup>46</sup> Letter book, Aug. 11, 1740, Wilks.

<sup>47</sup> See Andrews, *Col. Period of Amer. Hist.*, vol. IV, p. 119; a further conceivable cause for the breach of the law is suggested on p. 173. Sloops and other small craft were exempted from giving bonds; and, since Thomas' trade had so far mostly been in such vessels, he may possibly have come to regard the regulations as red tape that did not concern his little ventures.

Professor Andrews kindly read my notes on the seizure, and suggested that Hancock may have thought that "his breach was so trivial as to be easily overlooked or that the voyage might be construed as a coasting voyage and so not bound by the terms of the act. Two other points may be taken into consideration. Tobacco and coffee formed part of the cargo and therefore must have been brought to Boston from somewhere else. Technically these commodities should have been taken directly to Great Britain and not to another colony, if the terms of the act were to be literally obeyed. This would be true even if the duty had been paid and bond taken out. In the second place, smuggling of this sort must have been fairly common. We know that the Bay of Canso had a bad reputation as the resort of smugglers and that a British warship was stationed there to prevent it."

## 5. WAR

By 1739, it was becoming clear that the British Empire might be involved in a war with Spain, possibly with France as well. "Wee are in Great Doubt as to peace or War, if the Latter with France the Lord have mercy on us here, for wee are in a naked Exposed Country,"<sup>48</sup> wrote Thomas. From the military standpoint, the outlook was indeed black for a New England merchant, especially since the French had in the fortified port of Louisbourg, on the Gulf of St. Lawrence, a stronghold from which their privateers could pounce on shipping off Newfoundland and menace the trade of Boston.

On the other hand, Thomas soon began to see that a shrewd man of business might find the war not without its compensations. Why should a New Englander not send out privateers too, and perhaps win rich prizes? The movements of British warships might make the remittance of money safer and easier.<sup>49</sup> Further deflation was unlikely; instead, prices would possibly soar upwards. And there was talk of military expeditions, to be paid for by Britain;<sup>50</sup> these would doubtless need food and equipment, and the resultant supplies of sterling would be manna indeed. We may assume that the situation would, on second thoughts, seem filled with possibilities for the merchant who had some capital and was ready to adapt himself wholeheartedly. But he must be free from other commitments, and so be able to lavish his whole wealth and energy upon whatever chances presented themselves.

Accordingly Thomas reduced his overseas trade to a minimum. He sold off two boats at the Land or London in the fall of 1738,<sup>51</sup> and, so far as can be seen, did not replace them for some time; the year 1739 stands out as being almost without record of any shipping venture. Having thus made his position as liquid as possible, he went forward warily. His letter ordering goods for 1740 runs: ". . . as to Peace or War wee are in

<sup>48</sup> Letter book, Mar. 22, 1740, Wilks.

<sup>49</sup> *Ibid.*, Oct. 26, 1739, Wilks.

<sup>50</sup> *Ibid.*, Aug. 2, 1740, Kilby.

<sup>51</sup> Letter book, Aug. 28, 1738, Wilks.

Great Doubt, should it be the Latter which I fear, I must however Intreat your Favour in Forwarding my Goods in the best manner you can. To which pray add if war with France 100 half barrels of Good Gunpowder . . . . I shall be exceedingly oblig'd to you for an Early Account of affairs from you Respecting Peace or War, either by Way of West Indies or Virginia, which may Reach us Sooner than the Ships in the Trade, whereby I may better Govern myself as to Newfoundland & other Trade . . . ."<sup>52</sup>

## 6. CONCLUSIONS

In this chapter we have seen how a group of new factors — trade depression, difficulties with London creditors, an expensive home, sterner customs rules, and finally the threat of war — all combined about 1738–40 to make Thomas review his business ways. He decided that much of his overseas trade would need to be changed. Thanks to his adaptability and the flexible nature of his assets, he was in a short time able to replace old policies with fresh ones. And, as if to emphasize the break, it was accompanied with changes in the characters of our story: Wilks and Mrs. Maplesden both die at this point,<sup>53</sup> and Tyler's figure retreats into the background; in their places come Captain Bastide of His Majesty's army, Thomas and Adrian Hope of Amsterdam, and not least a restless Bostonian called Christopher Kilby.

## APPENDIX TO CHAPTER V

### *The Hancock House*

A full description of Thomas' home would be somewhat out of place in a business history. However, inasmuch as the house has proved an evergreen source of interest to antiquaries, a short appendix on the subject will perhaps not be taken amiss.

The plot of land bought in 1735 had a frontage of 135 feet

<sup>52</sup> *Ibid.*, Oct. 26, 1739, Wilks.

<sup>53</sup> Wilks in 1742 — H. MSS. (7) 1, Feb. 16, 1743, Bourryau & Schaffer to Hancock — and Mrs. Maplesden in 1738 (Letter book, Dec. 11, 1738, J. Maplesden).

on Boston Common, with an average depth of 300 feet.<sup>1</sup> The price is stated to have been £1,000 in Provincial bills. Thomas gave a bond to the seller for this amount; the contract had a clause stipulating that only £500 need be paid if settlement took place within a year,<sup>2</sup> so we may assume that the cost was the lower figure.

In 1739, and again in 1752, Thomas bought neighboring stretches of land. The 1752 purchase was not free from a slight taint of scandal: the ground in question bordered on the Boston Common, and, since the latter's boundaries were ill defined, there may have been some suspicion that Thomas was taking public property. At any rate, Thomas asked the town's selectmen (of whom he was himself one) to define the Common and so clear his title. Old deeds were consulted, and then the selectmen admitted that the town's claim was but sketchy. So Thomas kept the land.<sup>3</sup>

He went on adding snippets of adjoining ground till the end of his life. By that date he had bought the whole of Beacon Hill, then an out-of-the-way place used for pasture and orchards and considerably bolder in outline than it is today. His estate approximately covered the rectangle now bounded by Beacon, Mt. Vernon, Bowdoin, and Joy Streets.<sup>4</sup> A student of land values could get some spectacular data by comparing the trifling amounts paid by Thomas with the present worth of this area.

The building was probably begun about the end of 1736.<sup>5</sup> It was a solid two-story affair, standing a little to the west of the present State House and looking over the Common.<sup>6</sup> Its rooms included a hall, parlor, family sitting-room, dining-room, and library,<sup>7</sup> and we are told that there were hidden places behind panels.<sup>8</sup>

<sup>1</sup> Watkins, "The Hancock House and Its Builder," p. 6. Further particulars may be had from a letter at the Lexington Historical Society (Minns to Staples).

<sup>2</sup> H. MSS. (6) 8, Aug. 29, 1735, Alford's bond.

<sup>3</sup> J. Winsor, *Memorial History of Boston* (Boston, 1881), vol. II, p. 520.

<sup>4</sup> Map in MS. 57, Lexington Historical Society.

<sup>5</sup> H. MSS. (6) 9, Agreement by S. Blanchard and T. Phillebrown to supply "Mistick" stone for the house at 3/- per square foot.

<sup>6</sup> C. A. Staples, *Proceedings of Lexington Historical Society*, vol. III, pp. 10-11.

<sup>7</sup> Watkins, *op. cit.*, p. 18.

<sup>8</sup> Drake, *Our Colonial Homes*, p. 13.

After passing through its heyday as the home of Thomas and then of his nephew, Governor John Hancock, the estate at the latter's death entered on a long period of decline, being slowly dismembered so that it might serve more useful though perhaps less picturesque ends. The Commonwealth acquired the pasture land as a site for its State House, and the rest of the property was split up among the Hancock family. Finally the house itself became threatened with destruction in the middle of the nineteenth century. Its owner offered to make a gift of it to the City; a committee pondered the matter, decided to accept, and agreed to give \$6,000 towards the cost of removing the building to another site if the rest of the expense could be met by private contributions.<sup>9</sup> Presumably these contributions were not forthcoming. At any rate, the house was torn down in 1863 (the manuscripts on which this story is based were then found in the garret). Perhaps as a gesture of regret, Massachusetts built a replica at the 1893 Chicago Exposition.<sup>10</sup> The door of the original has been preserved in the rooms of the Bostonian Society, and a copy of the house is used as a museum at Ticonderoga, N. Y.

<sup>9</sup> Bostonian Society, "City of Boston: Report on Preservation of the Hancock House," 1863.

<sup>10</sup> Drake, *op. cit.*, p. 1.

## CHAPTER VI

# The War of Jenkins' Ear

1739-1744

### I. BUSINESS RECOVERS DURING THE WEST INDIES CAMPAIGN

NEWS OF THE declaration of war reached America in the spring of 1740. Spain was the enemy, not France, so Thomas' worst fears were not realized. In the bustle that followed, his spirits rose fast. Now that there was no risk of attack by the nearby privateers of Louisbourg, he quickly resumed his interrupted dealings with Newfoundland, sending off a larger vessel than usual.<sup>1</sup> Moreover, Massachusetts agreed to take part in Britain's main thrust at the Spaniards, which took the form of an expedition under Admiral Vernon against Spanish cities on the Caribbean. Big preparations were set afoot in Boston for this expedition; a force of a thousand men was raised locally amid much enthusiasm, and Thomas had "the pleasure of Seeing 'em Disciplined every Day from 5 in the morning to 8 & from 5 afternoon till night before our house many Gentlemen & others Daily fill the Common wee have not the Less Company for it (but a quicker draft for Wine & Cyder)." The Hancocks' social leadership was publicly recognized when the Council sent a deputation asking Thomas to put up the Colonel of this force at his home — a request which, rather surprisingly, he declined.<sup>2</sup>

War gave a welcome fillip to business. Governor Shirley had to throw fiscal puritanism to the winds, and set about printing

<sup>1</sup>H. MSS. (13) 1, May 4, 1740, Invoice.

<sup>2</sup>"Our Government have been very Good in forwarding the Intended Expedition & with Ease have raised 1000 men had 2000 been wanted wee could have had em." Letter book, Aug. 2, 1740, Kilby.

a large issue of notes in order to finance Vernon's expedition.<sup>3</sup> Trade depression ended abruptly, and provision prices began to rise fast under the spur of military buying.<sup>4</sup>

Thomas was one of the merchants who supplied the expedition with its beef and pork.<sup>5</sup> And the campaign brought another gain to importers like him: Britain was to foot the bill for the expedition, and could pay only by making supplies of sterling available. However alarming and regrettable a nearby war might be, New England merchants could scarcely overlook the fact that such a campaign provided one of the rare occasions when the British government was ready to spend money in the Colonies; at such times, mercantilist theories on the suction of specie to the home-country were perforce laid aside, and the flow of sterling was reluctantly reversed.<sup>6</sup>

In a letter to London, Thomas shows how much the crudeness of the exchanges hampered the expedition's leaders in raising money (the position being made worse by the British government's dubious credit), and indicates his own growing stature as a financier. The colonel of the Massachusetts contingent, to get local money with which to pay his men, drew £1,300 in sterling bills of exchange on the paymaster-general in London, and tried to sell these to Boston merchants. Thomas wrote at this time:<sup>7</sup>

I have the offer of taking what Sum I please, but am a Little afraid what Fate they may have at home, Though most people here think they will meet with Due Honour, I told the Committee of Council I thought they were not so Good as private Gentlemen's Bills, therefore should be sold at a Lower Advance, & I believe they be fixed at 400 per cent, which is at least 50 per cent under the now Current Exchange, I think I shall take 4 or 500 pounds of them at a Venture, . . . if I can raise Cash, which name is now almost unknown among us, Such Times New England never see before, for years past I could Sooner raise 500 or £1000 at a pinch than now £100 . . . .

<sup>3</sup> Davis, *Currency and Banking in Mass. Bay*, p. 133.

<sup>4</sup> Bezanson, Gray and Hussey, *Prices in Colonial Pennsylvania*, p. 27.

<sup>5</sup> Letter book, Aug. 2, 1740, Kilby.

<sup>6</sup> Andrews, *Col. Period of Amer. Hist.*, vol. IV, p. 353.

<sup>7</sup> Letter book, Kilby, Aug. 2, 1740; "400 per cent" is the amount of the exchange rate's excess over par, i.e., £100 stg. was being offered for £500 Mass.

## 2. PRIVATEERING

The war did not begin at any clear point. Four months before the formal declaration, the British government ordered its warships to "act hostilities against the Spaniards;" but this was still a matter of just reprisals, not official war. Whitehall at the same time made plans for supplementing naval action with privateering, and instructions for issuing letters of marque (the licenses that distinguished such legitimate plundering from piracy) were sent to the Colonial authorities.<sup>8</sup> In Boston a group of speculators hastened to try their luck in this odd form of warfare for private profit, and in a short time had a small expedition organized. As was to be expected in the case of such an opportunist, Thomas was a member of the company; he was perhaps not the most active partner, but he bought one-eighth shares in two vessels,<sup>9</sup> the *Speedwell* and *Young Eagle*. He took some pride in the latter, describing her as a billender (a small two-master) of 105 tons, built specially for her task, "with double the quantity of iron in her of any vessel of her size." He adds that "nothing will beat her — she has 4 four pounders;"<sup>10</sup> this does not seem a very impressive armament for transatlantic marauding trips, but events were to justify his faith.

Soon after war had been declared, the *Young Eagle* appeared off Teneriffe (a Spanish colony), and there fell in with a Dutch merchantman. Holland was not at war with Britain, but the master of the *Young Eagle* was not to be deterred by trifles of that sort; under the elastic rulings of a British prize court, a neutral trading with a Spanish possession might well prove a legitimate prey. The rest of the story may be gathered from the protest made by the Dutch captain to his consul at Madeira:<sup>11</sup>

<sup>8</sup> H. W. Richmond, *The Navy in the War of 1739-48* (Cambridge, 1920), p. 25. These steps were taken in June, 1739; war was declared in October.

<sup>9</sup> H. MSS. (3) 1, Sept. 17, 1745, Jones' account current; (4) 1, receipt dated Mar. 22, 1740, for £750 from Hancock.

<sup>10</sup> *Ibid.* (11), 1, Apr. 29, 1746, Hancock to Bastide.

<sup>11</sup> H. MSS. (6) 9, Captain From's protest, Feb. 15, 1740, at the seizure of the ship *St. Juan Baptista*.

... he made the best of his way to the Island of Theneriffe, and about 20, or 25 Dutch Miles off the N.E. end of said Island the abovemention'd Sloop Young Eagle mett with him and fired one Gun at him Shewing him English colours, and he the said Captain From hoisted his Dutch-Colours and was Commanded by the Officers of the Sloop aforesaid to come onboard, which he did, when they ask'd him whither he was Bound to which he answered, that was bound for Madeira [neutral land] and that came from Cadiz, but not withstanding his said answer (they finding him so nigh Theneriffe) took Possession of said Ship telling him if he could not find the way to Madeira they would Shew him and accordingly they brought him into this Road this Morning.

The effect of his protest is somewhat marred when the captain adds with ingenuous candor that he had come from Cadiz with a load of provisions and "other Parcels which he cannott particularly recount . . . that he signed Bills of Ladeing in Cadiz for the said Cargo to be delivered in this Island of Madeira but that they were signed in that manner by way of Caution in case of meeting with any English Ships of Warr for that he had Signed a counter Obligation to Deliver the said Cargo at Santa Crux in the Island of Theneriffe." Another Dutch boat was taken a day or two later.<sup>12</sup> Both vessels and their contents were condemned, and Thomas' share of the booty included an apron, two jackets, paper, and three pipes of wine, besides the proceeds of other goods that were sold.<sup>13</sup>

The *Young Eagle* made at least three trips. Her master was a Captain John Rous, who, like the hero of a boy's adventure story, won such fame by his privateering exploits that he was afterwards given a commission in the Royal Navy, and became senior officer in Nova Scotian waters at a later stage in the war.<sup>14</sup> A copy of the instructions drafted for him by the own-

<sup>12</sup> This was the sloop *Amsterdam*, bound from Ireland to the Canaries with provisions. H. MSS. (6) 9, Feb. 18, 1740, Captain's protest.

<sup>13</sup> *Ibid.* (3) 1, Jones' account. I am indebted to Professor Emmett, of the Faculty of Law at the University of Cape Town, for the following explanation of the seizure. Under the so-called "Rule of 1756" (which in fact was applied in earlier years), if a European country normally reserved its colonial trade for its own boats, but, owing to war-time shipping difficulties allowed neutrals to help with the trade, then such neutrals were held by the enemy to be fair prizes.

<sup>14</sup> J. B. Brebner, *New England's Outpost* (New York, 1927), p. 222.

ers is extant. It enjoins him to "annoy" the Spaniards, and to bring any prizes back to Boston with part of their crews (who would be needed as witnesses at the prize court); these business-like details over, the instructions go on to say:<sup>15</sup>

. . . if fortune should smile on you & Crown your Endeavour with Success, lett Those whom you may conquer, see your Justice and humanity, thereby you may lett them know that you are blest with that most noble Virtue, Courage tempered with mercy; But above all we cannot too Earnestly recommend a Good Decorum on board your own Vessell, See that Divine [Service] is often performed which is the most effectual way to keep a good Harmony, & without which you cannot hope for Success, for Remember the Race is not to the Swift, nor the battle to the Strong, But as the Cause you are going on must be accounted both by the Laws of God & Man Just & honorable, so you are in the way of your Duty to your King & Country, & therefore may put up your Petitions (which will be joined by all good People well wishers to the Brittish Nation) that it may please the Almighty to give you Victory over our Enemies. and that you may return again in Safety is not only the hearty Wishes but sincere Prayers off

Your Friends & Owners.

### 3. TRIANGULAR TRADE WITH THE WEST INDIES AND HOLLAND

By 1741, the first fever of war was over. The soldiers had gone off on their unhappy expedition to the Spanish Main (where bad leadership and sickness cost many of them their lives). Massachusetts was however still printing a record amount of money, and goods and freight tended everywhere to stay dear.<sup>16</sup> As if to show his contempt for the Spanish fleet, Thomas chose this time to start a new series of shipping ventures, many of which meant sailing under the enemy's very nose; most of the trips also involved far more systematic breaches of British law than he had yet been guilty of, presumably because he guessed that the Royal Navy would at the moment be too busy to bother about such crimes.

The *Three Friends*, now home again after her unfortunate

<sup>15</sup> H. MSS. (13) 4, Hancock to Rous, 24 Dec., 1741.

<sup>16</sup> Davis, "Coinage of the Colony," p. 211; Bezanson, Gray and Hussey, *op. cit.*, p. 294, suggest that a recession set in only in 1742.

seizure by customs officials at the Land, was filled with fish and sent to Lisbon. Thomas emphasizes the general scarcity of provisions by telling the captain: "There is not another Cargo of Fish to be had in the Country at any Price, — Therefore if they Don't bid you a Good price at Lisbon Tell them you have orders to Go to another markitt." If possible, the usual triangular exchange was to be completed by taking freight to London, or sending thither the proceeds of the ship herself should the captain decide to sell her; alternatively, he was to bring back a load of salt and lemons ("and be careful the lemons dont ly under the salt").<sup>17</sup>

Other vessels were despatched soon after. As a rule, Thomas took little part in coasting voyages, but he now sent a boat to Philadelphia<sup>18</sup> for wheat and flour; this departure from his normal trade was doubtless caused by the high price of provisions. Thomas owned only a quarter of the boat, and, in order to induce his less daring partners to permit the voyage, he had to promise that he would repay their shares in case she was seized (in either lawful or contraband trade).<sup>19</sup> At Philadelphia the master had to give bond as security that he would in fact take the grain to Boston, presumably because so many traders were selling stores to foreign and enemy colonies. A certificate on the back of the document shows that the cargo duly reached Boston.

Longer voyages followed, and of these the Hancock records give us fuller and more vivid glimpses than is usual. Two vessels were used (the *Three Friends* and a new brigantine which Thomas, a tactful husband, christened the *Charming Lydia*). These plied mainly between three places: Boston, the Caribbean, and Amsterdam. A bad fishing season aggravated the effects of the war in making provisions scarce in the West Indies, and Massachusetts (for the sake of the British islands) forbade exports of food to foreign colonies.<sup>20</sup> Thus good mar-

<sup>17</sup> H. MSS. (13) 4, May, 1741, Hancock to Captain White.

<sup>18</sup> *Ibid.* (8) 8, Dec. 12, 1741, Customs declaration.

<sup>19</sup> *Ibid.* (5) 7, Oct. 17, 1741, *Charming Molly's* charter party. Hancock chartered the whole boat; payment was to be at the high rate of £90 per month, or £100 if the ship went into the Bay of Honduras.

<sup>20</sup> Weeden, *Ec. and Soc. Hist. of N. E.*, p. 632, gives 1742 as a poor season. See

kets awaited any boat that risked a trip to the Caribbean, particularly if she sold her cargo at the French islands and smuggled back molasses. On the other hand, such traffic meant wholesale breaches of the law, as well as big dangers from Spanish privateers; there was also a growing chance that France would join the enemy and harry British shipping. Thomas accepted all these risks. His captains were ordered to try their luck at any promising island (including the French colonies), and even at Honduras, where the danger of capture was unusually great. In the West Indies the captains were to consult one Martin Godet, whom Thomas now selected as agent-in-chief for that area. Godet dwelt at St. Eustatius. This was a minute island belonging to Holland; but its importance to smugglers was out of all proportion to its size, for, thanks to Holland's liberal views on the trade of her Caribbean colonies, it was one of the few free markets in the Western hemisphere.<sup>21</sup>

Holland was an equally desirable goal; and voyages thither were beset with the same dangers from Spanish privateers (which infested the seas around Britain)<sup>22</sup> and customs officials. Hancock was already in touch with Thomas and Adrian Hope, merchants of Scots descent who were building up one of the foremost banking houses of Holland. He now made them his Amsterdam agents, and procured many of his imports through this channel.<sup>23</sup>

The general plan of Thomas' voyages was as follows. In the fall of each year, one or more of his boats were sent south from Boston, loaded with fish which he had bought in bulk from his

F. W. Pitman, *Development of the British West Indies* (New Haven, 1917), p. 286, for an account of the food trade with the West Indies, and Harrington, *New York Merchant*, p. 251.

<sup>21</sup> H. MSS. (13) 4, Sept. 11, 1741, orders to Gross: Gross, if he can sell his fish at the islands for bills or money, is to make up a return cargo thus: ". . . buy you Eight or Ten Good Negro Slaves & a li[ttle?] Rum, & proceed to the Bay of Honduras, where dispose of them & Purchase a load of Good New River Wood if to be had . . . & being fully loaded you are to proceed back to Boston or to Amsterdam."

<sup>22</sup> Richmond, *op. cit.*, vol. I, p. 183.

<sup>23</sup> Charles Wilson, *Anglo-Dutch Commerce and Finance in the Eighteenth Century* (Cambridge, 1941), pp. 26 and 66. Henry Hope, a later correspondent, furnished Adam Smith with the material for his passage on the Bank of Amsterdam. — J. Rae, *Adam Smith* (London, 1895), p. 401.

partner, Captain Atkins. The captains were given wide discretion about the sale of their cargoes and even of their vessels, but were told to treat Godet as friend and guide, seeking his advice before making their plans. If he could arrange a safe conduct for them with the French, they might go to the French islands. Payment for the cargo was to take the form of bills on London or Holland, logwood, lignum vitae (source of a valuable drug), indigo, or molasses, et cetera; any empty space in the hold was to be filled with freight to Europe, which could be had in plenty during the busy months following the sugar harvest (say, from January to June). The captain's main aim was to find some acceptable link in a direct Boston-Caribbean-Holland triangle of exchange; if this could not be managed, wares that would fetch a high price when smuggled into Boston (e.g., molasses) would do instead.<sup>24</sup>

So, having sought good markets throughout the West Indies, the boats headed northwards again, and during the summer made the long journey (either direct or via Boston) to Amsterdam. Here their cargoes were put into the hands of the Hope brothers, who in return provided loads of paper and other European wares. Back sailed the *Three Friends* and the *Charming Lydia* to New England; when they arrived off Cape Cod or Cape Ann, the captains sent word to trusted men ashore, and the contraband goods were smuggled away discreetly. Great care was taken that no news of these illicit trips should leak out in Boston; thus Thomas anxiously warns Captain Gross, when the latter is at Amsterdam, "neither bring so much as a Letter for anybody here, but what shall come under Cover

<sup>24</sup> H. MSS. (13) 4, Sept. 11, 1741, Orders to Gross: "Should any Gentleman at Eustatia offer to buy your Cargo at a Good price & Supply you with Molasses, Indigo & other West Indies Goods, upon your Going to Some of the French Islands, you have Liberty to Go, in Case they will Give you Good Security to the Vallew of your Vessell & Cargo and oblige themselves to Return you to Eustatia at a Certain Time, or to the Satisfaction of Monsieur Martin Gaudet . . . proceed to Jamaica, . . . where dispose of your Cargo & Purchase you a load of Molasses if to be had, . . . & when you have done your Business leaving no Goods unsold nor Debts outstanding, you are to proceed back to Boston with your Effects, which if you bring in Such Goods as must be taken out before you Come up to Town, you are to Stop below, & send up word Immediately of your Arrivall where Stay till further Orders."

to me & be Carefull that your people bring no Letters neither for any one. And when you have finished your Business proceed for Cape C[od] New England, speak with nobody upon your Passage if you c[an] possibly help it." On his arrival at the Boston customs, the captain presumably spun the usual yarn about having come back in ballast.<sup>25</sup>

If we may judge from the regularity with which Thomas repeated these voyages during the period 1741-44, they were highly successful. They came to an end in the latter year, for reasons that are not hard to seek. The friction between Britain and France had at least reached the stage of official war, and the long-threatened blows from French privateers now fell fast. Soon the ill news reached Thomas that the *Three Friends*, after running so many risks unscathed, had been seized on a trip to Holland.<sup>26</sup> He had not fully insured his share (by this stage one-half) and lost heavily. Once again his plans would need to be recast.

#### APPENDIX TO CHAPTER VI

##### *Documents Illustrating the Shipping Ventures*

To give a better picture of the voyages to the West Indies, I append the following correspondence:

##### A. *Instructions to Captain Gross for a Voyage to the West Indies*<sup>1</sup>

Cap<sup>t</sup> Simon Gross

Boston Dec<sup>r</sup> 20<sup>th</sup> 1743.

You having the Command of the *Charming Lydia* Brigantine and She in all Respects fitt for the Sea, My Order to you is that you take the first wind & weather for Sailing and proceed to the West Indies. You have Liberty to go to any of the English Islands, & if you think it

<sup>25</sup> *Ibid.*, Apr. 12, 1742, Hancock to Gross: "... & when you arrive at Cape Cod, you are to apply [to] Joshua Atkins to bring up my Goods you may have on board, & should not he be at home, then apply to any other Good men you think will doe the Business faithfully; but should you fall in first with Cape Ann & Can Get the Business as well & as safe done there you have my Liberty for it, & I shall Lodge a Letter for you at Coll. Sergents & one at Joshua Atkins against your Arrival there wherein I shall advise you for your further proceedings."

<sup>26</sup> Letter book, May 28 and July 28, 1745, Hope.

<sup>1</sup> H. MSS. (1) 1.

Safe to any of the french Islands. But I advise you to proceed direct to St. Eustatia where you will hear how the Marketts Govern, & advise with Mr. Godet on your affairs, after which you will be able to form a better Judgement where will be the best place to make a voyage, & so proceed accordingly. You have Invoice & Bill of Lading Inclosed Consigned yourself, you are to procure a Load of Molasses & proceed back to Boston & if you have more Cargo than Loads you, then Ship it on the best Terms you Can in Molasses or bring it in Indigo. I'd have you unload at Nantaskett if no man of War there. You are Interested One eighth in the Cargo & are to have one eighth of the neat proceeds of Returns, I doubt not of your making the best Sale of everything, Should you proceed to Jamaica apply to Mr. Barlow Trecothick in case you can make as Good Terms with him as with any other Man there. Make all possible Dispatch that you may be here early for the Land, See that your Casks be Good, & well Stow'd, bring me some fruit for the officers if any to be had, be prudent & saving of Expences — Should it happen that you Can get bills of Exchange on Holland or England for your Cargo at a good price & a good freight for Holland or England you may take it, advising me thereof that I may Insure, or if you have Oppertunity to Sell Vessell & Cargo for Bills on Holland or London at a price you think may answer you have my Liberty. You have Liberty also in every Respect to act as you think Shall be most for my Interests. But if you come back to this place a Load of Molasses will be the best Cargo you can bring here, write me by all Opportunitys. The Good Lord protect you & our Interests, from all Dangers & Enemies & Give you Conduct & prudence in all things to act for the Best, I wish you a Good Voyage & am your Owner.

*B. Letter to Godet, Asking Him to Arrange for Gross  
to Go to French Islands<sup>1</sup>*

Boston Dec<sup>r</sup> 1743.

Sir,

This comes to you per the Charm<sup>s</sup> Lydia Brig<sup>n</sup> Simon Gross master who is Directed to you for advise, my Intentions are that if you think it Safe, he Shall go to the Cape, or Some other of the french Islands, & Load with Molasses, he has a very Suitable Cargo on board for such a Voyage, I know the Danger of a french war is in the way, but if Security can be Given in that Case, & be in a Short Time Dispatcht with a Load, I Shall be very Glad to Embrace the Opportunity I pray

<sup>1</sup> H. MSS. (1) 1.

the favour of your advise & assistance in the affair. I wrote you some time ago of my Intention of Sending him your way, & Desired you to write for his former papers, which if you have obtained hope things may be managed with ease but if we cant go to any of the french Islands with Safety I Doubt not but you will be so good as to advise Cap<sup>t</sup> Gross to the Contrary, and in that Case have ordered him to Jamaica if no Good Markett at Statia or St. Kitts I have not had the favour of a Line from you Since I Received of Cap<sup>t</sup> Sheaff that money, it Lays in my hands for your order which I Shall be Glad to Receive. Your kind Acceptance of the few things mentioned at the bottom hereof will oblige me, have ordered the Capt to Deliver them,

& am etc.

One of the best Sheep

1 Cagg Salmon

1 Do Sounds [cuttlefish?]

6 Do Oyesters

1 barrel Apples

1 barrel Pears

To Mr M D Godet

*C. Letter from Gross, at Jamaica*<sup>1</sup>

Mr. hancock                      Jamaica, Kingstown, february the 3. 1744.

Sir, by theas you are informd of my a Riwall hear the 24 of January note the Couts [coast?] I came to a very bad market for fish is over plenty and was sold be foor I came in for 11/3 pr hogshead the Small pox is very Cruel hear and I do Expect it Daly though we are all wale in health as yet and I Shun it as much as posiboll I have Sould our Cargo all to one man Mr Minot and he has gon to Get me a Cargo of molasses in Radines [?] and I shall Go Round to the north Side to Load in a fortnites time att furtest if we continue our helths and I hope to Sail att furtest by the 20 of march for boston: I am o bludg to hier [obliged to have?] all your Casks made att Kingstown and have them all in Readyness as Soon as we are unLaden this brig has been very Lekey all the Voige and I do be Leave the worms are the caus of it but as Soon as we can git all out we will heave her keal out and Give her a Good Coat & I hope to bring her home again we caried Such a weight upon Deck that one of our main beams are brock Short of . . . . .

S.G.

<sup>1</sup> H. MSS. (1) 2.

D. *Letter, Probably to Trecothick, a Merchant of Jamaica*<sup>1</sup>

I am advised that Cap<sup>t</sup> Gross in a Brigantine of mine proceeded from St. Eustatia to Jamaica, where hope he arrived Long Since and that he Valued himself on you [availed himself of you?] — the master being  $\frac{1}{2}$ th concerned in the Cargo, had Liberty to apply to whom he Pleased, but should the Master Dye or any Accident happen I Desire you to Receive the Vessell & all my Effects into your hands, and Dispose of the Cargo to best advantage, and Send my Vessell here by . . . . [illegible] Man with my Effects, which Lay out in Spanish Iron or Good Junk [“Junk” here means old ropes, cables, and so on], Large Lignam Vitae, or Good paper . . . . at or near the Prices you sent them to Mr. Apthorp . . . .

E. *Agreement between Gross and an Agent from Cap François (a port on the French colony of San Domingo) for Safe Conduct*<sup>1</sup>

Mondit Sieur Besse S est ôbligé comme faisant pour mondit Sieur Julien [?] de faire introduire le dit Brigantin et Cargaison au Cape françois de S<sup>te</sup> Dominique sur une permission accordée a mondit Sieur Julien par Mon<sup>s</sup>r Le Lieutenant General de l'amirauté du Cape en datte du 29. 7<sup>bre</sup> dernier dont le dit Sieur Besse est porteur et Ce Rend garand de tous les Evenemens qui pourraient arriver au sujet de l'Entrée et sortie de St Dominique pour le Bateau et Cargaison tant pour la Confiscation du Domaine que pour les Navire[s] françois qui pourraient inquiéter le dit Gross audit lieu de St. Dominique ou Entrée et sortie du port du Cape.

Le dit Sieur Gross courra les Risques d'ycy à l'Entrée du port du Cape de Sondit Batiment est Cargaison tant pour les Risques de la mèr que pour les Corsaires Etrangers dememe qu'après Son depart du Cap<sup>e</sup> etant deux lieux au large.

An appended list of goods contains the sentences: <sup>2</sup>

. . . . et il me fera permis a moy Cap<sup>ne</sup> Gross de vendre ma pacotille au prix qu'elle Vaudra au Cape, et pour ne pas faire tord a la ditte

<sup>1</sup> H. MSS. (1) 1. On back of letter to Gross of Mar. 5, 1743/4.

<sup>1</sup> H. MSS. (1) 2, Sept. 28, 1742.

<sup>2</sup> “The said Sieur Besse binds himself, as agent for the said Sieur Julien, to obtain entry for the said brigantine [the *Charming Lydia*] to Cape François in San Domingo with a permit granted to the said Sieur Julien by Monsieur the Lieutenant-General of the admiralty of the Cape, dated 29th September last, of which the said Sieur Besse is bearer; and this guarantees him against everything that might happen to ship and cargo on arrival at or departure from San

cargaison je promets en donner la préférence a mon dit Sieur Julien: chez qui moy Seul prendray ma nourriture pendant mon séjour au Cape soit a terre ou abord Comme le Cas pourra y Echoir.

F. *Letter of Instructions to the Hopes, of Amsterdam*<sup>1</sup>

Messrs. Tho. & Adrian Hopes. Boston. N. Eng<sup>d</sup>. April 12<sup>th</sup>, 1742.  
Gentlemen,

This covers you Bill of Lading for 168 Tons of Chipt. N. River Chipt Logwood Twelve baggs of Cotton and Eight hundred Horns Shipt onboard the Brigantine Charming Lydia Simon Gross master Consigned yourselves, which I wish safe to your Hands and to a Good Markett, you will find it a Cargo of Choise Good New River Chipt wood & I Expect will yeald me a Better price than Commonly wood is sold at, when please God the Vessell arrives, I doubt not of your Disposing of the Cargo to my best advantage, and the neet proceeds thereof Invest in the things mentioned in the Inclosed Invoice, which Ship to me per the above mentioned Brigantine Charming Lydia, & I earnestly Intreat the favour of you Gentlemen to Procure the Goods for me at the very Cheepest prizes, & Good Goods, & let them be packt up in the Safest Cheepest & best manner, my Request is Likewise that you give Capt. Gross the Quickest Dispatch, having a Cargo Ready for her Return, I hope She may not Stay with you above Ten or Twelve Days, and if War Continues please to Insure for me one half my Interest of Vessell & Cargo, Valueing the Vessell in this case at but £500 Sterling, and Should there be war with France & Spain two, then Insure my whol Interests, but if Peace with above powers Insure nothing. I have no Goods shipt but my own and no Letters sent to any body here but that Comes under Cover to me. Should Capt. Gross & Capt. Frost be both in Holland [at] the Same Time, I

Domingo (including confiscation by the crown and French vessels) which might give trouble to the said Gross, either at the said place, San Domingo, or on entering or leaving the port of the Cape . . . . The said Sieur Gross shall bear the risks to the said ship and cargo (both of the sea and foreign privateers) from here to the entry of the said Cape, and also after he has left the Cape and is two leagues out.

“. . . and he will let me Captain Gross sell my own stock of goods for whatever price it is worth at the Cape, and in order not to prejudice the said cargo, I promise to give the first option on it to the said Sieur Julien, with whom I shall take my meals alone during my stay at the Cape whether ashore or on board. . . .”

<sup>1</sup>H. MSS. (1) 1. Details of 1743 and 1744 voyages are given in (8) 2, Hopes' invoices for goods supplied to the *Three Friends* (which took lignum vitae, etc.), July, 1743, and August, 1744.

Desire you if you can to Sell the Charming Lydia if She will fetch 4500 Guilders or upwards, but not [less] . . . . She is a Good Vessell & Carrys well, and in this case send my [Effects] home in Capt. Frost, & my People, if you cant make [arrangements for them?] to be Discharged there — but in Case Capt. Gross's Vessell Dont Sell, & you have Opportunity to Sell Capt. Frost's Brigantine the Three Friends for the prices we fixt her at to the master, we Desire you to Do it & Send the Effects of Vessell & Cargo & men home in Capt. Gross, I rely much upon your honour Gentlemen that you Serve my Interests to the utmost of your power in Every Particular as to Sales & Returns, and Doubt not of your Doing me Strict Justice in Both. I have been advised by a good friend to consign this Cargo to a Certain house in Amsterdam, but my Principel is not to Exchange houses while I have Justice & good Treatment, which I Depend upon from you. The Cotton I have sent for a Tryal the contents of which is Inclosed as I Received it from Statia, make the best of it, its Good I had it from St. Eustatia & it Cost me Dear, dont let me be a Looser by it. — if it answers I Shall Ship you a Greater Quantity which I have now by me. — the Letters Capt. Gross Delivers you for London pray Send per very first post, pray write me by way of London & by any other opportunity that may offer if you can buy me a Sett of Riging for a Brigantine or Snow of 120 or 130 ton Little worse for ware at the price a Little higher than kings Junk [= secondhand naval ropes?] I'd have you do it & send with my other Goods, or Should Capt. Gross meet with what he thinks will do, please to pay for it. The Letters you send me by way of London Inclose to Francis Wilks Esq. & Co. who will always forward them the first opportunity. — pray Let me know what Sorts of flowered Silks & Damasks may be had with you & Send me the Pattens of Some of them, with the Prizes — Capt. Gross has Two Tons of wood which please Deliver him freight free & allow him Portledge of 2 p.c. upon the wood & Expense 2/6 per Day. Let my paper be packt in Bales of a middle Sizes. Note the things [to] be sent if a French war & if no French War Don't Send them, be [certain] to write me if Whale oyle or bone or any Particular [articles?] which may be mett with here will answer with you . . . .

## CHAPTER VII

## King George's War, 1774-1748

## I. FOREIGN TRADE GROWS DIFFICULT

WHEN France threw in her lot with Spain during 1744, the effects on business were profound. Colonial prices had tended to sink again after the early years of the Spanish war; now they rose to record levels.<sup>1</sup> The upswing was particularly marked in Massachusetts, which undertook to finance a large share of the war effort and disposed of this burden by printing notes as never before.<sup>2</sup> The ravages of French privateers made European wares exceedingly scarce. At one stage, Thomas wrote that "but two of all our vessels for six months past are got home all are taken."<sup>3</sup> Not only goods, but also letters, orders, and bills of exchange went astray. Thomas struggled desperately to get supplies from London: he sent no less than five copies of each order, obtained notary's copies of lost bills, and told his agents to ship duplicate wares whenever they heard that a boat was taken.<sup>4</sup> But, despite all such precautions and the most winning appeals to his correspondents (even including an unprecedented offer to bear interest should payment not arrive safely<sup>5</sup>), big enough supplies did not reach him.

<sup>1</sup> Bezanson, Gray and Hussey, *Prices in Colonial Pennsylvania*, p. 294.

<sup>2</sup> Davis, "Coinage of the Colony," p. 211, gives the Province's issues as:

Year	Currency Outstanding at Beginning of Year (000's Omitted)
1744	£ 370
1745	599
1746	1,499
1747	2,116

<sup>3</sup> H. MSS. (11) 1, Hancock to Bastide, Apr. 14, 1746.

<sup>4</sup> See Letter book, especially for Apr.-June, 1745.

<sup>5</sup> *Ibid.*, June 11, 1745, Lane & Caswell. Payment is also guaranteed by a third party.

Owing to the dearth of goods, the London merchants were at this time in a much stronger position than usual, and took up a far stiffer attitude. Unhappily for Thomas, he had been at his old game of playing rival agents off against each other, and now he fell between two stools; both correspondents grew "mift," and for a time would sell him nothing.<sup>6</sup> Then Thomas ordered his Jamaican agents to remit the proceeds of the last West Indies trip (more than £1,500 sterling) to London, and gave broad hints that he would soon be supplying troops on a vast scale, as earnest of which he sent some of the many bills which the British government was now issuing to maintain its forces in America.<sup>7</sup> Such bait was not to be resisted, and large shipments of arms, textiles, and cutlery followed.<sup>8</sup> Even so, the abnormal demand was not satisfied. By the close of 1745, Thomas wrote that he was in great want and that the spring orders must be sent at all costs (even without a convoy); if no shipping space was free, the agents were to buy a special ship for Thomas' goods, man her with New Englanders, and fill up the surplus space with a freight of coal. And, in case this ship was lost, a second supply of goods was to be bought: "Better for me to sink the cost of the Vessell than not have my goods, if a load of coal or salt comes early I shall clear [the cost of] the ship."<sup>9</sup> In response to these dramatic orders, several thousand pounds sterling of goods were sent out in the following spring.<sup>10</sup>

Direct trade with Holland became unprofitable if not impossible soon after the French had taken to arms. The prices of American wares did not rise in Europe, for, if the supply decreased during the war, the demand did too, since the people of Flanders and Germany were so impoverished and despoiled.<sup>11</sup>

<sup>6</sup> *Ibid.*, June, and July, 1745. The aggrieved agents were Bourryau & Schaffer, and Kilby.

<sup>7</sup> *Ibid.*, Trecothick and Cowling, May 18, 1745. On Sept. 3, Thomas states that he has already got more than £2,000 from the Board of Ordnance.

<sup>8</sup> See the many invoices in H. MSS. (8) 1.

<sup>9</sup> Letter book, Bourryau & Schaffer, Dec. 9, 1745. The letter continues: "as Vessells are so cheap in England" — an interesting hint of a change in the relative positions of the market for ships in New and Old England.

<sup>10</sup> H. MSS. Invoices for 1746 in (8) 1.

<sup>11</sup> Mass. Hist. Soc., Hope to Hancock, Aug. 9, 1745, and Oct., 1748.

Boats were not to be had, and the builders were booked up for a year ahead.<sup>12</sup> On top of the usual obstacles of privateers and customs officials, there now came an embargo on all shipping, imposed by the New England provinces in an effort to stop trade with the enemy;<sup>13</sup> further, the press gang was making sailors "cruel hard" to find in Boston.<sup>14</sup> So Thomas once again revised his methods. To some degree, the Hopes sent his goods in other men's ships; but, inasmuch as the captains were in such cases unlikely to do the necessary smuggling without orders from their owners, this trade was small in extent.<sup>15</sup> Thomas therefore switched to another indirect route: he told the Hopes to dispatch his goods via Godet at St. Eustatius. Since Holland was not at war, her boats could make this trip in relative safety.<sup>16</sup> Godet then forwarded the cargoes to New England, either in his own sloop or in two that Thomas kept busy on such illicit trips. The sloops took back loads of cod, et cetera, to Godet (who quite likely sold them to the enemy<sup>17</sup>), and his remittance of bills on Holland rounded off the whole affair.

Thomas contrived to keep this traffic going throughout the war; it furnished him with big consignments of bootleg tea and paper. The smoothness of its tenor seems to have been interrupted only twice, and the efficiency of his agents saved him from serious loss in both cases. A Spanish privateer captured one of his sloops, but courteously allowed it to go free on seeing a letter from Godet promising ransom;<sup>18</sup> and, when a ship with

<sup>12</sup> Letter book, Bourryau, May 20, 1747.

<sup>13</sup> Pitman, *Development of British West Indies*, p. 287. A favorite device of the Rhode Islanders was to trade under a flag of truce, ostensibly for the exchange of prisoners. When two such vessels were seized, Thomas was appointed agent for selling them. "Capt Hughes meets with success," he writes, "has got a good Number of men, and taken two Flagg of Truce men Deep Loaded with Molasses Sugar & Coffee one a Brigantine of 130 Tons & a Sloop of about 60 Tons . . . . The Lord protect Capt Hughes, they Greatly threaten him at Newport . . . . is said they are fitting out a Privateer to go after him, a mad thing. . . ." H. MSS. (11) 1, June 2, 1747, Hancock to Bastide; also Letter book, June 6, 1749.

<sup>14</sup> H. MSS. (10) 1, Sept. 24, 1745, Hancock to ?.

<sup>15</sup> Mass. Hist. Soc., June 10, 1748, Hope to Hancock.

<sup>16</sup> The letter book gives many references to this trade, 1745-48.

<sup>17</sup> This trade of St. Eustatius was a thorn in the side of the British navy. See Richmond, *Navy in War of 1739-48*, vol. III, p. 77.

<sup>18</sup> Letter book, 1745-48, Godet, Jan. 2, 1746/7. Contracts of ransom were so

goods for Thomas aboard was seized by the French, the Hope brothers claimed compensation for him from the underwriters.<sup>19</sup>

The perils of the sea were not without their compensations. Thomas held shares in another privateer, which saw service in the West Indies.<sup>20</sup> He also obtained part of a fat prize that was taken off the Land; she was at once filled with fish and sent to Barbados, whence she took sugar and freight to London, and there was sold.<sup>21</sup>

## 2. CHRISTOPHER KILBY AND GOVERNMENT CONTRACTS

The Massachusetts agent in London was now Christopher Kilby.<sup>22</sup> Like Thomas, Kilby had started in business at Boston; but, having in him something of the restlessness of the medieval itinerant merchant, he left his home to wander far abroad in quest of fortune. He went on a trading trip to the West Indies, from there sailed through a hurricane to London, and after some two years came back to his wife and children at Boston. Here he built up a fair-sized business, dabbled in politics, and was elected to the General Court (i.e., the popular assembly of the province) as the town's representative. But his wife's death soon unsettled him once more, and, when the General Court wanted a special emissary in London to undertake propaganda against the governor's deflationary methods (1739), Kilby snatched at the chance and set forth again.

The stay-at-home Thomas was a fast friend of Kilby.<sup>23</sup>

Capt Egglestone, [he wrote], brings us the Joyfull news of your Arrival in Eng<sup>d</sup>. which hope soon to have the Confirmation of, my Wife & I are Drinking your health this morning 8 of the Clock in a

usual that privateers might carry printed forms ready for signature. — Richmond, *op. cit.*, vol. III, p. 250.

<sup>19</sup> Mass. Hist. Soc., Oct. 1748, Hope to Hancock.

<sup>20</sup> The *Hawk*. Letter book, July 7, 1746, Lane & Caswell.

<sup>21</sup> The *Jason*. *Ibid.*, letters during 1745.

<sup>22</sup> An outline of his life is given in the *NEHGS Reg.*, vol. XXVI, p. 43. His journal for 1737-39 is among the H. MSS., being known as "Han. 3;" some of his letters, dealing with West Indies and English trade, are in (1) 6, Boston Pub. Lib. and in the Mass. Hist. Soc.

<sup>23</sup> Letter book, Kilby, Mar. 22, and May 17, 1740.

Dish of Coffee under the Shade of your Picture which I Rec'd not long Since of Mr Smibert, in which I am much Delighted, have suited it with a Frame of the fashion of my other Pictures, & fixd it at the Right hand of all in the keeping room . . . . I am of opinion it is as Good a Piece as Mr Smibert has done . . . . your Dear Babes are now well . . . . Sally was at my house yesterday mighty well, knew your Picture kist it & drank your health, She is really a fine forward child . . . .

Kilby found London to his liking, and did not come back to his babes. He remarried, leaving his first family in Boston (where Thomas looked after their money matters); and he set up in business as an exporter to America, becoming one of Thomas' main sources of supply after the death of Wilks. He succeeded the latter, too, as official agent for Massachusetts, and managed to get himself appointed as contractor to the British government for supplying the forts at Newfoundland.

This connection with the government proved of vast importance to Kilby when the French war began, and, since Thomas was hand-in-glove with him, Thomas also gained. Supplying the Empire's military outposts suddenly became one of Boston's big tasks. In Newfoundland were several neglected forts which now had to be patched up hastily; and in Nova Scotia, as New England's bulwark against the French to the north-east, was the long-forgotten fort of Annapolis Royal, garrisoned by old crocks, with barracks tumbling down and cows grazing on what had once been moats and ramparts.<sup>24</sup> Between these feeble posts were powerful French forces — regulars, Canadian settlers, and Indians — with the heavily guarded port of Louisbourg at the mouth of the St. Lawrence as the keystone of the system.

The first task of the British authorities was therefore to see that stores were rushed to Newfoundland and Annapolis. But a far bigger supply problem soon arose. The New Englanders, inflamed by hatred of the popish foe, resolved to launch a crusade of their own; accordingly, in 1745 a small and untrained force set out, like David against Goliath, with the audacious

<sup>24</sup> See F. Parkman, *A Half Century of Conflict* (London, 1894), vol. II, p. 61; J. W. Fortescue, *History of the British Army* (London, 1899), vol. II, p. 44.

aim of overthrowing Louisbourg itself. This expedition had to be equipped, transported, and maintained in the field—all out of local resources; and, when its daring aim had been carried out successfully, a more permanent garrison of British troops had to be furnished with food and with the means of rebuilding the battered fortress.

Here then was a major chance for a Boston merchant, and Thomas did not let it slip through his fingers. From 1745 till the end of the war, government contracts were his absorbing interest. He began in a humble way, gladly picking up whatever crumbs fell from Kilby's table. In response to urgent orders from his London friend, he hastily set about finding materials to bolster up the Newfoundland forts. Everything was excessively dear, the few sailors who had escaped the press gang demanded high wages, and nearly all the ships were taken by the Louisbourg expedition. By paying freely, Thomas was able to buy goods and hire ships; he sent off a whole fleet, and "nearly sank 4 vessels with the bricks I put in 'em." The cargoes included presents of oysters and newspapers from Thomas to the governor of the Land; in return, the governor was asked to grant certificates protecting the men from pressing. Onto many of the vessels, too, it was possible to squeeze some private wares for ordinary trade, while private goods and freight could be brought back on the return trip.<sup>25</sup> Further, the British government paid in bills on London, and at what were probably very favorable exchange rates. So the Newfoundland contracts were indeed a stroke of luck for Thomas, who through them was able to get ships and sailors when those of other men were pressed, to obtain fish and other supplies in a time of great want, and to tap a much coveted fund of sterling.

### 3. THE ANNAPOLIS SUPPLY

It is small wonder, then, that Thomas should have hungered for more contracts, or that he should have toiled greedily to win them. By modern standards, he was not too nice in his methods. Indeed, the history of these army supplies is a sorry

<sup>25</sup> Letter book, Apr.-July, 1745. H. MSS. (10) 1, Hancock to Wibault, Apr. 26, 1746, also instructions to Captain Tucker.

tale, in which spiteful rivalry and slim intrigue are blended with servility, bungling, and corruption. In part, the fault lay with the British authorities. The machinery of military administration was staggeringly bad.<sup>26</sup> No special department had as yet been created to take charge of the army; instead, some half-dozen separate sets of officials shared — or shifted — responsibility. Thus arms and ammunition were in the care of the Board of Ordnance, victualing and transport of the Treasury, and pay of the Paymaster-General. On top of this, each regiment was semi-independent, being paid and clad through its commanding officer.

Possibly because Kilby was already on good terms with the Board of Ordnance, Thomas fished hardest for that department's contracts.<sup>27</sup> The Board's representative in Nova Scotia was a military engineer called Bastide, with whom Thomas had taken care to strike up a warm friendship at the start of the campaign. Bastide soon gave the Annapolis contracts to Thomas. But there were flies in the ointment: Thomas had to share the work with Charles Apthorp (an outstanding merchant of Boston); and the arrangement was provisional only, the permanent agency being in the gift of the Board at London. So Thomas anxiously set about pulling every wire that he could, not only to be confirmed in the Annapolis supply, but also if possible to shoulder Apthorp out of it and to secure the Louisbourg contracts. "Let nothing slip worth taking," he wrote to Kilby; and each of his other London agents was also told to importune the Board's members, and "if a few Guineas be necessary to Expend in the Affair, let it be done."<sup>28</sup>

The contractors for Nova Scotia might earn their reward in two ways. Like any other commercial agents, they could ask for a small commission on goods bought for their principals; further, because they made their payments in Massachusetts money and were refunded in sterling, they might gain by being

<sup>26</sup> See, e.g., Fortescue, *op. cit.*, esp. vol. II, p. 563; C. M. Andrews, *Guide to the Materials for American History, to 1783, in the Public Record Office of Great Britain*, vol. II (Washington, 1914), p. 270.

<sup>27</sup> Unless otherwise stated, the whole story can be found in the 1745-50 letter book.

<sup>28</sup> Letter book, July 15, 1745, Kilby, and July 29, Barnard.

given more sterling than the current exchange rates warranted. The latter source of profit seemed the more important to Thomas, especially since one of the contractor's functions was to act as banker to the Board and British officers, giving loans of local currency (both by advancing cash direct and by paying for transports, munitions, food, and private comforts) in return for bills on London.<sup>29</sup> The Board's rates of settlement were fixed for long intervals (in terms of so many hundred Massachusetts pounds to £100 sterling<sup>30</sup>), and, inasmuch as the Massachusetts pound was daily sinking, the profits under this head might reasonably be expected (if only the bills were honored) to make the ordinary commission on purchases seem very small beer. Similar gains might be made on military officers' bills; in an age when the foreign-exchange market was so primitive and rates were so ill defined, an officer had little prospect of securing good terms unless he was a stubborn haggler. Thus Apthorp was able to buy officers' bills at 450 or 500 per cent; he then offered them to the indignant Thomas at 600 per cent, adding that Thomas must bear all the risks.<sup>31</sup>

The best chance of getting an agency lay in agreeing to give more local money than anyone else for the Board's bills. So Thomas, determined to outbid his opponents for Annapolis, instructed Kilby to offer 10 per cent more than the chief rival's rate, "be what it will;" but he told Kilby to try hard to have the rate fixed by the Board, so avoiding competitive bidding, which was "mean and ungentleman like in my Opinion." This effort by Thomas proved unnecessary. The Board first offered the Annapolis bills and supply to a rival named Allen, on condition that the latter should make certain allowances on earlier bills and give as high a rate of exchange as anyone else; but,

<sup>29</sup> See, e.g., H. MSS. (11) 1, Sept. 4, 1746, Hancock to Bastide: "Mr. Apthorp & I have wrote you in Regard to the Honourable Boards Bills at Annapolis— Large Sums the Admiral & Sr W<sup>m</sup> [Pepperell?] have Drawn in favour of Apthorp & Co for 10 to 20,000 Sterling @ 500 per cent & allowed commitions." See also item A in the appendix to this chapter.

<sup>30</sup> The method of quoting exchange rates often was to give, not a ratio, but the premium or "advance" that had to be paid on local currency. Thus, when the advance was 250%, £100 sterling was equal to £350 (not £250) Massachusetts. (See Henchman's ledger A., p. 58, Mosman's account.)

<sup>31</sup> Letter book, Sept. 9, 1745, Kilby.

for reasons best known to himself, Allen rudely refused. He was given no second chance by the Board. "This will make him dam'd mad," wrote Thomas in high glee, and "I believe Mr. Allen finished work to swallow the Pills he looks very Down & musty, & Talks of Going into the Country to Live, Good Ridence of him." Thus Aphthorp's and Hancock's temporary contract was prolonged until the Board's pleasure could be known. The rate of exchange was fixed at 500 per cent — at a time when Thomas quoted 700 per cent as being the current advance.<sup>32</sup> And before the close of 1745 there came the happy news that the Board had made the partnership's appointment permanent.

#### 4. LOUISBOURG

Thomas now bent his energies to getting the Louisbourg supply. This proved a heart-breaking task — and all the more so because the omens at first seemed bright and promising. His friend Bastide was put in charge of the works at the fort, while Kilby was made its paymaster in London and wrote complacently of the favor he was enjoying in the sight of cabinet and king. Moreover, a kinsman of Kilby was given the strategic post of storekeeper to the Board at Louisbourg.

Thomas went far out of his way to keep in the good books of every useful ally. Innumerable dinners were given in the Hancock dining-room to likely officials, from the governor downwards. No service for Mr. and Mrs. Bastide was too troublesome, and, when that couple went off to Louisbourg, Thomas took their child Johnny into his home, promising to look after him like a son; in this he was as good as his word, for when ". . . Johnny had the misfortune to fall over one of the benches at School & Broke his nose & Lip Last Saturday, we kept him at home on Sunday & Mrs. Hancock & I with the help of Rum & some ointment the Prescription of a good old Gentleman have succeeded so well as almost to make a Cure."<sup>33</sup> Kilby was plagued with instructions to obtain a captaincy for Bastide and an ensigncy for Johnny; Bastide offered to pay all

<sup>32</sup> Letter book, Aug. 6 and 13, 1745, Vane & Wibault.

<sup>33</sup> H. MSS. (10) 4, Hancock to Bastide, Aug. 6, 1745.

necessary expenses, but Kilby "Got his [Bastide's] Commition without a Bribe as well as put him first on the list," though the twelve-year-old Johnny was thought a little on the young side.

Despite all these pains and many reassuring letters from Kilby,<sup>34</sup> the negotiations took a sharp turn for the worse, and Thomas had the mortification of feeling the prize slipping through his fingers. Having at first hoped to squeeze Apthorp out of any share in the contracts, he had unfortunately refused the latter merchant's civil request that they should send a joint letter of application to the Board. Now Apthorp (who had the advantage of being in the same social set as Governor Shirley and the British admiral) was being given most of the contracts, in company with other favorites such as the son-in-law of the general commanding the New England army. Kilby was falling from grace with the Massachusetts assembly and was neglecting to write to Shirley; Thomas had to lie hard on his friend's behalf, saying that the letters were intercepted by the enemy. The other Kilby (at the Louisbourg store) borrowed heavily from Thomas and then died without having helped him one whit. Even the smallest plans went awry; thus, when Thomas thought to ingratiate himself with Knowles (the governor of Louisbourg) by sending a gift of pigeons, the birds all perished on the way. The crowning vexation came when the Board gave the power of appointment to Bastide, but the latter's instructions were twice lost en route, so that he could do no more for Thomas than drink his health with Knowles.<sup>35</sup>

The suspense and disappointment were almost too much for Thomas. He wrote to Bastide: "I hope in God your Instructions are come from the Board, the supply by Apthorp & Co is Exceeding Large & they Charge Commitions my heart is almost Broke that I miss a Share of it, when Realy the Honourable Board Knew no other agents here, but Apthorp & my Self . . . . if it be Possible Dear Sir Bring me in for a Share . . . . do my Good friend for God's Sake Try with Governor Knowles, if Practicable to admit me a Share; . . . ." <sup>36</sup>

<sup>34</sup> Feb. 18, 1746. See item B in appendix to this chapter.

<sup>35</sup> H. MSS. (11) 1, Hancock to Bastide, June 12 and 26, 1746; Letter book, 1746.

<sup>36</sup> *Ibid.*

The contracts were now said to be for the unheard-of sum of £200,000 sterling. Louisbourg was "what I am fonder of than anything in the world . . . what I set my heart too much upon, perhaps it's better for me to be disappointed." However, Thomas did not resign himself for long to these chastening thoughts. Instead, he made desperate efforts to retrieve the lost ground. The Bastides were plied with presents of oysters, apples, and seeds, and were also sent a housemaid ("She has been given a Little to the flesh, and under the Doctors hands, but he assured me upon honor she was sound"). Kilby was instructed if possible to have Captain Bastide made a major or even colonel; and, when rivals spread reports that Bastide's new barracks were so badly built that the governor had to have them pulled down, Thomas went directly to all the printers and stopped this tale from appearing in the press.<sup>37</sup> Kilby was spurred on with a reminder that, if the supply through Thomas was made extensive, less money would leave his own hands (i.e., Kilby would merely have to offset the trade debts due to him by Thomas, instead of paying out cash for Bostonians who bought their goods from other London agents). Thomas even went so far as to suggest that Kilby might judiciously stop payment to rival contractors. He offered to increase the exchange "advance" to 600 per cent<sup>38</sup> and to charge no commission; and whereas for Annapolis he had suggested merely a few guineas as bribes, now he wrote that if £500 or £1,000 sterling had to be spent "in a proper way, I'll pay it with pleasure."

At long last the tide began to run in Thomas' favor. "The Louisbourg Affair," wrote Kilby, "is not in the deplorable Case you have imagined. Capt. Bastide is Engineer, and the thing lays with him and his Officers, and I think you canot fail of a reasonable part if any advantage is to be had, but these Officers arriving, and a great sum of Sterling money to be spent amongst you I should think Exchange must be constantly lowering till this Service is over, and however that may be, you'll certainly not want as much of their money as I should think you would

<sup>37</sup> H. MSS. (10) 3 and (11) 1, 1746.

<sup>38</sup> *Ibid.*, (11) 1, Aug. 23, 1746, Hancock to Bastide.

be willing to take.”<sup>39</sup> And finally, after more than eighteen months of hard striving, Thomas received the blissful news that instructions had reached Bastide, and that the latter had made Apthorp and Hancock the Board’s joint agents for Louisbourg — “all I desire and wish for.” Shortly afterwards the garrison and naval supplies were added. The delighted Thomas gave Johnny Bastide a present of one thousand (depreciated) pounds.<sup>40</sup>

Even now, however, Thomas was not free from worries. The orders that had been placed with others before his own appointment seemed unconscionably long in reaching their end. And his good luck brought fresh rivals on the scene. Swan, the new storekeeper at Louisbourg, stopped at Boston on his way from England, and told Apthorp and Hancock that he had left home to get money “and by God I will. What will you do for me, you git a D-d deal of money, and I must share part of it.” The partners treated his threats coldly, refusing to give him any commission on the Board’s bills, and merely offering to buy his private orders without fee. Swan thereupon leagued himself with a rival partnership; one member of this firm went all the way to London to push their case, while Swan on their behalf tried to wean the Board from Apthorp and Hancock by tendering a better rate of exchange.<sup>41</sup>

However, Thomas was now too firmly in the saddle to be dislodged. The rival’s journey to London proved a wild-goose chase, and the upshot of a long struggle was that Apthorp and Hancock kept most of the supply, though better terms were screwed out of them — in presents, bribes, entertainments, and exchange rates — than might otherwise have been the case.

##### 5. THE FRUITS OF WAR FINANCE

For the last three years of the war, the scale of Thomas’ activities far surpassed anything he had done in earlier life. He had to carry out innumerable orders for the Nova Scotian offi-

<sup>39</sup> Lex. Hist. Soc., July 18, 1746.

<sup>40</sup> H. MSS. (11) 1, Hancock to Bastide, Dec. 2, 1746.

<sup>41</sup> *Ibid.*, Hancock to Rogers.

cials, whose wants ranged from vast quantities of victuals and building material to French Bibles and a doctor. Where he had before talked of hundreds of pounds sterling, he now spoke of thousands.

On top of the obvious advantages of his position, Thomas scored in two ways. Like his fellow importers, he was usually head-over-heels in debt to British suppliers, while a big slice of his wealth consisted of sums due by up-country storekeepers and others. His main liabilities were thus fixed in sterling, and his assets were in local currency. The inflation of 1745-49 made Massachusetts money sink to half of its former sterling value. We can then easily guess how bad was the plight of the average importer; his receipts from debtors would buy far less in sterling bills than he had bargained for, and, the longer he waited, the worse the exchange became. But Thomas, being able to get a constant succession of bills throughout the war, would minimize these exchange losses.<sup>42</sup>

Secondly, Thomas was lucky enough to have most of his bills honored by the British government. Such handsome treatment was by no means to be taken for granted. Very properly, all bills were scrutinized with care by the department concerned; and caution coupled with red tape might well mean endless delay and eventual nonpayment.<sup>43</sup> A government bill was thus something of a pig in a poke in comparison with private paper. This high risk factor, added to the bigness of the sums at stake, explains why the authorities could not "expect in exchange anything like what may be given for a small sum by a private person and for a peremptory bill." The rates varied indeed with the drawing officials' status and skill at peddling.<sup>44</sup>

The low exchange tendered by Thomas for the bills was thus not so outrageous as it sounds. In one case at least, Apthorp and he suffered badly. Like other officials, the Annapolis storekeeper borrowed hard from them in the Board's name. He mis-

<sup>42</sup> See Letter book. The bills were chiefly on the Board of Ordnance, but included items such as bills drawn by Shirley on the Treasury, by Governor Hopson of Nova Scotia on the Paymaster-General, by Admiral Warren, and so on. They were sent to Kilby, Bourryau, the Hopes, and other correspondents.

<sup>43</sup> See Nettels, *Money Supply of Amer. Colonies before 1720*, pp. 187-188.

<sup>44</sup> See items B and C in appendix to this chapter.

appropriated £700 of the money, and was later killed by Indians for having spoken slightly of the Virgin. The partners had no redress, though Thomas suggested that the small pension granted to the widow might be seized.<sup>45</sup> Usually, however, Thomas won the gamble, even if he sometimes had to lie out of his money for as long as eighteen months, and then got it only by employing an agent to petition ministers or bribe their underlings.<sup>46</sup>

Thomas had harder work in collecting the sums due to him privately by officers. He dined and wined these gentlemen when they reached America, and carried out their petty commissions (which often took as much trouble as a £10,000 government contract) when they went on service; and then they would as likely as not be transferred to some far-off place like Ireland before paying. Private supplies to officers, Thomas concluded, are "not worth a farthing . . . they run their little bills so high that they are only a Plague to a man."<sup>47</sup>

How did Thomas raise enough funds to act as government financier? Kilby, now partner in an important firm,<sup>48</sup> gave much bigger credit than usually, and other correspondents doubtless became equally accommodating when they saw how Thomas was prospering. For the rest, his adaptability stood him in good stead; he cut down his shipping and his trade with

<sup>45</sup> Letter book, Nov. 14, 1753, Kilby; F. Parkman, *Montcalm and Wolfe*, no. 7 in France and England in North America (London, 1913), vol. I, p. 123, describes How's murder. Mrs. How sailed to Europe after the war (Letter book, Feb. 10, 1764), induced the government to pay money due to her, and did in the end refund the house of Hancock. — H. MSS. (27) 2, July 25, 1766, Harrison's receipt.

<sup>46</sup> British Museum Additional MSS., 33,054, f. 379; a memorial dated May 5, 1740, by Thomlinson (agent for Massachusetts) to the Duke of Newcastle (who was the Secretary of State in charge of American affairs when the expense was authorized), on behalf of Apthorp and Hancock, explaining that: (a) Governor Shirley drew bills for over £2,000 on the commissioners of H. M. Navy to repay the partners for financing ship hires, etc., for the 1748 expedition against Canada; (b) the commissioners refused to pay, seeing no authority to draw the bills; and (c) as Newcastle told Shirley to hire the ships, he is now asked to make the Admiralty consent to payment.

<sup>47</sup> Letter book, Sept. 15, 1746, Feb. 27, 1748, etc., Kilby.

<sup>48</sup> Sedgwick, Kilby & Barnard. Kilby's second wife was a Mrs. Sedgwick (Letter book, Kilby, Dec. 16, 1745).

Godet, and turned all his West Indies stock into cash.<sup>49</sup> It is impossible to say how much Thomas made out of the war. His half-share of the bills came to well over £10,000 sterling a year for three or four years, and, at a guess, his exchange profit on these bills often averaged a cool 40 per cent;<sup>50</sup> in addition, he was enabled to import heavily at a time of high prices and so make exceptional gains from ordinary trade. Further, he had innumerable chances of odd pickings, for instance by sending his own wares in the holds of government sloops (leaving the government stores exposed on deck).<sup>51</sup> So we may reasonably think of him as a wealthy man by the end of the war, though his gains are not for a moment to be compared with the millionaire fortunes of the nineteenth century.

Thomas and Lydia took care to let Boston see their waxing riches. When peace came, Kilby was at once ordered to send out a four-horse chariot as well as a chaise ("such a one as Sir Harry Frankland bought"). The chariot was necessary, he explained, because Lydia was often ill, and their home was so far out of town. It was to be "not gaudy but neat and fashionable," and should be lined with scarlet. "You know Mrs. Hancock is none of the shortest, smallest of folks, tho' I'd prefer as light a one as possible to her size. My and her arms (the Henchman) are to be mett with at the Heraldry Office, I hope you wont think it savours too much of Vanity in all this, as its for the Benefitt of Mrs. Hancock's health."<sup>52</sup> Kilby was also to export a coachman, if one could be found who was "not an overgrown fatt fellow, nor an old one," and who understood gardening and so might be kept from company and idleness.<sup>53</sup> We have one

<sup>49</sup> H. MSS. (1) 1, Apr. 23, 1747, Hancock to Bastide. Thomas adds: "it requires a great stock of cash, or your materials will be badly bought; £100 O.T. could be saved in £100 sterling by good management."

<sup>50</sup> See, e.g., Public Record Office, Audit Office declared accounts, roll 314, bundle 1281, Governor Hopson's account, 1747-49. From Oct., 1747, to Oct., 1748, Aphorpe and Hancock provided over £19,000 sterling of goods, etc. (out of a total of £26,000) for this supply. The ratio allowed was 9½:1. At the time, the rates mentioned for ordinary dealings seem to have ranged from 14:1 to 16:1. (See Journal Jx5, Jan. 8, 1747/8, Sewall; Letter book, Nov. 23, and Dec. 4, 1747, Brocas.)

<sup>51</sup> See item A in appendix to this chapter.

<sup>52</sup> Letter book, Kilby, Sept. 10, 1748.

<sup>53</sup> *Ibid.*, Sept. 10, 1748-Feb. 23, 1751.

other clue to Thomas' new status. If we can believe his complaints to Kilby, only two men in all the Colonies paid more taxes than he did at the end of the war.<sup>54</sup>

APPENDIX TO CHAPTER VII

*Letters Illustrating Government Contracts*

A. *Correspondence with Captain Rogers, an Officer at Louisbourg, on the Financing of His Company, and His Perquisites*<sup>1</sup>

Hancock to Rogers:

I am very much obliged to Capt. Bastide for his Kind Recommendation to you, & note what you Say, about Supplying you with Cash for yourself & Company and you may Depend upon my Securing you on the Same Footing with others but Silver & Gold is not the currency of this Country, Some may be had at Times & Sent, but I Cant at present See why Paper Bills wont Do as well as Silver & Gold they will Purchase everything that may be wanted at Louisbourg, — and as your Company will no Doubt want Large Supplys of necessarys perhaps but Little Silver & Gold will be wanted . . . .

The Particulars you write for shall be Sent as Soon as Can be Got Ready, the Chairs will be Some Time first as we have but few workmen & their hands full . . . .

You'l Please to Let me Know when money may be wanted & at what Time & how often it may Suit you to Draw Bills.

<sup>54</sup> "I pay a Tax for 1748 of £1,700 old Teno[r] cruel it is but two in all the Colonys pay a higher Tax than I do viz Aphthorp and Erving." — Letter book, Kilby, Jan. 17, 1748/9. We are given fuller details for 1751. His tax bill runs:

<i>Province</i>	<i>Lawful Money</i>
Poll	-. 5. -
House and Land	3. 6. 8
Personal Estate and Faculty	95.15. -
	<hr/>
	99. 6. 8
 <i>Town and County</i>	
Poll	-. 3. -
House and Land	2. 4. 5
Estate and Faculty	63.16. 8
	<hr/>
	66. 4. 1
	<hr/>
	165.10. 9
	<hr/>
	<hr/>

<sup>1</sup> H. MSS. (11) 1, Hancock to Captain Rogers, June 16, 1746.

Rogers to Hancock: <sup>2</sup>Louisbourg 20<sup>th</sup> April 1747.

Sir,

I Received the favour of yours of the 24<sup>th</sup> Ult. Per Capt. M<sup>c</sup>Cartey, with Roots, Oysters, Quarter of Beef, I offered Col<sup>o</sup>. Hopson the Roots as You Mention'd but he was not in want; As to any favour granted by Mr. Bastide in regard to my little Necessary's or any of the Officers in the Branch of Ordnance, upon my Honour it's not look't on as such, the sending our necessary's &c<sup>s</sup>. both at home or abroad has been what was ever allowed us by our Office, & as we now hold a Board at this Place by the respective Officers here, that is to say, the Engineer, Capt. of Artillery, Storekeeper & Clerk of the Cheque; I cannot apprehend there is any Distinction when Publick Business is transacted & that we have Equally the same Right to all Priviledges & Immunities without any Obligations one to the other, lett who will Insinuate otherwise; & as now Messrs. Gerrish & Barrell are in the Agency no Doubt the business will go in its proper Channel & that the Board of Ordnance will have their Business Transacted more to their Advantage, & some of us at this place no longer kept in the D [illegible]

I am sorry to mention that I cou'd never gett any Hay, Notwithstanding a Master of a Vessell declared that Private Persons Hay was ordered to be put in the hold to preserve it, & that it took up nigh One fourth of the Vessell's Room, when the Governments Hay was kept upon Deck & was the most part Spoil'd. I am one that never concern's myself with any Persons private affairs or shou'd I mention this if it had not been a Publick Declaration as above. You have not Charged the Roots or Oysters in yours, which I desire you may do in your next & my Account Settled, & if you think proper to allow me the highest Exchange as offered by other Gentlemen, my Bills being on the Ordnance, I shall with pleasure Continue my Correspondence & shall be glad to Contribute in any other Shape to serve You. —

I am

Sr.

Your Most Humble

Serv<sup>t</sup>.

David Rogers.

I have had some of your things from Mr. Royale Which I suppose he has gave you on account of I have had one Bundle of Hay from Mr.

<sup>2</sup>H. MSS. (10) 3.

Bastide & I think it is ever since last June I wrote for Hay I can constantly see Enough Landed here.

Hancock to Rogers: <sup>3</sup>

As to the Exchange I leave it Intirely to you, and only observe I buy all with Ready Cash, & there is not a Little Trouble in Picking up Live Stock, Hay from the Country, Little Things, But I dont think any Trouble too much in obliging my Friends.

B. *Kilby's Letter Discussing the Exchange Rates, and the Newfoundland Supply*<sup>1</sup>

Dear Hancock

Spring Garden 18 Feb<sup>y</sup>. 1745/6.

I hand you with this some Letters of our worthy Friend Mr. Bogdani's<sup>2</sup> which with the Scrawl I put into my Kinsman's hands just on his departure will enable you to secure the Ordinance Affairs to your Self and Mr. Apthorp against the Attempt that has been formed in favour of Gerrish & Barrell. It's very probable you'll not be able to discover at Boston, the Exchange they'll offer, and therefore you must fix upon some means of having an offer in Mr. Bastides hands, when their's is produced by Mr. Swan, that may be at least equal if not something exceeding their's. Can't this be done by a very short proposal on a separate paper and a blank left to be fill'd up in figures by Mr. Bastide which may make 560 if the others offer at 550, or can't you come at Mr. Bastide in such a way as to put 2 or 3 different Proposals into his hands for that to be made use of that he finds necessary. Or (better than either of these ways) for you know he is extremely cautious & scrupulous, can't you employ some very clever fellow at Louisbourg to find out from Capt. Bastide at what rate they offer, and let him deliver into Capt. Bastides hands your proposals. I am thus particular in the persuasion that the Boards order to Capt. Bastide and Mr. Swan will be to fix with the highest bidder, and yet they do not Expect an Exchange any thing like what may be given for a small sum by a private person and for a peremptory Bill

I believe I shall get down to this Vessel an Account of what quantity of Lumber is to be sent by you to St. Johns for my Supply of the works. If not however let this serve as a notice that it will be about one hundred thousand feet of inch boards, and fifty thousand of two

<sup>3</sup> H. MSS. (11) 1, Hancock to Rogers, Oct. 19, 1747.

<sup>1</sup> H. MSS. (7) 1.

<sup>2</sup> William Bogdani was a member of the Board of Ordnance; somewhat unexpectedly, he was also a fellow of the Royal Society.

inch Pine plank besides Shingles you'll therefore please to have your eye out for securing the boards & plank and getting Freight for them. You'll remember that they spoke well of the boards delivered at Placentia last year. Can't you get the same or as good, Stick at no price for the best, every thing depends upon it

The 1500 £ bill is not paid. Gov<sup>r</sup>. Clinton's Bills for a very large Sum came just upon the heels of the Governor's & Admiral Warren's and have put us all out of joint. We shall by that means lose time but I don't fear Success in yours finally. The Admiral is well, and holds his good Disposition towards our Country, but I am fearful these great Folk will lay violent hands upon him, and if possible seduce him from us. I am watching every day for their disposal of him, for as that is determin'd our affairs will either sink or swim. If he goes our way it will be to good purpose tho' you must not set your heart on Canada this year: but if he is drawn into any other Command depend upon it North America will be very much neglected. We have at last got the Provinces Petition and Account refer'd to the board of Trade and Secret<sup>y</sup> at War. God grant us a happy and Speedy Issue — Snelling and Jones seem almost ready to fall down the River. Your Interest is good with the Admiral and I shall be able to Strengthen it, my greatest Concern is his return to you if that can be but fixt I am content. Take this for the present without a Compliment from

Your most sincere Friend  
C Kilby.

*C. Hancock Describes How the Regimental Commanders  
Sell Their Bills, etc.<sup>1</sup>*

The Bills for Canada Expedition Go off heavy at 800 per cent Brigadier Dwight Sold his Regiment Bills at 700 advance Brigadier Waldo Peddles some of his out at 800 advance sends them to Newport and Else where . . . .

I shall write you in Company when you are so good as to order a Sett of Bills for us, please to Let my half be in Two Setts, Mr. Apthorps may then be in one, if mine differ £100 in a Sett Can make no mistake.

We have per Donnell Completed all Governor Hopsons first [?] orders, Account Current we send him now, amount of which is £859. A great Supply for the Time & I own the obligations I am under to you for it, and as we are in so Great an advance the Bills will Greatly oblige us.

<sup>1</sup> H. MSS. (11) 2, Hancock to Bastide, Jan. 26, 1747/8.

## CHAPTER VIII

# Peace and Depression, 1748-1754

### I. THE POSTWAR DEFLATION

I HOPE a general peace may be for the Good of the Nation, tho' I dont think it will prove so to this Country."<sup>1</sup> Thus Thomas voiced New England's disappointment with the terms of the peace treaty. The exhilaration and excitement were over; the enemy still looked strong and threatening; the frontier had been left ill defined; and, worst of all, far-off diplomats were blandly handing back Louisbourg to the foe.

Business was hurt as much as local pride. Even before the end of the war, Thomas' agent in London for tea and other commodities was becoming uneasy about remittances and insisting on ready money with orders.<sup>2</sup> His fears proved well founded, for by the end of 1748 Thomas reported that "Peace hath put a stop to all our trade."<sup>3</sup> Prices began to fall, sometimes headlong.<sup>4</sup> Thomas had £10,000 sterling of goods on hand, and could not sell them; money became "monstrously scarce;" and no debtor would pay ("I have 200,000 due to me old Tenor & can't raise 1,000 to save my life").<sup>5</sup>

<sup>1</sup> Letter book, Sept. 10, 1748, Kilby.

<sup>2</sup> H. MSS. (7) 1, Horrocks to Hancock, Aug. 24, 1747, and Mar. 24, 1748. Horrocks explains that "Interest of money advancing at home makes it more advantageous to Employ money in Government Securities as Navy Bills and the like."

<sup>3</sup> Letter book, Nov. 12, 1748, Kilby.

<sup>4</sup> Bezanson, Gray, and Hussey, *Prices in Colonial Pennsylvania*, p. 277. H. MSS. (7) 1, Horrocks to Hancock, June 17, 1748. "In regard to the prizes of Tea the difference between the present time and when I wrote you last, under the 24 March on that head is very considerable for Teas then sold at 6/- to 6/6 I can now Ship at 3/3 to 3/4 p lb. the India Company having a pretty large Stock on hand and 6 or 8 Ships now at China, which together with (as is not doubted) a General Peace that is expected soon to be concluded, makes People here think that in the Space of Six Months that Market will be Somewhat Lower."

<sup>5</sup> *Ibid.* (1) 1, Hancock to Forster, May 25, 1751; Letter book, June 21, and Aug. 10, 1750, and June 29, 1752, Kilby.

Thomas soon took to blaming currency reforms for the slump in his trade. The Massachusetts legislature in 1749 decided to redeem the huge paper issues, and to make a fresh start with new units called "lawful money" (£1 of which equaled £7 10s. of old tenor). Henceforth the system was to be anchored firmly to silver, of which a large stock was sent by Parliament, mostly in Spanish dollars, as payment for the Louisbourg expedition.<sup>6</sup>

The change from notes to silver duly took place. As a result, Massachusetts came in time to enjoy an enviable currency stability that lasted till the eve of the Revolution, and her merchants were given an advantage over rivals in neighboring provinces.<sup>7</sup> But these benefits were still things of the future. All that Thomas saw was the end of the inflation and frenzied profits. "This d-d Act," said he, "has turn'd all Trade out of doors and it's Impossible to get debts in, either in Dollars or Province Bills."<sup>8</sup> Further, exchanges were ruptured between Massachusetts and her neighbors, so that merchants were "greatly perplex'd in Trade, or rather none at all, & the people for debts largely to us at Connect<sup>t</sup> R<sup>d</sup> Island & N. Hampshire, tell us we must come there & take our pay in their money, which is no better to us than oak leaves, Distress & Ruin attend this Province if no Act to settle the others on the footing we are on, & you'l find worse Remittances than ever you had from this country."<sup>9</sup>

As well as making cash scarce, the change must have rendered everyday arithmetic even more troublesome than before. Twenty years after the switch to lawful money, some traders were still clinging affectionately to old tenor for their reckonings, and particularly for calculating foreign exchanges; thus an account might show sterling being converted first into old tenor and then into lawful money.<sup>10</sup> The new units were in any

<sup>6</sup> A. M. Davis, "Banks," p. 231. £1 Lawful Money was equal to roughly 15/- sterling; i.e., the "advance" was about 33⅓%.

<sup>7</sup> F. W. Hirst, *Money* (London, 1933), p. 94.

<sup>8</sup> Letter book, May 6, 1750, Kilby.

<sup>9</sup> *Ibid.*, June 21, 1750, Kilby & Barnard.

<sup>10</sup> Henchman changed his ledger to lawful money early in 1750. But many invoices were still made out in old tenor, and it often appears in exchange calculations, e.g., Letter book, Nov. 6, 1761, Pownall. An account current dated Feb. 12, 1771, is in old tenor. H. MSS. (22) 2.

case not much more than legal abstractions; the actual coins were dollars as before, with one dollar counting as six shillings lawful money. And these coins remained too scarce for common needs, so that Thomas continued to make many payments in goods, in private bills, or in private bills based on goods.

## 2. SHIPPING, CUSTOMS TROUBLES, AND TEA SMUGGLING

His success during the war must have added greatly to Thomas' self-confidence. He now knew himself to possess flair and the knack of getting things done; moreover, he had gathered a goodly capital, and his credit stood high on many markets. He had in fact gained the ranks of the acknowledged business leaders. The name "mercantile capitalists" has been given to the class of outstanding traders who, thanks to their wealth and administrative skill, were able to act as the main-spring of much economic effort in the centuries preceding the industrial revolution.<sup>11</sup> A comparison of Thomas with well-known European members of this class — say, the Medici of Florence, the Fuggers of Augsburg, and Sir Thomas Smythe of London — would no doubt show many differences; yet perhaps we may claim for him that he came as near to emulating such men as was feasible for a citizen of colonial America.

At the close of a war, a business administrator is likely to be left facing hard problems. A time of specialized and eager demand ends abruptly; he must remarshal all his resources, and once more court his normal market. These were the tasks that confronted Thomas in 1749. Peace brought a sad fall in his government contracts; he had to revise his methods and to cast about for new wants to satisfy. A possible chance soon showed itself. New England was stricken with drought, and as a result there was a great shortage of vegetables and grain. Thomas, hearing that England had a bumper crop, ordered ten thousand bushels of wheat through a London agent, together with twenty tons of hay for his own horses (which seemed likely to die of famine). But the boat did not arrive till after the shortage was

<sup>11</sup> N. S. B. Gras and Henrietta M. Larson, *Casebook in American Business History* (New York, 1939), pp. 5-8.

over. Thomas thereupon made the best of a bad business by reshipping the wheat across the Atlantic to be sold at Barcelona.<sup>12</sup> He tried another venture in the same year, and it fared even worse. Gross was sent with a sloop full of government materials to the Land and Nova Scotia, where Thomas hoped she might find English troops waiting to be taken home. Then she was to resume the direct smuggling trade from Amsterdam to Boston, possibly calling at Ireland in order to bring butter and potatoes to the hungry folk of Massachusetts.<sup>13</sup>

Gross reached Amsterdam safely, and went for guidance to Thomas' usual agents, the Hopes. They proved most unwilling that a vessel laden with contraband should touch at Ireland, claiming that "the officers in those parts are so excessive inquisitive and troublesome;" instead, they would see what butter could be bought in Amsterdam. And they kept Gross waiting in that port for a long time, while they cautiously inquired about the soundness of a bill from Thomas. When the tiny craft could at last sail, winter was dangerously near. On her way home, she ran into a fierce gale. The mast was swept away, one of the crew was killed, and Gross himself was reduced to the point of death. Fortunately another vessel was near, so he gave orders to abandon ship. The rescuers managed to get the crew aboard, and then set about trying to salvage the cargo. The sloop's mast being broken, the valuable bales of paper could not be hoisted, but had to be broken up and hove out by the ream. From this treatment they suffered much damage.<sup>14</sup>

Worse was to follow. The rescuing boat went to New York, and there the salvaged cargo at once whetted the interest of the customs officers. To safeguard his goods Thomas enlisted the services of Oliver DeLancey, a man eminent in the business and social life of New York and brother of the chief justice.

<sup>12</sup> Letter book, Feb.-Oct., 1749; the boat returned with salt, and many "Madrid bills" were sent to London (*ibid.*, Aug. 23, 1750, Harris & Crisp).

<sup>13</sup> H. MSS. (10) 4, Hancock to Hopson, May 18, 1749.

<sup>14</sup> H. MSS. (7) 5, Aug. 24, 1749, T. & A. Hope to Hancock. The writers state that the Irish customs had even interfered with St. Eustatian traders, who, despite having all the papers and proofs of their coming from that island, yet "met with so much vexation & trouble that no ship dared venture again to go thereto to load provisions, except only in ballast." Letter book, Dec. 6, 1749, Hope.

DeLancey engaged a lawyer, used his influence with the judge of the Admiralty Court, and paid the crew to keep quiet about the true destination of the cargo. Soon he was able to report that, since the goods were "well covered by dutch Papers all they can do is to Oblige me to give Bond to ship them to the dutch Port" (i.e., the sloop's pretended destination). However, he managed even better than this, for he induced both judge and customs authorities to shut their eyes to the whole affair, and after long delays the battered goods were taken to Boston.<sup>15</sup>

The cargo was insured at Amsterdam, and Thomas' next concern was to persuade the underwriters that compensation was due. His position turned out to be weak. Gross was too ill to draw up a convincing "protest," i.e., statement describing the disaster. Nor could Thomas prove the extent of the damage to his goods, since "they can't be exposed to publick sale, for fear of the Custom house officers." If a complete set of documents were sent to Holland, news of the New York court's leniency might get abroad; "We were greatly favoured at Court of Admiralty my Friend [DeLancey] writes me, I hope no ill use may be made against those Officers by papers sent you for not Condemning the Goods, please to use them with Caution." All that Thomas could send was a statement of the damage, sworn to by independent merchants, and this the underwriters deemed inadequate.<sup>16</sup>

The affair was unfortunate in yet another respect. According to Thomas, the Hopes had without orders put hundreds of pieces of sailcloth into the illicit cargo. Thomas had to pay for bringing these unwanted goods from New York, and then found them even harder to sell than the paper, since they lacked the London stamp of origin without which sailmakers dared not buy such material.<sup>17</sup> He protested to the Hopes that he would

<sup>15</sup> H. MSS. (1) 2, DeLancey to Hancock, Nov. 13, and Dec. 12, 1749.

<sup>16</sup> H. MSS., Letter book, Hope, Dec. 6, 1749, Sept. 20, 1750, Feb. 25, 1751, Nov. 24, 1751; Lexington Hist. Soc., Apr. 15, 1750, Hope to Hancock.

<sup>17</sup> ". . . & yours not being stampd makes it unsaleable here. Our Sailmakers will not work it since the Act of Parliament only for small vessells, Repairing old sails, & cannot well be sold without mixing a few pieces of it with a greater number of those that have the London stamp upon them." Letter book, Hope, Mar. 7, 1751.

have nothing to do with the stuff, and was merely storing it for them pending instructions. But they insisted on his taking it. He had to give way with what grace he could muster, and then go to the trouble of sending payment via London. After two years of fruitless negotiations over both sails and insurance, he wrote to his London agent that he longed for an end to all disputes with Holland, and had "no design between you & I for any further transactions in that country."<sup>18</sup>

The failure of his 1749 plans, coupled with the fact that he could still get sterling in plenty from government contracts, made Thomas lukewarm about fresh shipping projects for the next few years. Kilby suggested that they should jointly build a vessel, in partnership with the manager of a Jamaican estate, thus making sure of cargoes from the West Indies to London; but Thomas did not like the plan, for he distrusted the proposed third partner and thought that ships could now be built cheaper in England. So he contented himself with minor schemes, and continued to import his European wares in whatever ships happened to be plying between London and Boston.<sup>19</sup>

Despite the depression, Thomas in the early 'fifties sent a steady stream of orders to various agents in London. Tea was now often mentioned in his letters. This commodity, which had won its way into society during the preceding dozen years,<sup>20</sup> had become one of his staple wares. His imports of it grew till sometimes a single order amounted to over £1,000 sterling,<sup>21</sup> and he regarded any hint of state interference with this trade (by either Massachusetts or Britain) as a grave threat, to be countered by an outcry in which all his correspondents were told to join.<sup>22</sup>

<sup>18</sup> *Ibid.*, Nov. 24, 1751, Thomlinson & Trecothick.

<sup>19</sup> Gross may have gone to Spain and Holland in 1751 (Letter book, Feb. 25, 1751, Hopes). And there was a consignment of cod to Bilbao in 1753 (*ibid.*, Mar. 31, 1753, Buckvelt). For the West Indies project see Letter book, Nov. 23, 1750, Kilby; H. MSS. (7) 1, Kilby to Hancock, 1751; New England labor was too dear.

<sup>20</sup> Weeden, *Ec. and Soc. Hist. of N. E.*, p. 539.

<sup>21</sup> Letter book, Aug. 25, 1752, Thomlinson and Trecothick.

<sup>22</sup> Two bills are mentioned:

(1) An attempt by Massachusetts to put duties on tea, etc.

(2) A British proposal to give a drawback on tea reexported.

See item A in appendix to this chapter.

Inasmuch as Britain was levying a duty of about 20 per cent on tea, there was a strong inducement to smuggle from Holland, and that country became in fact the Colonies' chief source of supply.<sup>23</sup> Thomas therefore soon swallowed his pride, and took to dealing again with Amsterdam. This time he avoided direct trade, and relied on supplies sent via St. Eustatius. He wrote to the Hopes, telling them to ship fifteen chests of the best tea to Godet.<sup>24</sup> Captain Gross, now recovered from his misadventures and in command of the schooner *Lydia*, picked up the chests on his way back from a trading voyage in the West Indies and smuggled them into Boston.<sup>25</sup> Thomas then sent a bill on Kilby to the Hopes (fifteen months after he first gave his order), and asked for a dozen more cases.<sup>26</sup> The only hitch in his experiment had been that so much loading and unloading had tended to break the casings; accordingly he now asked that the tea should be put inside stout casks lined with tin. This novel form of packing would both prevent loss and dupe the customs.<sup>27</sup> What was almost equally important, the disguise would stop news of the tea's dispatch from leaking out in Boston and so affecting prices. Probably with some similar idea of misleading fellow importers, Thomas had insisted that his first order of fifteen chests should be marked "1, 2, 58, 59, 60, 61, and from 88 to 96."<sup>28</sup>

Apart from these overseas ventures, Thomas' affairs seem to have run a mild and unexciting course during the lull between the war of 1739-48 and that of 1756-63. He engaged in odd speculations here and there — a joint adventure in cattle from Connecticut, purchases of land on the Kennebec, and a consignment of goods to Portsmouth (to see if that market could pay in New Hampshire notes, molasses, or private bills). But

<sup>23</sup> *Ibid.*

<sup>24</sup> Letter book, Jan. 14, 1754, Hopes. The price was not to exceed 20 or 24 stivers (per lb.?) ; 20 stivers equaled about 4/-, and a chest held 340 lbs., so the order was for over £1,000.

<sup>25</sup> Details of this voyage are given in item B in the appendix to this chapter.

<sup>26</sup> Letter book, Apr. 17, 1755, Hopes. The bill was for 5,515 guilders.

<sup>27</sup> *Ibid.*, Apr. 17, and May 27, 1755, Hopes.

<sup>28</sup> *Ibid.*, Jan. 14 and 28, 1755, Hopes. On May 27, Thomas adds: "If any New England people in Amsterdam please to let no mention be made, they Tell everything here, & our Officers are very Sharp."

he seems hardly to have found during this time of depression scope for his talents, time, energy, equipment, and credit. Much of his capital lay in relative idleness, as loans secured by bonds; thus he advanced £3,000 sterling to a merchant of Newport at 6 per cent, and had lesser investments in many other towns and villages. Defaults on these bonds may explain how he came to own scattered patches of land all over New England.<sup>29</sup>

### 3. THE FOUNDING OF HALIFAX

There was, however, one current of activity at this time of stagnation. Even while the slump was at its worst, Thomas could console himself with the thought that his government contracts had not petered out entirely. Big orders came to him from the engineer at the Land.<sup>30</sup> When Louisbourg was handed back to the French, its garrison had to be paid off and transported away; Thomas acted as local banker for this purpose.<sup>31</sup> And the Annapolis supply did not die altogether; Apthorp and Hancock still paid the artillerymen and supplied gun carriages (at a price which prompted a member of the Ordnance Board to protest: "that Colony will ruin this Office").<sup>32</sup>

But most of the postwar contracts came from a new source. The French were now refortifying Louisbourg more strongly than ever. Whitehall decided that a counter-check was essential, in the form of a British naval base securing entrance to the Gulf of St. Lawrence. Therefore, the creation of Halifax was ordained. The plans for the town's administration are of interest, since this is the only case in which a British settlement in America was founded by direct state action, not private enterprise. The first governor was a young soldier called Edward Cornwallis (uncle of the general who was to fight in the Revo-

<sup>29</sup> H. MSS. (3) 2, June 20, 1753, Bell's account; Mass. State Archives, 116.304, Nov. 1752, petition by the proprietors of New Plymouth; Letter book, Dec. 28, 1751, Grouard. For the loans, see H. MSS. (6) 4, Dec. 26, 1764, Hancock to Malbone; and (5) 5, lists of debts and bonds.

<sup>30</sup> Letter book, Oct. 20, 1749, May 6, 1750, Kilby.

<sup>31</sup> *Ibid.*, Feb. 15, 1749, Thomlinson.

<sup>32</sup> PRO, War Office 46, No. 8, Bogdani's letters of May 29, 1752, and Aug. 13, 1753.

lutionary War), but there was the usual system of popular representation and local self-government. In London, supervision was in the hands of the Board of Trade, and a private merchant was given the financial work. To Hancock's joy, the first of these agents was Kilby.<sup>33</sup>

Many of the settlers were idle vagabonds, sailors who wanted a passage across the Atlantic, and so on. Some had not even shirts, and numbers were doomed to be killed by a winter spent under canvas. Food, lumber, and carpenters were needed urgently, and Cornwallis had clearly no option but to rely on the Boston market for succor. So Thomas, who had been recommended by several London correspondents, could reasonably look for a handsome flow of orders, and he bought heavily from Kilby on the strength of his rosy expectations.<sup>34</sup>

Sure enough, Cornwallis had scarcely landed before he wrote to Apthorp and Hancock for transports, fishing vessels, and lumber. Then came a disconcerting pause. The partners' share of the supply dwindled away, although Cornwallis was spending freely. Soon Thomas was lamenting that no orders were coming to him save a few direct from Kilby.<sup>35</sup> There were several reasons for this shrinkage. Many of the settlers were ex-soldiers, who retained their military organization and were "subsisted" by contractors in Britain.<sup>36</sup> More important was Cornwallis' determination not to be fleeced by the big Boston merchants. His letters to the Board of Trade show that he knew how Apthorp and Hancock had battened on the war contracts, and that he was no stranger to their methods. His secretary neatly sums up their position:<sup>37</sup>

<sup>33</sup> *Camb. Hist. of Brit. Emp.*, vol. I, p. 393; Parkman, *Montcalm and Wolfe*, vol. I, p. 97; see also Cornwallis' correspondence quoted later, and Letter book, June 7, 1749, Kilby.

<sup>34</sup> Brebner, *New England's Outpost*, pp. 170 and 186; H. A. Innis, editor, *Select Documents in Canadian Economic History* (Toronto, 1929), vol. I, pp. 172-173; Letter book, Sept. 26, 1749, Kilby.

<sup>35</sup> Letter book, July, 1749, Kilby; *ibid.*, Sept. 26, 1749.

<sup>36</sup> British Museum, Additional MSS. 35,913, f. 21. Public Record Office, Audit Office, Kilby's Declared Accounts, Bundle 1301.

<sup>37</sup> Davidson to Lord Duplin, June, 1750, quoted in the Canadian Archives' *Documents Relating to Currency, Exchange, and Finance in Nova Scotia* (Ottawa, 1933), p. 296.

The Answering the Demands for Stores by Commission is vastly advantageous to the Merchants employed — they dispose of their own at their own Price, pay what they take of Others in their Way (as the term is) that is Goods for Goods.

They have one temptation very dangerous to Oeconomy, the more they pay for all Stores and Shipping &c the more Profit they have themselves. . . .

In general to throw the whole public business into one man's Hands puts it in his power both to Settle the Exchange & to raise the Prices of Stores as he pleases.

The auditing of Accounts as it is commonly practised here, the Merchants themselves say, is a meer Farce.

Cornwallis was intent on getting better terms for the Halifax contracts. So, instead of appointing Thomas or any other big merchant as his supplier, he sent an army lieutenant from his own force to Boston.<sup>38</sup> This agent was given the double task of getting stores and dollars. He came armed with a letter of credit to Apthorp and Hancock; but, following Cornwallis' orders, he set about raising money by peddling small bills to all and sundry and bought as little as he could on credit from the partners.<sup>39</sup> His bills were taken up eagerly, for "The Selling of the Public bills to the Merchants that give the highest Exchange is not only a great Saving but extremely advantageous to this Place [Boston], as they have Vast imports from England & are often at a loss for remittances."<sup>40</sup>

In this way the government obtained far better rates than usual; Cornwallis estimated that his procedure saved as much as 22½ per cent on the exchange.<sup>41</sup> Only when he had drained Boston of all its surplus dollars did he turn to Apthorp and Hancock; and he still avoided complete dependence on them by borrowing also from DeLancey and Watt in New York.<sup>42</sup>

Unfortunately, Cornwallis needed far more money than had

<sup>38</sup> *Ibid.*, and Letter book, May 6, 1750, Kilby.

<sup>39</sup> Canadian Archives, *op. cit.*, July 10, 1750, Cornwallis to Lords of Trade, p. 300.

<sup>40</sup> *Ibid.*, p. 297.

<sup>41</sup> *Ibid.*, p. 300. When his credit stood highest, he got £1,150 old tenor for £100 sterling; the normal rate for public bills was only £1,000 or £975, and 5% commission was also charged.

<sup>42</sup> *Ibid.*, p. 298.

been expected, and by the end of the first year he had spent almost double the grant made by Parliament. In consequence, his bills were not met. Loud was the outcry in Boston; the credit of the infant colony vanished, and not another public bill from Nova Scotia could for a time be sold.<sup>43</sup>

Apthorp and Hancock now felt that they had the whip hand. They were piqued by Cornwallis' procedure; as Thomas explained to Kilby, "had we supply'd the whole Demand from this Country, we could have waited and would have done it, till provision was made at a proper Exchange, & not suffered Mr. Cornwallis's Bills to have been in disgrace, & they should all come to your House."<sup>44</sup> Now they resolved to get even by forcing Cornwallis to give them a complete monopoly. When his agent begged them for a small advance, they declined to lend a penny. Cornwallis in some distress then wrote direct to Thomas with a letter of credit on Kilby, asking for \$10,000; Thomas ignored the request.<sup>45</sup>

Matters were growing desperate in Halifax: no money could be got there, and the workmen were unpaid. So Cornwallis hastily sent his secretary to treat with the partners.<sup>46</sup> The latter were already due £7,000 sterling by the colony, and did not know whether Parliament had made any further grant. But they lent £3,000 more to tide Cornwallis over. For future dealings, their terms were stiff: they must have his whole supply and receive their pay at exchange rates fixed by a board of Boston merchants.<sup>47</sup> He agreed; and then the partners ex-

<sup>43</sup> *Ibid.*, pp. 290, 300.

<sup>44</sup> Letter book, May 6, 1750, Kilby.

<sup>45</sup> Canadian Archives, *op. cit.*, pp. 290-291, 300.

<sup>46</sup> *Ibid.*, p. 294.

<sup>47</sup> Letter book, June 21, and July 2, 1750, Kilby. The stipulation about the exchange is important: "At present, when the Public gets 1000 for Bills on Mr. Kilby, & the Governor 1030 for his own Bills, Were the Exchange to be settled by two Merchants (as has been the Custom) . . . I do not believe they would allow above 900£ perhaps 850. Which Rate of Exchange, with the Commission, would make a loss of no less than 15 or 20 per Cent, (as Mr. Kilby's bills go) & 18 or 23 as private Bills go." (Canadian Archives, *op. cit.*, pp. 296-297.) Davidson (Cornwallis' secretary, and the writer of the foregoing) is not above suspicion of fraud (*ibid.*, p. 293), but his statement is backed by a letter from the Board of Ordnance stating that in fact the merchants fixed the rate at 862½. (PRO, War Office 46, No. 8, Aug. 13, 1753.)

plained that their terms obliged him to take, not merely his Boston needs, but "everything whatever wanted for this Province [Nova Scotia] from them only, & not to leave it in his Power to buy anything whatever here or in any of the Northern colonies." <sup>48</sup>

Such a bargain would have given the partners a stranglehold on Cornwallis. Luckily for him, news came that Parliament had now voted further grants; he therefore temporized, appealing to DeLancey and Watt for aid on their own credit.<sup>49</sup> His position continued delicate for some months, since the story was abroad in Boston and New York that Kilby was meeting Apthorp's and Hancock's bills promptly, but postponing payment to everybody else.<sup>50</sup> Cornwallis had no doubts about the truth of this tale; his difficulties were due to "the villany of two men the most substantial in Boston who have made it their business to depreciate the Bills of this Government;" <sup>51</sup> Apthorp and Hancock were "the two richest Merchants in Boston made so by the publick Money and now wanton in their insolent Demands. . . . I wish to God some person You could Confide in was sent to transact the affairs of the Colony relating to Money Matters." <sup>52</sup>

The partners were given substantial orders for a month or two. But with the governor in such an ill mood, smooth relations were out of the question. Despite lofty rebukes from the Lords of Trade, and their assurance that Kilby was "entirely innocent of even the least Partiality or Neglect," <sup>53</sup> Cornwallis did not yield an inch further than was necessary. He was helped by the arrival in Halifax of many small boats seeking a market for provisions.<sup>54</sup> The partners soon found that their bargain was yielding small profits and much unpopularity, and they were not sorry when the orders fell almost to zero.<sup>55</sup> For the

<sup>48</sup> Canadian Archives, *op. cit.*, p. 299.

<sup>49</sup> *Ibid.*, p. 298.

<sup>50</sup> *Ibid.*, pp. 307, 312.

<sup>51</sup> *Ibid.*, p. 305.

<sup>52</sup> *Ibid.*, p. 332.

<sup>53</sup> *Ibid.*, p. 337.

<sup>54</sup> *Ibid.*, p. 299.

<sup>55</sup> Letter book, Sept., 1750, Kilby. "We have given them Dollars at 45/- or 9 for 1, & Received 'em again at 50/- or 10 for 1, have only 5 per cent which deduct is 47/3 that we are 2/9 out of pocket in every Dollar, & what is worse as we dont care to Continue the losing Game on Account of being denied the Supplys of other things, are called enemies to the Settlement . . . ."

rest of his term of office, Cornwallis kept Halifax clear from the clutches of the would-be monopolists.

However, Cornwallis got small thanks for his pains, and in 1752 he resigned. The next governor was more easy-going, and was already well known to the partners, having given large orders to them during the war. To their delight, he at once asked them for his winter supply. They rushed off his goods before the weather grew worse, without haggling over terms, "in Confidence of his great honour & Justice." They also raised what money they could for him by selling his bills. There being no news of a current grant by Parliament, this was a somewhat risky business. Apthorp and Hancock had to endorse the bills before the market would take them, "& some people would be glad to have 'em protested for the sake of 10 per cent Damages & Interest."<sup>56</sup> But all went well, and the sum of £19,500 sterling that the partners provided in the space of a year was all repaid.<sup>57</sup> Thomas became as genial as he had been sour, and exclaimed, "My heart is so engaged in the Settlement, that no sum Governor Hopson orders shall be wanted."<sup>58</sup> The supply sank again when the next governor took the reins;<sup>59</sup> but by then a second war with France and consequently another spell of extreme activity were so clearly imminent that Thomas had little ground for worry.

<sup>56</sup> Letter book, Oct. 3, 1752, Kilby.

<sup>57</sup> H. MSS. (12) 4, Account with Hopson (confirmed by PRO, Audit Office Declared Accounts, 1,300, Hopson's account for 1752/53). This excludes sums raised in the market. Details are:

	<i>£ sterling</i>
Stores, etc., sent to Halifax and Lunenburg	12,519
Dollars shipped and bills paid	6,061
Hires of sloops paid	1,013
	<hr/>
	19,593
	<hr/> <hr/>

<sup>58</sup> Letter book, June 11, 1753, Kilby.

<sup>59</sup> See PRO, etc., 1301. For 1754, £2,109 is probably the figure.

## APPENDIX TO CHAPTER VIII

A. *Letters Dealing with Tea Duties.*<sup>1</sup>

The heavy Duty the Province have laid on Tea, Coffee, Chinaware etc, will ruin the trade of the Town & Province. Mr. Kilby is Chosen Agent by the Town this day to get the Act disallowed at home . . . . I wish [Kilby's] own Interests at the Board of Trade & Counsel Office can affect the thing, it will be an Eternal Reputation to him, if that wont do, hope the Merchants Interest with His Trading to this Country will, for it affects them as well as us here, the people at Newport & York trading to Holland will run all the Tea this Province Demands & can find means to supply the Town without paying the Duty, that the India Company will Intirely lose the Trade & the Dutch have the whole supply, they sell Tea here under 40/- [presumably old tenor] mine costs 3/7 [sterling?], which is not more than the Exchange at 10 for 1 & will be worse if the Act takes place, by which means have all the Tea by me you shipt this Year.

In a letter written in 1752 was the statement that the price of tea had risen to 3/6 per pound: <sup>2</sup>

. . . which is occasion'd by an Act of Parliament which is expected will pass this session to allow the Drawback of the Duty the India Company pays on their Teas on their being Exported which is about 20 per cent which will make so large a Demand for Ireland & the Plantations that the home consumption will be barely supply'd, the annual demand for England is about 4,000,000 lb. this is to prevent by its low price Ireland & the Plantations being supply'd by running it from Holland from which sourse they had their cheifest supply which we hope will now be prevented so that the fair Trader will have his just chance of a Markett, there lays a report at the Board of Trade against your Sumptuary Laws on Tea, Chinaware etc. so that act will be disallowed by the King . . . . Shall omitt Shiping you your 2 Chests of Tea as intended by Phillips till the Act is passed, . . . . the Drawback is not to be paid till a Certificate is return'd of its being landed at the Port it was enter'd out for.

<sup>1</sup> Letter book, July 7, 1750, Hancock to Kilby & Barnard. Kilby was no longer agent for the province, having become unpopular through various faults; e.g., he was said to have mislaid papers on the Rhode Island border dispute and thus deprived Massachusetts of Bristol (*ibid.*, Feb. 10, 1747).

<sup>2</sup> *Ibid.*, Feb. 24, 1752, Kilby & Barnard to Hancock.

B. *Financial Notes on a Voyage.*

The *Lydia* seems to have made several voyages to Nova Scotia, the West Indies, and even Spain perhaps, during the years 1751-55. It so happens that the records describing the 1754 West Indies trip are unusually complete. There are the normal instructions to Gross, telling him to sell his cargo at the English islands for cash or goods.<sup>1</sup> There is a manifest showing that Gross did in fact go to Montserrat, and there paid duty on rum taken aboard.<sup>2</sup> What is more interesting is a series of financial statements showing something of the trip's expenses and income: an odd scrap of paper appears to list the outward cargo at its cost, while a booklet contains Gross' account of his receipts from the sale of the goods and his outlays on the return cargo.<sup>3</sup> From these fragments we can at least make a guess at the voyage's profits.

Let us first compare the cost of the outward cargo with what it was sold for in the West Indies:

	<i>Cost</i>	<i>Sale price</i> (sometimes of smaller quantities)
Cod: 185 cwt. 3 st 6 lb @ 10/-	£ 92.18. -	
24 hogsheads, and packing, @ 8/-	9.12. -	
	<hr/>	
	£102.10. -	£186. 7. 5
Mackerel: 164 barrels @ 13/6	110.14. -	@ 25/-
		to 30/- 215.10. -
Apples: 12 " " 5/4	3. 4. -	"fetch 15 bits" 11. 3
Shingles: 28,250 " 10/8		@ 15/- 18. -. -
Hogshead hoops: 2,000	[MS. torn]	@ 6/- 12. -. -
Staves: 1,000 & other timber		@ 4/- 4. -. -
	<hr/>	
	£239.16. 3	<hr/>
		£436. 8. 8

The gross profit rate is thus nearly 100%.

<sup>1</sup> H. MSS. (1) 1, Sept. 23, 1754.

<sup>2</sup> *Ibid.* (8) 5, Nov. 12, 1754.

<sup>3</sup> *Ibid.* (7) 6, Sept., 1754, and (2) 4, respectively.

Gross accounted for the £436. 8. 8 as follows:

Goods for return voyage:

Rum: 16 hogsheads	£218.12. 6
the hogsheads	24. - . 6
Indigo: 115½ lb @ 5/-	28.17. 6
Molasses: 10 hogsheads 1 barrel	70. 8. 3
the hogsheads	12. 3. -
	<hr/>
	£354. 1. 3

Captain's commission:

5% on £436. 8. 8 (sales)	£21.15. 6	
2½% " 354. 1. 3 (purchases)	8.17. -	30.12. 6

Charges, for clearing out ballast [?]	29.17. 3
Cost of beef, candles, etc., bought on other side	14. 1.11
"2 bbs mackrell they have not paid me"	2.10. -

Total expenses £431. 2.11

He brought back the balance, with an odd sum due by Godet.

Hancock's other expenses included: <sup>4</sup>

"Outsets"	£ 23. 9. 2
Wages	32. 5.10
Hire of <i>Lydia</i> (a partner's share?)	45. 6. 8
	<hr/>
	\$101. 1. 8

Unfortunately, there is no valuation of the goods on their arrival in Boston. If they realized anything like the gross profit rates on the outward voyage, the venture was exceedingly remunerative. The sloop also carried out the useful task of bringing back the illicit tea.

Two documents connected with the crew are extant.<sup>5</sup> The first is a printed form, setting out (in conformity with an Act of Parliament "for the better Regulation and Government of Seamen in Merchants Service") the wages agreed on with each sailor for the trip. The second is the "portlidge bill" drawn up at the end; it runs:

<sup>4</sup> H. MSS. (15) 3, S. Henchman's receipt.

<sup>5</sup> *Ibid.*, (4) 1, Sept. 16, and Dec. 30, 1754.

*Portledge Bill for Schooner Lydia Simon Gross Master for West Indies.*

Time of Entry	Men's names	Quality	Wages per month	Advance Wages	Whole Wages due
1754					
Sept 13	Simon Gross	Master	£ 4. 4. —	£ 4. 4. —	2 m <sup>o</sup> 17 days £10.15. 7½
Do 17	John Snow	Mate	2.13. 4	2.13. 4	2 m <sup>o</sup> & ⅓ 6. 4. 5½
Do 17	Joseph Snow	Sailor	2. 2. 8	2. 2. 8	4.19. 6¾
Do 17	Will <sup>m</sup> Bartlet	Ditto	2. 2. 8	p <sup>d</sup> Capt. Sturgis	4.19. 6¾
Do 13	Simon Gross jun <sup>r</sup>	Ditto	2. 2. 8	2. 2. 8	5. 6. 8
			£13. 5. 4	£11. 2. 8	£32. 5.10½

On the back are the receipts of the different members of the crew for the amounts in the last column.

The commissions allowed to the captain were probably normal. On a different trip the captain was also given 5 per cent on sales, and  $2\frac{1}{2}$  per cent on "returns;" his other remuneration was a salary of £6 sterling per month, 2/- on freights and "half the privilege of what you Carry in the Cabin of any goods from the West Indies to London," plus £5 sterling for each passenger; board at  $2/6$  the day in London was to be allowed; and £10.10/- with which the captain could pay his fare back to Boston.<sup>6</sup>

<sup>6</sup>Mass. Hist. Soc., Orders to English, of the *Boston* (which Hancock was caring for on behalf of Kilby, Barnard, & Parker), Jan. 3, 1757.

## CHAPTER IX

# The French and Indian War

1755-1763

### I. THE ATTACK ON FORT BEAUSÉJOUR

TRADE WAS STILL sluggish at the close of 1754, but Thomas felt sure enough of war's nearness to add six hundred half-barrels of pistol powder to his usual London orders. This was not his only precaution. He canceled his request to Holland for tea, and gave up all marine ventures ("Shipping will Destroy men of little or no Bottoms, and those of Estate if They'd Risque it in shipping as Times Go"<sup>1</sup>).

In this second war, there was no question of bribes or delays before Thomas got his contracts. Instead, Governor Lawrence of Nova Scotia took care to secure his help long before the fighting had begun. Thomas at once wrote to Kilby, explaining that a lot of money might soon be needed for "certain services not yet Publick." Hard on the heels of this letter went an order for more powder, arms, and blankets, which were wanted in a hurry and were to be sent on a man-of-war if no cargo boat was ready; further, Thomas would need an advance of £20,000 sterling during the next year, and, though he could of course get it elsewhere, he was ready to give the business to his friend Kilby on the latter's own terms.<sup>2</sup>

The task that had been assigned to Thomas was the financing of an expedition against Fort Beauséjour. This stronghold (now called Fort Cumberland) at the head of the Bay of Fundy dominated the isthmus linking Nova Scotia with Canada, and Lawrence was planning to reduce it with a sudden blow before war should be declared. The New Englanders backed his cold-

<sup>1</sup> Letter book, Dec. 30, 1754, July 10, 1755, and Jan. 5, 1756.

<sup>2</sup> *Ibid.*, Dec. 11 and 23, 1754.

blooded scheme enthusiastically, promising to send two thousand men. Thomas resumed partnership with Apthorp (the rich merchant with whom, as the reader may remember, he had shared government supplies in the first war), and they jointly agreed to provide Lawrence with unlimited credit; in return, they were made sole suppliers.<sup>3</sup>

Since Governor Shirley of Massachusetts was at the same time raising forces to seize Crown Point and Niagara, the province had all together three expeditions on hand. There was no lack of men for the new crusades, but Thomas found funds harder to gather; "this Province is Spirited to Go every third man to do the work of the Lord, we want nothing but money."

The time-honored device of printing paper currency was now barred to the province by act of Parliament. As a substitute, a war loan was resolved on, and accordingly securities known as "Treasurer's Notes" were sold to the public. Thomas helped the treasurer to float the loan, arranging with a correspondent at New York (where the notes became a popular investment) to raise several thousand pounds of gold or silver on this security.<sup>4</sup> But money remained "extreme scarce" at Boston, and soon Thomas was in sore straits. Somehow or other he had to finance an expedition of two thousand men; owners of transports might be willing to take belated payment in kind, but the troops wanted hard cash weekly. In this crisis he decided to try tapping the resources of Philadelphia and New York. A son of Apthorp had gone to New York in order to marry and settle, so Thomas asked him to undertake a search for cash there. Within a short time came the welcome news that young Apthorp had bought gold to the value of £5,000 sterling.<sup>5</sup>

Throughout the spring of 1755, Boston hummed with prep-

<sup>3</sup> *Public Documents of Nova Scotia*, edited by T. B. Atkins (Halifax, 1869), p. 399.

<sup>4</sup> Parkman, *Montcalm and Wolfe*, vol. I, p. 201; Harrington, *New York Merchant*, p. 133; Letter book, Jan.-July, 1755.

<sup>5</sup> H. MSS. (1) 2, Feb. 25, 1755; Waits writes to Hancock that he will hire his sloop for duck, cord, etc. Letter book, Jan. 28-Apr. 14, and Journal, Sept. 5, 1755. The son was Charles Ward Apthorp. He bought the gold with bills on Apthorp's London agents, Thomlinson and Trecothick. Thomas repaid the latter by sending Lawrence's bills on Kilby to them; this annoyed Kilby, whom Thomas had to soothe for some time.

aration, and Thomas wrote in high spirits, "I expect in a month's Time things will look here as when we were fitting out for the Louisbourg expedition." He hired transports; he bought equipment from a long list of Boston traders; he scoured the Colony for homespun, stockings, and shoes; he imported wheat from Philadelphia; and he did a thousand-and-one other things.<sup>6</sup> His total purchases and advances for the Nova Scotia expedition came to just under £20,000 sterling, and in return Lawrence gave him a series of bills on Kilby (which might or might not be honored, according to whether or not the Treasury would pay the necessary funds).<sup>7</sup> In addition, Thomas sold arms and stores to both Massachusetts and Rhode Island. The former paid in treasurer's notes, the latter in molasses.<sup>8</sup>

After much trouble, thirty-one transports were assembled in the harbor, and the two regiments made ready to embark. But now came an awkward pause: Thomas could not issue the powder and arms. The ship in which Kilby was sending them took an unconscionably long time on her passage; weeks slipped by before she arrived and the expedition could at last sail.<sup>9</sup>

This was not the only annoyance from which Thomas suffered. Governor Shirley had cast longing eyes on Apthorp's and Hancock's monopoly, wishing to give a third-share of it to his own son-in-law; in the end, the latter was "pusht upon us by the Gov<sup>r</sup> in a way Shocking & ungenerous." There were other interferences with business: at a time when private customers were eagerly buying gunpowder and lead, the government seized Thomas' new stocks before he could land them, and he had to refuse orders. In May, he lost the supply of dollars to the Annapolis garrison; in July, he found out that he was to have no further part in paying the troops on the expedition

<sup>6</sup> Journal, H. MSS. (1) 1, Jan. 20, 1755, Bourne and Otis; (4) 2, Apr. 4, Mifflin.

<sup>7</sup> Letter book and Journal, 1755-56. The £20,000 excludes the other partners' advances. For the most part, the partners probably hired transports and bought goods on their own credit, eventually paying the suppliers on the two-way trade basis.

<sup>8</sup> Journal, entries made in Oct., etc., 1755; H. MSS. (1) 2, May 21, 1755, Jenks.

<sup>9</sup> Letter book, May 23, 1755.

(which was to be done by Apthorp alone); and in September, after all his pains in supplying the expedition with provisions for over four months, he heard that Baker of London was to have the contract thenceforth. "New England men have no chance," commented Thomas bitterly.<sup>10</sup>

He was now in a blood-thirsty mood. With his rise to wealth and influence, a pontifical note had crept into his literary style; the fever of war added harshness and fire. Day after day saw him dictating patriotic appeals to Kilby (and thus trying to whip up feeling in England, which showed far less zeal than did the Colonies in waging the undeclared war of 1755). The French were thieves, they were murderers, they were dogs. The Indians would make good neighbors and servants were it not for the French. "For God's sake then let us Root the French Blood out of America . . . it will be the Salvation of England for in 40 years this very America will absolutely take of all the Manufactory of England, a Noble Return for their assistance a Good Interest 40 per Cent for their Outsett at Least;" and "whoever keeps America will in the End (whether French or English) have the Kingdom of England." But later, when General Braddock's parade-ground tactics had brought disaster to the southern army, Thomas decided that the rooting-out would have to be done by Americans: "Give us Ships, money, Artillery (no Regulars) & Let us fight them in their own way."<sup>11</sup>

## 2. UPROOTING THE ACADIANS

Thomas was soon allotted another task. Having taken Fort Beauséjour with ease (the sole success of the imperial armies in the opening years of the war), the victors next had to decide what should be done with the six thousand French-speaking inhabitants of western Nova Scotia. These were the Acadians, whose fate has inspired so many tragic tales. They had been left behind as the French were pushed back in earlier struggles, and their allegiance to their new king seemed uncertain; the British officials went in constant dread of armed uprisings fomented by a priestly fifth column. In the end, Lawrence re-

<sup>10</sup> Letter book, Apr.-Sept., 1755; and H. MSS. (6) 6, June 12, 1755, How.

<sup>11</sup> Letter book, June 16-Aug. 4, 1755, Kilby.

solved that the Acadians must be torn away from their homes and redistributed thinly among the loyal Colonies to the south ("nor will they be allowed to carry away the least thing but their ready money and household furniture").<sup>12</sup> Apthorp and Hancock were told to send the transports. The partners undertook this new work with alacrity. Thomas had no qualms about kidnapping "them who have so long and greatly abused his Majesty's Indulgence."<sup>13</sup> Eighteen vessels were hired and sent to Nova Scotia. The army then suddenly seized about three thousand Acadians, packed them aboard, and burned down their homes.

The transports were mostly small coasters, averaging perhaps a hundred tons in weight. An attempt was at first made to limit overcrowding; the maximum load was fixed at two persons per ton (i.e., half of the meagre rate allowed to troops). After long delays, the vessels sailed. It was now winter, and some of the boats had to put in at Boston through stress of weather. Hancock's bookkeeper gives us a commentary on their journey; his lists include many payments for "provisions supply'd on the above Voyage after the Governments provisions was Expended," "Carrying 56 Neutrals more than his Complement of 2 to a ton, @ 9/- for two," "digging graves," and "burying of 2 French children." Histories usually speak of the Acadians as having been scattered from Massachusetts to Georgia, but Thomas' records show that some were carried as far away as St. Kitts and Antigua. By spring the dispersal was complete, and he could feel that Nova Scotia was now "pretty Clear of those Vermin."<sup>14</sup>

When Thomas later had more contact with the vermin, his feelings changed somewhat. A party of Acadians (who were perhaps trying to make their way home again from the southern Colonies) were seized at Boston, and were placed on a vessel for reëxport to North Carolina. They came ashore forcibly

<sup>12</sup> Parkman, *Montcalm and Wolfe*, vol. I, p. 273; *Public Archives of Nova Scotia Publications*, vol. 363, July 31, 1755, Lawrence to Monckton.

<sup>13</sup> Letter book, Aug. 18, 1755.

<sup>14</sup> Journal, Feb., 1756-Jan., 1757; H. MSS. (7) 6; Boston Public Library, Ch. M. 1. 10.

and would not go back. The puzzled Council agreed that they should be allowed to remain for a fortnight, Thomas being responsible for their food; just before the days of grace were up, Thomas sent a memorial to the Council, asking it to "compassionate their unhappy circumstances" and let them stay. They probably settled in Massachusetts.<sup>15</sup>

If we may judge from the journal, these early years of the war formed the highest peak of activity in the whole life of the business. Provincial buying was large, and the total sales and advances by Thomas to the British Government rose to about £33,000 sterling. Claims for this amount were audited by three local merchants, who pronounced them to be correct, reasonable, and fully vouched, and also recommended that each dollar should be paid for at the rate of 5s. sterling. This seems to have been done. Since par was 4s. 6d., we may perhaps think of Thomas as having earned some £3,600 sterling from exchange, besides extra profits when he sold his own goods to the army, and various commissions. On the other hand, the Treasury did not honor some of the bills until a couple of years or so had gone by and petition after petition had been sent in by Kilby, during which time the latter made Thomas pay 6 per cent interest on his large overdraft.<sup>16</sup>

### 3. LOUISBOURG AND QUEBEC

After the fall of Fort Beauséjour came a marked lull in both fighting and business. Through lack of good leaders, all the other expeditions petered out tamely, and remarkably little was achieved during the next two or three years. Uncertainty about peace damped trade for many months, and, when the war became official in 1756, shipping embargoes gave another check to exports.<sup>17</sup>

Thomas had thus something of a breathing space. However, he still worked at concert pitch. His retail sales went on briskly;

<sup>15</sup> Mass. State Archives, vol. V, p. 457; vol. XXIII, pp. 70-175.

<sup>16</sup> PRO, Audit Office 3, 121, Kilby's account 1753-58; Treasury, 1/360; Boston Pub. Lib., Ch. M. 1. 10, Dec. 13, 1756, and F. 11. 4, Feb. 4, 1758, Lawrence's accounts; Letter book, Nov. 6, 1758.

<sup>17</sup> Letter book, Apr. 22, 1756; Bezanson, Gray, and Hussey, *Prices in Colonial Pennsylvania*, p. 37.

to ensure supplies in this time of scarcity, he began to buy in Bristol as well as London, and he told the Hopes to resume their illicit tea shipments via Godet, though not more than three casks were to be risked on any one ship.<sup>18</sup> Moreover, during 1756 and 1757 he continued to render countless small services to the hesitant generals, paying for their transports and express riders, sending materials to the Nova Scotian forts, and supplying cash to the company commanders. About half the soldiers at Fort Beauséjour fell sick and had to be shipped home; they were kept at Rainsford Island (off Boston harbor) till they were "Clens<sup>d</sup> of their Lise and filthy smell of the Feavour which is very bad they are in want of their Jackets and Briches Shirts Stockens and shoes som have got money to by and som have non . . . their is great want of soap to Clanse these poor Soulders and proper Diet for the sick and proper Nurses as soon as possible, The well will not take Care of the Sick because thay shall stay the Longer." Accordingly Thomas had to pay for supplies and nurses.<sup>19</sup>

Trivial though such chores were beside what he had done in 1755, they put a heavy tax on Hancock's depleted cash box. He still owed £10,000 sterling to Kilby & Co.<sup>20</sup> As banker to the British generals, he had always to keep plenty of cash on hand, since he was often drawn on at sight. These sudden calls were a source of such trouble that he begged officials to give him several days' notice (causing one colonel to draw a bill at five days' sight "that ye may have time to eat your Dinners in quiet").<sup>21</sup> Funds continued very scarce in Massachusetts; a committee of the General Court had to wait on Thomas, cap in hand, in the hope of inducing him to lend money to the province. And taxes were so high that Thomas with fifteen other rich merchants threatened the government that they would leave Boston and settle in some more favored spot.<sup>22</sup>

<sup>18</sup> Journal, 1755-57; Letter book, Sept. 30, 1755, Hopes.

<sup>19</sup> H. MSS. (13) 4, June 16, 1756, Trimbald to Hancock; Journal, Oct. 29, 1756.

<sup>20</sup> Journal, May 29, 1756.

<sup>21</sup> H. MSS. (10) 1, Dec. 5, 1756, Tonge; New York Public Library, May 30, 1756, Scott to Hancock.

<sup>22</sup> Mass. State Archives, vol. V, p. 117.

The arrival of Lord Loudoun, the new commander, promised a fresh spell of action. With the glittering staff came no less a person than Kilby, who was now "agent-victualler" to the army and was charged with the task of feeding twelve thousand soldiers for four years. Boston welcomed him with open arms, and an official dinner was eaten in his honor. But the new appointment had adverse effects on Thomas, since Kilby resigned from the Nova Scotian agency, and his successor was not very friendly to Apthorp and Hancock; also, since the army's headquarters was in New York, Kilby could not give much trade to Boston merchants.<sup>23</sup> While he was in America, his London partners neglected Thomas, who grew sharper and sharper in his letters to them (particularly over a government draft that they had not managed to cash in ten years).

Loudoun as a general proved no better than his predecessors, and the war continued to hang fire until 1758. Then Pitt sent out the slow but tenacious Amherst, with Wolfe as his brilliant lieutenant. Once again Louisbourg was besieged and captured, and once again Thomas had to advance every farthing of his money to hire the troopships. The story of his doings in the 1745 war was now in many details reënacted faithfully; even Bastide returned to the scene, though as major-general. But there were certain important differences. The main burden of this campaign was borne by British regulars, whose food was provided by London contractors; Thomas had to be content with supplying coastal transport and such stores as were not sent direct from Britain. On the other hand, his position as the chief financier in Boston became unchallengeable, for late in 1758 Apthorp died.<sup>24</sup> Because his rôles in the two wars were so much alike, a full account of what Thomas did from 1758 to 1760 would be wearisome. It will be enough to sketch his activities in bald outline.

While Louisbourg was being besieged, Thomas was told to buy, beg, or borrow tools for the sappers, so that the fort's

<sup>23</sup> Letter book, especially Jan.-Feb., 1757, June 10, 1758; PRO, Audit Office, Bundle 191.

<sup>24</sup> On Nov. 11, 1758, per H. MSS. (12) 3, Nov. 15, 1758, Hancock to Monckton.



250 Dollars. — Annapolis Royal 27<sup>th</sup> April 1763.

Sir, At Ten days sight please to pay to Mr. John Bafson or  
Order the Sum of Two Hundred and Forty Dollars it being Cash  
received for use of His Majesty's Works at this place —

To Thomas Hancock Esq. <sup>Jan 21<sup>st</sup> 1763</sup> <sup>to</sup> Your most hum: Servant  
at Boston <sup>Accepted</sup> Tho: Hancock Esq. Tho: Williams.

destruction might be brought about the quicker; after the surrender, he sent all the odd things needed by a town in ruins (such as putty, door-hinges, three hundred pairs of tongs, five hundred kettles, and three thousand spoons). Some of the booty was consigned to him, and he vainly sought buyers for many hundreds of French uniforms plus six cases of hats laced with tinsel and gold. A small expedition up the St. John's River had then to be financed,<sup>25</sup> and a bounty of 40s. had to be paid to every sailor who joined the navy at Boston.<sup>26</sup> When Wolfe sailed up the St. Lawrence to assault Quebec, the draught-oxen and teamsters for his artillery were furnished by Thomas, while Mrs. Hancock sent delicacies to the ailing general; next year, Thomas paid off the colonial Rangers who had gone with the expedition.<sup>27</sup> And at the same time, as Boston agent to the civil government of Nova Scotia, he was helping to open up new lands by sending settlers and by buying goods that ranged from nails to the equipment for the Halifax lighthouse.<sup>28</sup> The scale of his activities between 1754 and 1763 far surpassed what he had done in the earlier war. The pay warrants sent to him by Amherst and others give some notion of his outlays:<sup>29</sup>

1754-57	say	£33,000	sterling
1758	"	11,000	"
1759	"	22,000	"
1760	"	21,000	"
1761	"	8,500	"
1762	"	5,000	"
1763	"	4,500	"

<sup>25</sup> PRO, T. 64, 20, Hancock's bills to Amherst, 1758-59; H. MSS. (10) 3 and (11) 3.

<sup>26</sup> Letter book, Mar. 14, 1759.

<sup>27</sup> PRO, T. 64, 20; *Catalogue of Canadian Archives*, Northcliffe collection, p. 140.

<sup>28</sup> Journal, Oct. 19, 1759, and Sept. 10, 1760.

<sup>29</sup> PRO, T. 64, 22, gives a list of Amherst's warrants, in which Hancock's only rival is Captain Loring (who catered for the Lake Champlain expedition). I have added the substantial drafts by Lawrence on Richard Cumberland, and the smaller bills on the Board of Ordnance (for the Annapolis supply) and the Navy Board, etc., but have excluded payments that I deal with in my next chapter.

To some extent, Thomas raised the necessary funds by working with and borrowing from young Charles Ward Apthorp, son of his late partner.<sup>30</sup> And Kilby again came to his rescue at the peak of the strain; writing from Greenwich, N. Y., he told Thomas that "The Generals Warrants are at last gone to you for your Reimbursement, but at the heels of many other disagreeable Interruptions that have happened it is now found Inconvenient and I fear Impracticable for the Deputys of the Remitters to pay you at Boston — In this Situation, I can only offer you my disinterested and Friendly Assistance."<sup>31</sup> Kilby made two offers:

- (1) . . . if my bills of Exchange upon Messrs Bakers [important London merchants, and Kilby's partners in the army contracts] at the last Current price with you, will afford you any accomodation, you shall have them in any Sums most convenient to you, upon the first notice, to the Amount of as many of your Warrants as you will endorse and send to me here.
- (2) The alternative: the paymaster's deputy at Albany had plenty of New York notes and so could cash the warrants forthwith; Thomas might (if he had any use for money that would be current nowhere else) send the warrants endorsed to Kilby,

. . . and I will receive the money and lock it up in a Chest for you, to be drawn for in Whole or Separate parcels without Commission or other Expense to you. — Consider this attentively, and make any use of me that your Interest and our unbounded Friendship can Suggest, in Confidence that I am

Yours without Reserve.

Chris Kilby.

The accounts sent by Thomas to the government were carefully checked before being settled. Most of his outlays consisted of payments to other merchants on the government's behalf; his accounts could thus be vouched easily with the receipts of those merchants. On the rare occasions when vouchers were not given, two of Thomas' clerks certified the sup-

<sup>30</sup> Letter book, Sept. 1, 1759.

<sup>31</sup> Lexington Hist. Soc., July 16, 1759, Kilby to Hancock.

plier's invoices, stating that receipts could not be obtained because the suppliers lived a long way off.<sup>32</sup>

Nor was there the same scope for unbridled profits as in the war of 1745-48. True, a 5 per cent commission on advances was now allowed, but gone were the days when fantastic exchange figures might be charged. Since Massachusetts money had returned to a metallic basis, the rates had become clearly established, and no one could argue about them. A dollar was nominally worth 4s. 6d. sterling, and the Treasury was indisposed to give Thomas more than 4s. 8d. In his minor dealings with the Ordnance and the Navy Boards, where the risk and trouble were admittedly greater, he might be able to screw up the rate to 4s. 11d. or 5s., but 4s. 8d. was all that he managed to squeeze from the main army contracts.<sup>33</sup>

In return for his profits, Thomas worked hard. From 1754 till 1760, generals and civil bodies rained orders on him continually. The scale of his advances to the British Treasury puts him in the front rank of colonial suppliers. Besides being a merchant and banker, he was in effect a branch of Whitehall. He unearthed Crown property that had lain forgotten for a decade; he acted as a clearinghouse for information; he saw to it that the masters of transports did not defraud the Crown by stealing stores or wasting time. All sorts of odd jobs were piled upon him: when Amherst's army marched through Blandford and stole two of the parson's sheep, Thomas it was who smoothed matters out with a suitable *solatium*.<sup>34</sup> In addition, Massachusetts honored her active son by electing him in 1758 to the senior government body, the Council; he thus came to serve on many of the committees dealing with provincial finance.<sup>35</sup>

As Thomas looked back over his life, he must have seen clearly that he owed much of his large fortune to wars. Two campaigns, both fought near Boston, had been the making of him. Yet, had jealous neighbors dared to call him by the harsh

<sup>32</sup> PRO, T. 64, 20.

<sup>33</sup> See the PRO accounts, etc. For his profits in the first war, see Chap. VIII.

<sup>34</sup> See, e.g., H. MSS. (1) 2, Nov. 19, 1758, Quartermaster-General to Hancock.

<sup>35</sup> Mass. State Archives, vol. CXVII, p. 883.

names that are so often hurled at a man grown rich in wartime, he might with some truth have retorted that his wealth, drive, and gift for organizing had proved appreciable props to the Empire during very critical years.

#### 4. THE TAIL-END OF THE WAR

After the fall of Canada in 1760, the fighting moved to places remote from Boston. Henceforth the war was not much more than a distant nuisance to New England. But, if the risks shrank, so did the pickings. Army contracts began to fall off, and trade wavered. By 1762, Thomas was writing that money "is very Scarse here & Really dont know whether it's Possible to procure it, What I had out of Trade I have lately Lent to the Province in their Distress for money to Raise their men for General Amherst."<sup>36</sup>

Thomas indeed felt the pinch as much as anyone. To him, peace spelt more than a loss of revenue. It meant that his years of elation and achievement were over, and that at their heels was coming a time of anxious readjustment. A big debt to Kilby clamored for settlement; the Treasury must be pressed to pay bills that had been stale for three years; above all, a fresh source of sterling must somehow be found.

Nor could Thomas readily revert to his prewar methods. For instance, the foe was still strong enough to put marine ventures out of the question. Swarms of French privateers hovered along the Atlantic shipping lanes, and at the close of 1760 seized cargo after cargo of goods bound for Boston. Fortunately Thomas had insured his orders, and so was not much out-of-pocket. Also, the methods of warfare were more mercenary than in the submarine era, and prizes could sometimes be ransomed; thus one vessel was bought back for the fat fee of £9,000 sterling, and Hancock's agents had nothing worse to grumble about than the intricacies of splitting this cost among the various persons concerned. Nevertheless the underwriters grew "all frightened and will not touch anything without a very high premium." Insurance rates rose swiftly from

<sup>36</sup> H. MSS. (9) 3, June 8, 1762, Hancock to Bruce. Possibly the expedition was that for the recovery of Newfoundland, seized by the French about this time.

fifteen to twenty guineas per cent, and in 1762 (when Spain belatedly took up arms on the side of France) soared to thirty guineas.<sup>37</sup>

If honest trips to England now seemed hazardous, smuggling looked still worse. The rival navies were patrolling in force off all likely West Indian and European ports. And there were hints that the sleepy age of customs complaisance was nearing its end; as if to presage the troubles that were fast approaching, the famous "writs of assistance" case was now fought out in the Boston courts (which upheld the customs officials' claim to wide powers of entry into places suspected of containing contraband).<sup>38</sup>

Nor could Thomas hope for a bigger outlet in the home trade of Massachusetts. The farmers were suffering from a bad drought, and remittances from upcountry were growing tardy. In response to his demands for payment, Thomas received appeals such as:<sup>39</sup>

Sir

you Doubtless are in Some Measure acquainted with the Distress the People in the Country amongst us are in at present Crops Cut Short Last Summer by Drought followed with A Long Severe Winter A Great Scarcity of provisions and fodder Stocks Dying and Dead and money Scarce Beyond account the people Not able to Raise money at present which Renders it very Difficult to pay you the hard Cash on A push . . . hope you will at this time Deal Tenderly with me who are your very Humble Servant

David Barber

Thus rural buying shrank just when government orders were drying up, and trade received a double blow. In Thomas' case, the volume of business between 1760 and 1762 was probably about one-half of its level during the early war years.<sup>40</sup>

But this was not the end of the disheartening factors. Kilby went back to Britain in 1761, to find his firm in difficulties.

<sup>37</sup> See the letter book and journal for the period, also insurance letters in H. MSS. (7) 2 and 3.

<sup>38</sup> G. L. Beer, *British Colonial Policy* (New York, 1907), p. 123.

<sup>39</sup> H. MSS. (1) 3, Apr. 24, 1762.

<sup>40</sup> See summary of journal, item A in appendix to this chapter.

The Treasury probably still owed him enormous sums, and his North American customers were not paying well. He began to put the screws on his colonial debtors. He sternly told Thomas that "We are determined to Ship very few goods to your Port, till we are paid what is now due to us." But such threats brought few bills from Boston, and Kilby was in such straits by the end of 1761 that he urged Thomas to send specie again if no more bills could be found.<sup>41</sup> He retired soon afterwards, though the business was carried on by his two partners, Barnard and Parker. The Treasury would seem to have paid most of his claims in the long run, for he is said to have left a princely fortune when he died at the age of sixty-six.<sup>42</sup>

Another familiar figure disappears at the same time. HENCHMAN (Thomas' father-in-law) died in 1761, leaving his comfortable estate to Thomas and Lydia.<sup>43</sup>

And Thomas was himself no longer the man he had been. Though he was hardly sixty, his health was growing wretched. His letters show that he lost much of his wonted spring and high spirits when the war-rush was over. The truth of the motto on his coat-of-arms, *nul plaisir sans peine*, was, alas, becoming all too clear; so many feasts with influential guests, so much choice madeira, could not but leave their mark. His wrists and ankles were swollen with gout, and he groaned under a "nervous disorder." Gone were the days when he relished a stiff tussle with adverse trade conditions; instead, "we are all Just Creeping about pretty poorly Mother HENCHMAN very weak."<sup>44</sup>

Partly because he had no longer any stomach for wearisome detail, partly from a wish to help younger men, Thomas began to relegate a good deal of his petty work to others. He had often done semi-legal business for people living far from Boston; now he refused to continue with such tasks.<sup>45</sup> He also

<sup>41</sup> Letter book and H. MSS. (7) 3.

<sup>42</sup> At Dorking, Surrey, in 1771 — *NEHGS Register*, vol. 26, p. 43.

<sup>43</sup> *Ibid.*, vol. 67, p. 109.

<sup>44</sup> Letter book & H. MSS. (17) 2, Jan. 29, 1762, Bastide.

<sup>45</sup> Thus he had been agent for collecting and remitting sums due to Admiral Warren's estate. The letter in which he declines to continue this work is quoted in A. E. Brown, *John Hancock: His Book* (Boston, 1898), p. 18, which also re-

seems to have been discarding part of his retail trade, for he set up an orphaned nephew, William Bowes, in a hardware shop, guaranteeing the lad to British suppliers and giving him a marked preference when buying stores for the government. Since his own business sold hardware on quite a big scale, we may suppose that Thomas thought twice before nursing this competitor to become a large wholesaler, but he was not averse to shedding part of his own retail trade. Again, he encouraged Bowes' brother, who had been one of Henchman's apprentices, to carry on the bookshop after Henchman's death.<sup>46</sup>

His fortune was now so great, and the chances of enlarging it in the future looked so slight, that Thomas took to wondering whether his best plan would not be to quit the struggle altogether and retire, not merely from business, but from America itself. "I wish to see Mrs. Hancock," urged a friend from London, "it is a pity she should stay in such a place, where she has not her fellow! take her to England and make her happy with Christians. I have a house at Your Service." And shortly afterwards Thomas wrote, "Trade is on such a footing here, I am of opinion it will be better for me to sell all & Go to England & spend my days in quiet, & Mrs. Hancock is quite willing."<sup>47</sup> True, these words were sent to the owner of the next-door land in an effort to coax down its price, and protestations by Thomas at such times must be taken with a pinch of salt. Yet less ambitious folk than the Hancocks might well have felt the lure of "dear London." Several of their wealthy neighbors had gone off to England and were cutting fine figures there; the agent for New Hampshire had started a flourishing business in London and had even managed to push his son into Parliament, while a son of Apthorp had just become a don at Cambridge.<sup>48</sup> So, as Thomas and Lydia gossiped over these doings and read Kilby's dashing accounts

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produces, with varying degrees of accuracy, many of the letters from 1762 onwards.

<sup>46</sup> Letter book, e.g., Jan. 9, 1756, and May 1, 1756. The brother was Nicholas Bowes, and he formed a partnership with John Wharton.

<sup>47</sup> H. MSS. (1) 3, Sept. 12, 1761; Letter book, Nov. 6, 1761, Thomlinson.

<sup>48</sup> L. B. Namier, *England in the Age of the American Revolution* (London, 1930), pp. 285-288.

of his mansion at Blackheath and trips to Scotland, they too may have thought of sailing eastward to see what sort of place their wealth could win in the more complex social structure of the mother-country.

In the end, however, Thomas decided that he was too old a dog for such new tricks, and had better content himself with being the richest man in Boston. Elegant society would be no substitute for the business that had always been his one engrossing interest. He enlarged his estate on Beacon Hill, and settled down to plan his last campaign.

##### 5. NEW BLOOD IN THE FIRM

When Thomas was resolving not to quit his warehouse, he was doubtless strengthened by the hope that soon he would be sharing his worries with a younger man. This was his nephew, John. John Hancock was born at the parsonage of Braintree in 1737. His father died a few years later; Thomas and Lydia had been denied children, and promptly made up their minds to adopt this good-looking orphan. So he was soon removed from his simple country home (leaving a brother and sister behind with their mother, who remarried) and was taken to live in Hancock House. He was educated at the Boston Public Latin School and then at Harvard, where he prepared himself for business administration by studying the classics, divinity, "Disputes" (debating), and a little arithmetic—no bad curriculum, perhaps. The story goes that he and some of his classmates (possibly aping the fops and "macaronies" of contemporary England) dressed with such extravagance for their graduation that the college authorities imposed a sumptuary law on later students.<sup>49</sup>

After this display John "returned to the arms of his indulgent uncle," and the practical part of his training began. He was put into the office, and there he worked during the six busy years of the war. He is hardly mentioned in the business papers, and there is no sign of his having done anything more responsible than make neat copies in his uncle's letter book. But,

<sup>49</sup> S. A. Bates, *Records of the Town of Braintree* (Randolph, 1886), p. 774; L. Sears, *John Hancock, the Picturesque Patriot* (Boston, 1912), vols. I-IV.

at the stage in the firm's story that we have now reached, Thomas decided that his nephew must have a bigger hand in management. The most urgent task of the moment was to make the government honor its bills. So in 1760 John was put aboard a ship bound for London, with the triple idea that he might act as debt-collector-extraordinary, make friends with English agents, and see something of Europe as befitted a young gentleman.

There can be no doubt that both Thomas and Lydia thought the world of their "dear Johnny." Though he had reached the age of twenty-three years, they carefully arranged for him to make the voyage under the wing of a retiring governor, and Thomas ensured a warm welcome from all correspondents by telling them that the young man's "Industry God bebehaviour and ability has so Recommended him to me, that on his Return from England I shall Take him a Partner with me in my Bussiness."<sup>50</sup> A letter to Kilby's partners asked that funds should be sent to John if he was captured by the French and that decent lodgings should be taken for him on his arrival at London — perhaps to save him from an unsuitable atmosphere, he was warned that he must on no account put up at Mrs. Bastide's. A stream of loving messages and cautions followed him:<sup>51</sup>

After you sailed we had E. & N. E. Winds & Dirt. Mrs. Hancock was very uneasy, I told her all was well, Our best Respects to Gov'r Pownall, hope to hear you had a good Passage. This goes by way of Lisbon.

. . . . Your Aunt has been much Concerned for you, & I have been put to it to keep up her Spirits . . . .

Let me know who Receives you with Respect. Write me how the World goes on that Side of the Water, be frugal of Expences, do Honor to your Country & furnish Your Mind with all wise Improvements. Keep the Pickpockets from my Watch. God bless you & believe me, Your Loving Uncle.

It was usual for a merchant to send his son to work in the countinghouse of a distant correspondent, in order that the boy

<sup>50</sup> H. MSS. (12) 3.

<sup>51</sup> Letter book, June 14, July 5, 1760.

might be trained in business. But this dull course was not followed in John's case. He made a quick round of calls on the agents in London, and then went to Hamburg and Holland; on his return, he at once visited Bristol and Manchester. Thereafter he stayed in London, trying without success to make the Treasury settle its bills at a high exchange, and conscientiously gleaning tattle about the officials at the Board of Ordnance. And he paid his uncle's accounts, wheedling small concessions out of the agents, who shrewdly told Thomas that the lad was winning all hearts.<sup>52</sup>

For the rest of his stay, John had a gay and idle time. He spent money freely. Rumors of his style in dress traveled all the way to Boston and reached his uncle's ears, provoking a sharp letter of protest, to which he answered:<sup>53</sup>

I am not Remarkable for the Plainness of my Dress, upon proper Occasions I dress as Genteel as any one, and can't say I am without Lace. I Endeavor in all my Conduct not to Exceed your Expectations in Regard to my Expences, but to Appear in Character I am Obliged to be pretty Expensive. I find Money some way or other goes very fast, but I think I can Reflect it has been spent with Satisfaction and to my own honour.

John Hancock's figure looms so large, not only in this tale but in the history of America itself, that interest in his character springs naturally. A cool, full-length study of his life has yet to be written; all that we have so far been given are lopsided sketches, first by the sentimental and then by the "debunking" schools of biography. The portrait that emerges from such writings is not endearing. And, when the nature of John's boyhood is remembered, we must admit that his upbringing was not of a kind likely to make a well-balanced man. As a child of seven, he loses his father and is suddenly taken away from home and family. Henceforth he must reconcile the claims of possessive foster parents with those of his mother, not to mention his stepfather; he must also try to harmonize an austere religion with the show and worldly wisdom of Beacon

<sup>52</sup> H. MSS. (7) 2; and Boston Pub. Lib., G. 41. 8, vol. III, p. 14.

<sup>53</sup> *Mass. Hist. Soc. Proceedings*, vol. XLIII, p. 196.

Hill. His good luck in being adopted by the Hancocks makes him the envy of his schoolmates. He can play the dandy and ride in a carriage — just so long as Thomas and Lydia choose. If he endears himself enough to them, he will be heir to their vast riches; if not, he will be no better off than poor brother Ebenezer, to whom he now preaches the virtues of diligence and self-help. His gouty old uncle seems to dote on him, yet any suspicion of neglect (as when his letters from London are taken by privateers) brings sour upbraidings.<sup>54</sup> Here, surely, is a character in which psychologists may divine a host of jarring complexes; and even plain folk may suspect that such a lad will grow up with ingrained fears for his position, and will habitually try to make himself safer with wiles beyond his years.

It was perhaps touchiness about his status that led John into an unhappy business squabble while he was still in London. Thomas had sent a government bill for £3,000 to Messrs. Trecothick, Apthorp, & Thomlinson (all pillars of the American trade), whom he sometimes employed as his London bankers. Suddenly John complained that they were refusing to obey instructions. In a rage, Thomas replied, "and now Dear Johnny, I am very much vext at the Insult I & you have met with from the House," and then curtly ordered Trecothick to transfer every penny to Kilby & Barnard. Trecothick's story of the affair seems quite reasonable; he had been told by Thomas "to furnish your Nephew with what money he should apply for, *for his Expenses*. Some time after Mr. Hancock arrived he drew on us in favor of Wright & Gill for your Account which was paid, 'tho not strictly after the Terms of your Letter of Credit — afterwards he acquainted us that he should want £1100 — which we told him was in our Apprehension quite beside the meaning of your Credit but however desired

<sup>54</sup> Contrast the warmth of the earlier letters with:

"Dear Sir . . . . Two Lisbon Vessells have just arrived, but no Letters from you; your Aunt begins to think hard of you for not writing . . . .

I am Dear Sir  
Your Humble Servant."

Letter book, Oct. 7, 1760.

he would draw upon us in favour of Governor Pownall to whom he mentioned the money was to be paid, that so we might have a proper regular Voucher for the Payment of the Sum in Question in your Account — this the Young Gentleman refused to do & so the Matter rests." Thus John started his career by quarreling with the most influential house in the trade.<sup>55</sup>

Despite protests from Thomas, John spun his stay out for more than a year. Late in '61, he at last sailed back, with many presents, such as a cap and French horn for Cato the slave. And, on January 1, 1763, Thomas announced to all correspondents that he had taken his nephew into partnership.<sup>56</sup>

#### 6. MINOR GOVERNMENT CONTRACTS, 1760-1764

During the lean years 1760-62, Thomas still managed to pick up stray government bills, though the supply was halting and the delays before payment were long. Thus a fair number of transports were hired during the period by General Amherst, who paid with "Certificates on His Majesty's Navy;" Thomas bought these cheap from the masters and sent them to Kilby & Company for eventual collection. He also subscribed for sterling bills issued by the Massachusetts government on its London agent; but the latter would not pay for many months, since he had been given not cash but Exchequer tallies (i.e., the notched wooden receipts of the Middle Ages, used by the British Treasury till 1826), and the market would buy these only at a 3 per cent discount.<sup>57</sup>

The settlement of Nova Scotia continued to be the source of a dwindling amount of work and income. On behalf of the civil government, Thomas had sent a committee to explore the

<sup>55</sup> Letter book, Mar. 16, 1761; H. MSS. (7) 3, Feb. 12, 1761, Trecothick to Hancock.

<sup>56</sup> *Mass. Hist. Soc. Proceedings*, vol. XLIII, p. 199; Letter book. We have no details of the partnership contract.

<sup>57</sup> Kilby exchanged Amherst's certificates for "navy bills" that were "payable in the course of the Navy" — a condition that caused a cynical market to deduct an 8 or 10% discount — Journal, May 23, 1761; and H. MSS. (7) 3, July 17, 1761, Kilby (7) 2, Sept. 15, 1761, Griffiths; the sterling bills appear in (12) 3, Aug. 13, 1762, Gerrish, and (7) 3, Oct. 10, 1761, Kilby; for tallies, and their curious use to satisfy alike Royal debtors and creditors, see article in *Encyclopaedia Britannica*.

land near Minas. The report was glowing and, before long, slooploads of settlers were shipped off from Boston to that district and Truro. At first the government employed Thomas to pay for the settlers' transport and supplies; then for transport alone; then for neither.<sup>58</sup> About this time, also, Thomas furnished Nova Scotia's "Commissary General for Indian Commerce" with wares suitable for that trade, e.g., wampum, "Boys Drums without Sticks," "Silver Rings with Hearts," and fifty barrels of rum; but this business came to an abrupt stop, since the province's treasury was in such a state that the governor felt he could not "with any decency recommend this account to the Board of Trade for allowance," and told Thomas to reimburse himself as best he could from the trading stock.<sup>59</sup>

Although the British army was no longer the hungry customer to Thomas that it had been before 1760, a few orders still came his way. General Bastide (now past his prime and made waspish by gout) was in charge of the Halifax fortifications, and managed to give some of the supply to his Boston crony till 1762; then the Board of Ordnance insisted on his at once employing another agent.<sup>60</sup> All that Thomas could henceforth extract from the Board was the supply of building materials for Annapolis, which yielded only a few hundred pounds of sterling in a year; and competition for these dribbles was so keen that Thomas had to forego commission, even deciding to submit tamely when told to advertise in the papers for rival tenders.<sup>61</sup>

But Thomas did contrive to land one supply that looked hopeful. True, it was a small affair, and his rôle was that of a mere underling who never came into direct touch with the government. His immediate chief was one Matthew Woodford, of England. Woodford, besides dabbling in politics, had for

<sup>58</sup> H. MSS. (9) 4, May 15, 1759, Ramsey to Hancock; (12) 3, Mar., etc., 1760, Hancock to Lawrence; Journal, 1760; *Public Archives of Nova Scotia Publications*, vol. 136, April 6, 1761, Belcher to Hancock.

<sup>59</sup> Journal, Sept. 11, 1760; *Public Archives of Nova Scotia Publications*, vol. 136, Mar. 9, 1761, Belcher to Hancock.

<sup>60</sup> PRO, War Office 34, 15, Bastide to Amherst.

<sup>61</sup> H. MSS. (9) 3, Mar. 30, 1762, *et seq.*; Boston Public Library, G. 41. 8, III 34, Mar. 8, 1762, Bruce.

thirty years held contracts for victualing the forts in Nova Scotia and Newfoundland.<sup>62</sup> Such long-term arrangements, unlike the breathless war-time orders on which Thomas had grown so rich, enabled the British Treasury to impose fairly strict terms. Woodford in 1760 signed a new agreement for providing 500 soldiers at Halifax, Chignecto, and Annapolis with a weekly diet of:

7 lb. bread, 7 lb. beef or 4 lb. pork, 3 pints pease,  
1 lb. cheese, 6 oz. butter, 1 lb. flour, ½ lb. rice.

In return, he was to be given fivepence-halfpenny per man per day — a sum which, if prices did not rise and stores were not wasted, might yield an income of perhaps £600 stg. a year (after meeting the cost of the food, audit fees, and gratuities to Treasury officers, but before allowing for interest when payment was late). He employed a Boston correspondent as sub-agent; this man bought the provisions and sent them off to the forts, where they were doled out to the soldiers by sub-sub-agents. About 1761, the Boston correspondent retired and recommended Thomas as his successor.<sup>63</sup>

Woodford accordingly wrote to Thomas, asking him to take charge of the supply on the terms hitherto in force; the Boston merchant had been credited with a fixed sum (perhaps 4½d. sterling per day) for each man fed, and had made what he could out of his sub-contract. Thomas thought the matter over cautiously. The prospect of harvesting some £3,000 sterling each year was welcome indeed. But he foresaw trouble in an agreement that involved so many scattered officials, and under which he bore the loss if prices rose or food went bad before it was issued. In any case, the bargaining position of the distant Woodford was obviously weak, since he was committed to deliver the stores (under a penalty bond of £4,000) and must depend on someone else to do the work.<sup>64</sup> So the reply sent by Thomas sounded cordial but clinched nothing. He explained that the old terms no longer seemed suitable, but

<sup>62</sup> British Museum, Add. MSS., 32,873 f 57; PRO, Audit Office 1, pp. 187-188.

<sup>63</sup> *Loc. cit.*; and Letter book, Apr. 6, 1761, Woodford.

<sup>64</sup> H. MSS. (7) 2, Feb. 16, 1764, Woodford to Hancock.

went on to say that, despite his unwillingness to take up a formal contract yet, he would gladly watch over Woodford's interests. In this, he was as good as his word. He gave security that provisions would arrive, engaged agents at the forts, organized surveys of stores left over from the war, and sent a cooper to pack such food properly. Six months later he wrote that, pending a settlement, he would buy what provisions were needed on a commission basis (thus pushing the risks on Woodford).<sup>65</sup>

As it turned out, the position was even more muddled than Thomas had expected. He could never be sure how many mouths he would have to feed, since the garrison kept changing in size (the more so when starving "neutral French" came in), and stores had to be shifted about from one fort to the next. Woodford shared the Nova Scotia supply with another English contractor, and their work overlapped; the commissary of a fort had great trouble in apportioning the soldiers between his two principals, and, if the stocks of one man were used up, would borrow from the other. Elaborate stores accounts were thus needed. In addition, lengthy ration lists had to be made out, certified by officers, and sent to Woodford in order that he might claim his money from the Treasury.<sup>66</sup>

To meet the extra demand for flour and bread, Thomas turned to the Philadelphia market; here correspondents bought and shipped the goods for a 5 per cent commission, being paid with bills on London — a loss of sterling that doubtless made Thomas even more dissatisfied.<sup>67</sup> During the winter, bad weather and ice forced back the supply boats, and the soldiers often went short; when spring came, the government clapped an embargo on shipping and tried to secure all the pork in Connecticut for other uses. And "besides all this, there is Millions

<sup>65</sup> Letter book, Apr. 6, July 22, and Oct. 27, 1761, Woodford; H. MSS. (10) 1, May 1762, Petition by Thomas Hancock to Governor Barnard. The local agents for most of the time were Ben Gerrish, Thomas Williams, and Joshua Winslow, respectively, at Halifax, Annapolis, and Chignecto (plus Fort Cumberland).

<sup>66</sup> Letter book, 1761-62. Woodford was to feed 500 men, and the other contractor (Chauncy Townsend, M.P.) 1,500, irrespective of which forts they were in.

<sup>67</sup> H. MSS. (3) 1, Jan. 28, 1762; (3) 2, Sept. 22, 1764, Bell and Sword.

of Ratts eating the best of the Provisions." After a year packed with such troubles, Thomas told Woodford: "This has been the most Intricate, Perplex'd Affair, I ever had to do with, & has taken me up more Time than all my other Business."<sup>68</sup> There really was some truth in this protest. Apart from the sterling bills, the contract was hardly worth the pains; Thomas grew so sick of it that he offered it secretly to his Halifax agent (on condition that the bills were still given to him), but the latter flatly refused it.<sup>69</sup>

On his side, Woodford also was displeased. He grumbled about the slowness with which the ration lists were sent, not realizing that there were no posts in Nova Scotia, so that letters took a month to go from Annapolis to Halifax in summer, and much longer in winter.<sup>70</sup> And despite all efforts to pin Thomas down to a hard contract, a second year of irritation slipped by without agreement. In response to repeated appeals and threats, Thomas would write airily:

We have just Rec'd your favours of 7th 13th & 28th December by Packett and observe their Contents; Time will not now permit a particular Reply, shall Take the matter under Consideration . . . & write you particularly by next Oppor<sup>y</sup>.

But, when the next opportunity came, he had nothing more definite to say than:<sup>71</sup>

We Congratulate you on the Conclusion of a Peace, and hope we shall soon be able to take your Contract on a footing that will be satisfac-

<sup>68</sup> Letter book, 1761-62; H. MSS. (10) 1, May 1762, Petition to Barnard; (1) 3, May 17, 1762, Lawrence to Hancock; Letter book, July 8, 1762.

<sup>69</sup> "When I accepted to Carry on Mr. Woodford's contract one view I had in it was to make a Remittance home, Bills Growing Scarse, now would it be any advantage to you to take the Contract Giving me the Bills as the Exch<sup>e</sup> Governs from Time to Time, and that I furnish any Provisions that may be wanted from hence, Should I be willing to stop doing it myself. what I have done as things were unsettled has been by Commission only, pray at what per annum [?] can you afford to [do?] it at & Run all Risques — which is the thing Mr. Woodford wants to fix & I will Recommend the affair to Mr. Woodford. I find So much Perplexity in the affair, if I can Git Bills, I Don't Care much whether I am Concerned or not." H. MSS. (12) 3, undated letter to Gerrish; (12) 2, Oct. 6, 1762, Gerrish's reply.

<sup>70</sup> *Ibid.*, Oct. 25, 1762, Gerrish.

<sup>71</sup> Letter book, May 6, 1763.

tory on all sides, be assured no one shall Consult your Interest in all Respects and better carry on your Contract than . . . .

Sir, Your most Obed<sup>t</sup> Serv<sup>ts</sup>

The officers at Annapolis had always been more prone to reject bad food than their brothers at other forts, but the third year of the makeshift agreement saw them condemning supplies wholesale. Again and again, food was on its arrival surveyed and refused. The form of certificate ran: "This is to certify that having carefully surveyed a Barrell of Pork in the Stores sent here by Thomas Hancock Esq<sup>r</sup> & Co for service of Mr. Woodford's Contract we found same Stinking decay'd and intirely unfit for use."<sup>72</sup> Thomas wrote to the commissary that he thought the officers too strict; he had sent on rejected stores to Halifax and Chignecto, and there they had been distributed without the loss of one bushel; still, he was far from wishing that bad provisions should be issued, and as a practical way out of the difficulty pointed to the French who were making government roads, and who "might be content if they have not always the very Best."<sup>73</sup> This solution had proved a complete success at Chignecto, whose commissary was able to state, "I have got rid of the Old Pork . . . without any difficulty to the French . . . we have been so straitened, that almost anything of the Meat kind would go down."<sup>74</sup>

To bring the negotiations to a head, Woodford in 1763 wrote that another merchant had now agreed to become sub-contractor on the old terms. Thomas, whose trade was probably picking up again by this time,<sup>75</sup> called the bluff by advising Woodford by all means to accept such a good offer.<sup>76</sup> This Woodford declined to do, explaining, "I must confess ingenuously that I found a satisfaction in being in such hands as yours."<sup>77</sup> And so these worthy opponents went on fencing for month after month, making proposal and counter-proposal,

<sup>72</sup> H. MSS. (9) 4, 1764, correspondence with Williams.

<sup>73</sup> *Ibid.* (11) 2, May 11, 1764, Hancock to Williams.

<sup>74</sup> *Ibid.* (9) 6, May 28, 1764, Winslow to Hancock.

<sup>75</sup> See summary of the journal in item A of appendix to this chapter.

<sup>76</sup> Mass. Hist. Soc., Hancock MSS., June 18, 1763, Woodford to Hancock; Letter book, Nov. 8, 1763, Hancock to Woodford.

<sup>77</sup> H. MSS. (7) 2, Feb. 16, 1764, Woodford to Hancock.

and quibbling over the commissaries' 5/- per day, condemnations, what the rats might eat, and the date at which the new terms should begin. Not till mid-'64, when another depression seemed near, did Thomas finally accept the contract.<sup>78</sup>

## APPENDIX TO CHAPTER IX

### A. *Credit Sales, 1755-1775*

Except for two breaks, the surviving Hancock journals cover the whole period 1755-75. They thus give us some fairly concrete data about the behavior of the Hancocks' trade during an interesting stretch of time.

The most useful set of figures that can be taken from the journals is the amounts charged to customers for goods, i.e., the credit sales. These give some idea of the volume of purchases by the local public (both wholesale and retail) and the army. I exclude the sales of oil, et cetera, to English houses; such transactions seem to fall into a separate department, and would give a false picture of home activity.

But I would ask the reader to regard my figures with caution, for several reasons. To begin with, I am no statistician. Then, the Hancocks' transactions were often of a kind that forbids analysis into simple groups. For instance, does "sale" include a transfer of raw materials to a manufacturer, who will possibly return them after working them up? Does it include movements

<sup>78</sup> Bezanson, Gray, and Hussey, *op. cit.*, p. 294, show that prices in Philadelphia were rather low in 1761, then rose again in 1762 with Spain's entry into the war, and fell in 1763-64. The loss of Hancock's journal for part of the period makes estimate hard in this case, but probably his business more or less followed suit.

The terms of the contract were: "4½<sup>d</sup> per Day per Man, for 500 men to be victuall'd at Annapolis & Chegnecto, & if the Numbers fall short at those two Posts, then to furnish the Numbers may fall short with Provision at Halifax, Contract to take place 25th Dec<sup>r</sup>, 1764. We to pay all Charges, & Stand Risque of all Wastage, & Condemnations of Provision during the present Peace, if there should be a War, then the Contract to Cease, or be put upon a new Footing— Mr. Woodford to pay all the Charge of Commissarys, be it more or less, at each post, where Commissarys are paid. The Provisions found in Store upon the 25<sup>th</sup> Dec<sup>r</sup> to be Survey'd & Valued, & Mr. Woodford to be paid for what are found good." Letter book, June 18, 1764.

of commodity money and of wares used to complete a triangular credit settlement? And how are we to treat the complex adjustments between Thomas and Aphorpe when they were jointly supplying stores to the government? If full details are not given, such transactions often defy comprehension, let alone neat grouping; and the sums at stake were often big. On the whole, I have thought it best to leave out items that savored of debt settlement or the deposit of raw materials with manufacturers. But there are many doubtful cases. So all that I can claim for my figures is that they probably show in rough outline the trend of the firm's home trade.

Because the doubtful items are usually the large ones, a single error on my part may give a bad twist to the monthly totals. So I have thought it helpful to add a table showing the *number* of sales. An occasional error here will not distort the monthly totals much, and these may therefore be looked on as a fairly good index of activity; also, by comparing the two tables, I shall show later that the size of the average transaction varies in an interesting way.

#### B. *Woodford's Accounts with the Lords of the Treasury*

It is perhaps worth while to reproduce these statements, since they are interesting illustrations of (a) the Treasury's method of controlling contractors; (b) the accounting procedure in force; and (c) the clumsiness of Roman numerals.

The "account charge and discharge" system was used. By this, the "accountant" (i.e., Woodford) is charged with all provisions for which he is responsible and for all money given to him. He is then discharged of liability to the extent of the food issued and his expenses. The balance shows the sum due to or by him. In other words, we have here an ancient system of stewardship reckoning, in sharp contrast to the debits and credits of ordinary business. The steward is called on to account for all his receipts and payments, item by item; whereas the business bookkeeper has also to keep track of innumerable credit transactions, and to boil down the mass of detail into simple final accounts which give a bird's-eye view of the position. Perhaps because final accounts are so much more con-

TABLE I.  
VOLUME OF CREDIT SALES, 1755-1775.  
In £ Massachusetts.

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
1755	243	355	465	849	1,592	3,366	738	606	779	714	3,135	887	13,729
1756	352	723	1,596	1,110	584	931	764	435	832	1,283	486	519	9,615
1757	341	291	979	1,064	3,704	1,885	920	607	...	...	...	...	9,491
1758	...	...	...	...	...	[No journal for these dates]		...	...	...	...	...	...
1759	...	...	...	...	...	...	511	591	364	852	1,127	890	4,335
1760	301	507	738	586	312	793	522	334	487	835	405	371	6,191
1761	467	479	336	996	642	740	1,720	567	213	767	491	563	7,981
1762	232	259	290	1,416	437	726	231	180	...	...	...	...	3,771
1763	...	...	...	...	...	[No journal for these dates]		...	...	...	...	...	...
1764	...	...	...	...	...	...	...	620 <sup>a</sup>	1,284	886	2,585	791	6,166
1765	282	618	274	1,104	1,034	1,937	585	816	585	1,894	1,262	797	11,188
1766	861	141	741	2,966	1,280	2,187	478	1,078	1,777	1,532	1,826	638	15,505
1767	125	606	901	1,965	1,284	2,042	1,132	341	1,643	856	997	1,125	13,017
1768	400	716	900	1,274	869	855	394	734	902	744	1,331	1,362	10,381
1769	561	277	967	2,575	689	1,159	736	833	868	714	1,230	622	11,231
1770	346	165	784	913	722	413	748	205	250	379	758	550	6,233
1771	102	81	98	2,315	1,021	754	836	387	286	1,152	1,868	767	9,667
1772	326	394	542	473	390	1,916	485	194	591	593	728	1,447	7,989
1773	391	371	679	336	366	291	175	375	488	193	88	31	3,784
1774	7	36	240	142	211	476	58	25	32	18	154	18	1,417
1775	31	9	341	23	...	...	...	...	...	...	...	...	404
	5,368	6,028	10,871	20,107	15,137	20,171	11,033	8,928	11,381	13,322	18,371	11,378	152,095

<sup>a</sup> Incomplete month.

TABLE 2.  
NUMBER OF CREDIT SALES, 1755-1775.

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
1755	62	76	109	175	220	197	124	119	127	111	134	114	1,568
1756	65	83	109	74	99	100	90	74	70	95	85	61	1,005
1757	59	50	77	105	107	110	88	78	..	..	..	..	674
1758	..	..	..	..	..	..	[No journal for these dates]						..
1759	..	..	..	..	..	..	66	79	58	79	91	78	451
1760	42	55	48	56	55	76	54	61	40	52	52	41	632
1761	51	28	52	67	53	82	76	55	40	78	73	53	708
1762	39	29	32	48	64	68	48	33	..	..	..	..	361
1763	..	..	..	..	..	[No journal for these dates]						..	
1764	..	..	..	..	..	..	..	80 <sup>a</sup>	100 <sup>a</sup>	69	87	76	412
1765	41	47	42	63	91	89	73	57	53	88	80	53	777
1766	58	29	41	82	88	117	79	64	83	82	108	69	900
1767	43	59	59	97	78	102	80	60	94	86	120	97	975
1768	83	84	75	105	114	114	103	90	73	92	115	111	1,159
1769	92	76	98	142	111	112	100	82	87	93	88	76	1,157
1770	51	42	35	55	73	69	60	42	65	57	45	51	645
1771	26	27	15	67	53	61	71	45	38	69	76	51	599
1772	31	38	19	29	45	51	38	24	27	50	38	39	429
1773	46	30	35	37	40	23	16	30	14	17	11	12	311
1774	5	9	13	19	20	26	4	3	4	6	8	1	118
1775	8	2	6	8	..	..	..	..	..	..	..	..	24
	802	764	865	1,229	1,311	1,397	1,170	1,076	973	1,124	1,211	983	12,905

<sup>a</sup> Estimates based on incomplete data.

venient to anyone with a training in business, the account charge and discharge is nowadays nearly extinct (though it is still used religiously by Scottish lawyers and accountants doing trust work, et cetera, to the no small bewilderment of all laymen concerned).

The account charge and discharge would be quite an efficient means of controlling men in Woodford's position. Less comprehensible is the use of Roman figures. These seem to have been pushed into the background, where commercial accounts were concerned, at least a couple of centuries earlier; but the Treasury was still using them, and in more complex forms than is now usual (e.g., "80" is written, not "LXXX" but <sup>"xx"</sup> <sub>iii</sub>). One has only to attempt some calculations with Roman numbers (e.g., to add the accounts given here) to see how beneficent has been the Arabic system.

In summary, the accounts run:

*December 25, 1760 to December 23, 1764.<sup>1</sup>*

*Charge.*

Balance remaining in the hands of the accountant	s	"Quitt."
		d
Provisions left at Placentia since 1745	CC.LVIII . XVI	I
Provisions remaining at Annapolis, at the end of last account, allowed then, but to be surcharged now	xx M.CC.III.III . XVIII	VI
Provisions remaining at Annapolis at 25 Dec. 1760 [Long list of "sound and fit to be issued," broken, and bad — in all]	MM.CCC.XXIX . XV	VIII
	M	
Money per warrants [Long list]	XVII.CC.LXXII . VIII	V
	M	
	XXI.C XL IIII . XVIII	VIII

<sup>1</sup> PRO, Audit Office, 1, p. 188.

*Discharge.*

The Accountant is allowed, for food issued at Annapolis, Chignecto, etc., 26 Dec. 1760 to 23 Dec. 1764, one man for 722,904 days at  $5\frac{1}{2}^d$ .

This agrees with lists signed by Colonel, etc.

M C s  
XVI.V.LXVI . XI .

Expenses [chiefly to Thomas Hancock, for surveying and removing old provisions; a commission for issuing old provisions; and wastage — in all]

MM.XXVI . XIX . ob  
[= $\frac{1}{2}^d$ ]

Audit fee, etc.

C.XIII . II

Sum of discharge

M C  
XVIII.VII.VI . XII . ob

Provisions at Placentia not accounted for

CC.LVIII . XVI . I

Due to government

MM.C.LXXIX . X . VIob

This account, involving an item from 1745, was not settled till 1772 (after Woodford's death).

The next account runs from December 24, 1764, to May 8, 1768, and was finally cleared up in 1774. Its details are much the same, but the scale is smaller; only £9,000 of rations were issued. A balance of £1,298 is left due to the Treasury and this was duly paid by Mrs. Woodford.

## CHAPTER X

# A New Foreign Trade Policy 1763-August, 1764

### I. POTASH

WE HAVE SEEN that, so far as the Hancocks were concerned, the Seven Years' War really ended in 1760. The next two years formed a dismal period during which Thomas marked time and nursed his gout. The lull was reflected in his foreign trade; though his orders and debt to Kilby were still large, he had no new supply of exchange, nor indeed does he seem to have looked for one very hard.<sup>1</sup> His old government bills were gradually cashed, and these, with his drafts on Woodford, were his main sources of sterling. Possibly because such payments were deemed inadequate by his London agents, he placed far more orders than hitherto with Bristol houses.<sup>2</sup>

By the close of 1762, however, the firm began to make serious efforts to find sterling. We may reasonably surmise that John took an increasing part in this search and in the new measures that followed. Thomas was by now continually lamenting to his old friends that he was very weak, had been confined to the house for three months, was "incapable of doing hardly any business," and really expected "to attend to very little business again, if any."<sup>3</sup> During the spells of sickness, John had a chance to show his mettle. Henceforth a more elegant note in many of the firm's letters suggests the young Harvard grad-

<sup>1</sup> H. MSS. (7) 3, the 1761 letters from Kilby. The debt was at least £6,000 sterling.

<sup>2</sup> *Ibid.* (7) 2, 1760-62, letters from William Jones, Thomas Griffiths & Thomas, and Devonshire & Reeve.

<sup>3</sup> Letter book, Mar. 18, and Aug. 2, 1763.

uate; they gain grammar but lose pith. And the style of the firm's business policy alters even more. Once again we have to record a marked change in methods.

The plain need of the moment was to increase remittances to London. Potash was the means that first presented itself. This substance was of high importance in the economic life of the eighteenth century, being used in making nine-tenths of the glass, soap, drugs, dyes, and explosives. Britain depended on Russia for most of her supply, yet she herself had a rich potential source in her colonies. Here was an obvious field for mercantilist planning, and politicians alike in Britain and in the plantations were by 1750 trying to foster the industry. But the trouble was to find suitable methods of manufacture. Crude potash was made by burning wood, and then — as the name suggests — putting the ashes into pots, where they were boiled, evaporated, and roasted at great length. There was every chance of spoiling the product during the process, particularly with workmen who knew no chemistry. When the agent for Massachusetts, with interested merchants, petitioned Parliament in 1751 to encourage an empire industry in "pot ashes," he had to admit that lack of skill had so far crippled all attempts.<sup>4</sup>

Like a *deus ex machina*, there now (1751) appeared in London a certain Thomas Stephens, claiming to have found a cure for the difficulty. He came from South Carolina, and for at least ten years he had been absorbed in the self-imposed mission of inventing a cheap and easy way to make potashes. Having found it, he had sailed to London expressly to reveal it to the authorities and to solicit Parliament for an act encouraging the industry. So impressed were the Lords of the Treasury that they resolved to reward him with the handsome grant of £3,000. In return, he immediately "discovered" his process to them, and then in 1752 journeyed to Massachusetts to supervise the erection of several large plants and the training of workmen. Parliament also removed the duty on colonial pot ashes, and this legislative benevolence, coupled with Stephens' energy,

<sup>4</sup> T. J. Kreps, "American Potash Industry," *Jour. of Ec. & Bus. Hist.*, vol. III, pp. 631-639; PRO, Treasury 1, 359, Petition of Stephens, Feb. 4, 1755.

caused a minor boom in exports from the Colonies during 1753-54.<sup>5</sup>

The government of Nova Scotia grew interested in the new industry, and before long commissioned Stephens to build a works. Though a complete stranger to Thomas, he wrote to the latter asking him to send £900 worth of planks, bricks, and equipment. Thomas, who loved nothing better than to be in close touch with a speculative venture, saw how helpfully an abundant potash export would fit into his own economy. He therefore decided to finance the scheme, explaining the matter to Kilby thus:<sup>6</sup>

Mr. Thomas Stephens who came to Nova Scotia on the Potash Experiment has apply'd to me for money to Sett up a Potash work at Halifax, I have Comply'd with as I thought it wo'd be of great Service to the Settlement and wo'd look very odd that he should go to England & Say to the Lords of Trade etc that no man in New England wo'd advance that sum for him, he is a man that by all Accounts has behaved extreemly well here & at Marlborough & Bolton where he's sett up a Work, but was a Stranger to me till I received the Inclosed letter from him. I have taken his bill for the Money & Materials I furnished him with upon you . . . I made this supply without any view of advantage but to the Government, without any Commissions.

P.S. As I am concerned in settling one or two large plantations its possible I may be Inclined to be concerned in the Potash affair, should Mr. Stephens return with any prospect of Success.

Five days later, Thomas adds that he has been talking to Stephens, and has become so impressed with the prospects of the new process that he has agreed with Stephens to form a company for making potash.

Stephens had not yet been paid the grant awarded by the British government, and his expenses had mounted up to over £1,100. He also wanted to patent his process. So, instead of staying to manage the new undertaking, he at once went back

<sup>5</sup> *Ibid.*; PRO, Treasury 1, 358, Stephens' account of Apr. 30, 1754.

<sup>6</sup> Letter book, May 4, 1753, Kilby; *ibid.*, May 5 and 9, 1753, Kilby; H. MSS. (1) 1, Apr. 20, 1753, Hancock to Stephens; (8) 9, Apr. 30, 1753, Invoice to Governor Hopson; *ibid.*, July 26, 1753, Stephens to Hancock.

to London and passed the next year or two in begging the Treasury for its promised bounty. The long delay was by no means his only disappointment. An unexpected influx of German potash caused a glut on the market. And the London soap-makers' ring, instead of welcoming his new supply, proved very cool—an attitude caused by fears (or so Stephens fancied) that cheap potash might affect the value of their stocks and bring interlopers into the trade. Unfortunately, too, Kilby was brother-in-law to the chief soap-maker, and did Stephens "too many ill offices with Lord Halifax and every one at the Plantation Office" for there to be any hope of Thomas' advances being paid in full.<sup>7</sup>

While Stephens was away launching his lone attack on the entrenchments of Big Business, his Boston partners went on with the erection of the potash works. Thomas seems to have been a mere sleeping partner, and to have subscribed his share of the capital partly by allowing credit in his store; but by 1756 his investment in the enterprise had grown to nearly £1,500. Still Stephens did not return, and probably his plant, after working for a short time, was left standing idle. He seems to have lost interest in the venture, and sold his share to Thomas. Then came the war, and for some years there was neither time nor need to think of exporting potash. And that is how matters stood in 1761, when Thomas began to bestir himself once more.<sup>8</sup>

Thomas' first act was to have the works repaired. However, though he speaks of his plans for going into the manufacture, he did not do so in any direct sense. Stephens never came back to manage the costly plant, but, at the end of his London visit, went home to Charleston instead, still heavily in debt to Thomas.<sup>9</sup> His system is said to have been too complex for an age in which good workers (and especially men with a knowl-

<sup>7</sup> PRO, T. 1, p. 359, Petition of Feb. 4, 1755; H. MSS. (8) 9, July 26, Sept. 3, 1753, May 9, 1754, Stephens to Hancock (see item A in appendix to this chapter); (7) 3, Aug. 13, 1753, Stephens to Hancock. The site of the works was called "Neihewoag."

<sup>8</sup> Journal, June 6, 1755, Apr. 3, and Sept. 28, 1756. The other partner was Henry Barns, and Apthorp may also have had an interest. The only sign that the plant perhaps did work for a time is a joint export of potash by Thomas and Apthorp (see Letter book, Jan. 6, 1764, Barnard).

<sup>9</sup> Journal, July 2, 1761; Mass. Hist. Soc., Jan. 31, 1761, Stephens to Hancock.

edge of chemistry) were scarce. Be this as it may, Thomas makes no more mention of the project. Instead of becoming a manufacturer himself, he now turned to Caleb Wilder, a native of Massachusetts, who had for many years been developing a technique more suited to local conditions.<sup>10</sup> Wilder was given an order for a trial consignment. It was sent to the London agents, proved very good, and sold at a profit of over 100 per cent. Delighted, Thomas ordered Wilder to make as much as possible, and if "any to be bought that you can warrant you may buy it." Thomas also advertised in the *Boston Gazette* that he wanted to purchase potash. During the next year or two, it served him as a useful if minor form of remittance; he sent about a dozen tons of it to Barnard (Kilby's successor) and was credited with net prices of over £500 sterling.<sup>11</sup>

Britain continued to manifest a maternal concern for the colonial potash trade. At the close of 1763, we find Thomas getting a certificate from the Boston customs house, showing how much potash had been shipped by him during the year; this was sent to Barnard in the hope that a bounty could be collected from the government.<sup>12</sup> Parliament's interest in the commodity was shortly to be shown in a less amiable fashion; as part of the new movement for tightening up empire trade, many additional articles were enumerated, and potash was put on the list.<sup>13</sup> However, this insistence that it should be shipped only to Britain was in close accord with the natural policy of merchants like Thomas and can have done him no harm. The industry thrived from the end of the war till the Revolution was at hand, and each year saw a fair-sized consignment being sent by the house of Hancock to London.<sup>14</sup>

<sup>10</sup> Kreps, *op. cit.*, p. 638.

<sup>11</sup> Letter book, Nov. 30, 1762, Barnard; H. MSS. (8) 9, letters and invoices, 1762-63; (20) 4, July 16, 1764, Edes & Gill account.

The price offered to Wilder by Thomas was "200 per ton" — say, £26.13.4 in lawful money; Thomas may also have paid small transport and storage charges. The first consignment consisted of six casks; at £50 sterling per ton, they fetched £157.3.9, less expenses £17.13.8 and 2½% commission £3.18.6, leaving £135.11.7 net; this was perhaps equivalent to £57.10. of lawful money per ton.

<sup>12</sup> Letter book, Nov. 7, 1763, Barnard.

<sup>13</sup> Andrews, *Col. Period of Amer. Hist.*, vol. IV, p. 106.

<sup>14</sup> Kreps, *op. cit.*, p. 638; H. MSS. (26), 1, etc., makers' receipts.

## 2. CLOSER RELATIONS WITH BARNARD AND HARRISON

The ties between the Hancocks and their chief London factors became unusually strong during 1763, until for many purposes the two houses were acting as partners rather than as one another's agents. The principals had already been friends for many a long day. Twenty years earlier, Jonathan Barnard had gone to America; and his son (who was later to become a partner) had made at least two visits, first as a midshipman and then to help Kilby with the army victualing.<sup>15</sup> The link was strengthened when John went to London. He fell ill there, and old Barnard took him home, put him to bed, and provided him with "a good and tender Nurse;" so, while John's general impression of Londoners was that they were showy and insincere, he had to admit the "many exceptions to this, there are some as worthy Men as Live, & to Instance in only one, who is Mr. Barnard, from whom I Received the greatest Civilities."<sup>16</sup> Kilby's retirement made no difference to the intimacy between the two firms; on the contrary, correspondence addressed to Messrs. Barnard & Harrison, of Size Lane, London, fills even more pages in the Hancock letter books than before, and the greatest part of the Hancocks' foreign buying and remitting was now done through these agents.

The letters written by Barnard are in breezy contrast to the drab commercialese of our day. Though getting on in years, he was bubbling over with life; he was still broad-minded enough to go to the seaside (which until about 1750 had been firmly ignored by society, but was now rising into fashion), and while at Margate he tried the new-fangled salt-water treatment for his rheumatism.<sup>17</sup> He shakes his head over Harrison, whom he could not but wish "more polite and less rounfness in his behaviour;" true, the junior partner managed to pull off a match with a girl of very good fortune, but "I first declared his Mind

<sup>15</sup> Mass. Hist. Soc. Hancock MSS., July 6, 1748, and May 10, 1756, Barnard to Hancock.

<sup>16</sup> *Mass. Hist. Soc. Proceedings*, vol. XLIII, p. 194; Bostonian Society MSS., Mar. 2, 1761, Hancock to Perkins.

<sup>17</sup> James Laver: *Taste and Fashion* (London, 1937), p. 217; Mass. Hist. Soc. MSS., Nov. 12, 1766, Barnard to Hancock.

to the young Lady which Harrison could not do himself," and it took two years of persuasion before her parents would consent. Yet Barnard conceded that this rough diamond made a sound business man. And indeed the junior partner took a most active hand in making the joint arrangements between his firm and the Hancocks. He and John were good friends; he sent presents such as jars of pickled walnuts to John, and the latter entrusted him with the delicate task of buying modish wigs. Conceivably the plans that were now hatched had been made by the two young men while John was still sowing his wild oats in London.<sup>18</sup>

The new policy differed from Thomas' prewar system in three noteworthy respects. First, the triangular smuggling trade with the West Indies and Europe was dropped, perhaps because of the sternness now being shown by the revitalized customs service, which was causing a bad slump in Boston's shipping.<sup>19</sup> Second, small-scale peddling was replaced by large exports of oil, which demanded a steady transport service between Boston and London, with a consequent growth in the capital at stake. And third, Barnard and Harrison henceforth had a big say in control.

Thomas may sometimes have taken wild risks in his prewar trade. But he put only a few eggs into each basket, kept his affairs under his own thumb, and knew when to stop. Perhaps he now wondered, as he watched the grandiose new schemes developing, whether the firm could still wriggle free if things turned out badly.

### 3. BACK TO OIL

For over twenty years, Thomas had taken little interest in whale oil. But this commodity was to bulk as large in the last years of his business life as it had done in the first.

The war had crippled American whaling, but peace saw a swift revival. The conquest of Canada led to the discovery and exploitation of new fishing grounds on the St. Lawrence, while in 1763 the "whalemen" of Nantucket, the main whaling sta-

<sup>18</sup> H. MSS. (27) 2, Oct. 5, 1764, Harrison-Hancock; Letter book, Nov. 14, 1763, Harrison.

<sup>19</sup> Pitman, *Development of B. W. I.*, p. 325.

tion, also began to hunt in the South Atlantic. Because of the poor supply during the war, demand from London was now strong. Part of a good agent's task was to keep his correspondents posted in all current trends, and accordingly Barnard's correspondence faithfully reflects the changed conditions. Before the Seven Years' War, his letters had warned Thomas to be

very Cautious about purchasing Sperm Oil this year, there is now on hand in London near 300 Tons, which must keep the price down unless you have a very short Fishery. The price at present is at £16 per Ton, and don't expect When the new arrives will be much more, there is no other Consumption for this sort of oil but for the Lamps so that if the quantity exceeds the Consumption it will be much lower, by all Accounts we can get we don't think the Annual demand is eight Thousand Barrells.

But in 1761 an excited Barnard was telling Thomas that sperm oil — which was in fact liquid wax, excellent for lamps and also as a lubricant for watches, et cetera — had gone up in price to £23 for "the common brown stuff" and £25 for the white. And two years later the London firm was egging him on to send 150 tons — a really big consignment. However, there were several kinds of oil, and "nothing answers but sperm oil;" though other prices were sinking, its price had soared higher than ever, owing to a short fishery, the dearness of rape oil, and the increasing consumption of lamp oil.<sup>20</sup>

Thomas went back to his old love whole-heartedly. But history was repeating itself with the usual difference. No more did he arrange for small shipments of oil with the aid, at most, of one or two other Bostonians. The scheme advocated by Barnard & Co. amounted almost to an international trust, involving a triangular partnership of partnerships: Folger & Gardner (a Nantucket firm) were to do most of the buying from the "whalemen," Hancock & Nephew were cast for a somewhat passive rôle as shippers, while Barnard & Harrison were to do the selling at London. A new ship, the *Boston Packet*, was to be built especially for the traffic.

<sup>20</sup> H. MSS., (7) 3, May 18, 1754, and Oct. 20, 1761; (7) 4, Nov. 26, 1763; Weeden, *Ec. and Soc. Hist. of N. E.*, vol. II, pp. 745-746; Beer, *British Colonial Policy*, p. 218; K. Brandt, *Whale Oil* (Stanford, 1940), pp. 48, 133.

There does not seem to have been any formal partnership agreement. Thomas casually intimated to Barnard that Folger & Gardner had "acquainted us of your Desire to be concern'd with them in purchasing Oil, to be Shipt you, and Requested of us to be Concern'd one third with you, and them," and the Hancocks had agreed. However, joint adventures were so common, and the rules of agency were so well understood, that squabbles over the financial or legal side of the partnership were unlikely. Thus, if Thomas bought the oil, everybody knew that he was entitled to the usual factor's fee of 5 per cent on the total cost; and, similarly, no one quibbled over Barnard's charging 2½ per cent on the proceeds for arranging the sale; only after the deduction of such commissions for trouble and responsibility would the remaining profits be credited equally to the three sets of partners. The actual settlement of debts between the firms at first sight seems to have been a more ticklish matter. As a result of consigning the oil, the American buyers became out of pocket, whereas all the sales money flowed into the coffers of Barnard; he thus came to owe a big sum to the Americans. But, since the Hancocks were constantly running into his debt for manufactures, his liability to them tended to be canceled. Folger was probably not a big importer, but he could always draw bills on the London house and would find a ready sale for them; often indeed it was the Hancocks who bought this welcome exchange.<sup>21</sup>

The new scheme was launched in the summer of 1763, when Folger, after consultation with the Hancocks, went back to Nantucket to start buying "if the Price breaks as he expects." Some 75 tons of sperm and whale oil were soon sent off to London. The former sold well, the latter met a poor market. Barnard remained sanguine, however, and urged his partners to buy more. Three times as big a consignment was stowed away on the *Boston Packet* when she set forth on her maiden voyage; and Thomas, believing that little more oil could be dispatched to London that season, hoped for a fat profit.<sup>22</sup>

<sup>21</sup> Letter book, Aug. 17, 1763, Barnard; Journal, Oct. 12, 1764, and later.

<sup>22</sup> *Ibid.*, June 14, Aug. 2, Nov. 7, Dec. 19, 1763, Barnard; H. MSS. (7) 4, Nov. 26, 1763, Barnard to Hancock.

But the venture ended in recriminations. Folger was to blame. He had trouble in buying so much oil, and failed to bring it to Boston early enough. A precious month was lost — and time was all-important, since the demand for lamp oil was naturally highest in winter, and prices fell off sharply thereafter.<sup>23</sup> In this case the delay did much harm to the trinity of partners. For they were not alone in having noticed the shortage of oil: another firm (probably William Rotch & Co.) had also decided to engage in the trade. These rivals loaded a schooner with oil, and sent her racing to London direct from Nantucket. She got there first. Thomas saw at once how grave a blow this was. "The schooner from Nantucket sailing to your place with Oyle was very unlucky, more especially as it fetched so great a price, as it may be a means of their continuing that method, beside keeping up the price of Oyle here. Capt. Folger did all he could to prevent her sailing, but they were Determined upon it." Barnard's comments were much sharper. According to him, everything had been bungled. First there was Folger's delay. Then the miserable captain of the *Boston Packet*, instead of rushing Hancock's description of the cargo ashore as soon as he reached the Downs, kept it till the vessel had crawled up the river to London, and "nothing could have turned out more unlucky at this Juncture than not having your letter, as we know not what the Cargo consists off, we cant tell how to act in the disposall of it, a great deal of Oil is soon expected which will of course lower the price which makes us more anxious to dispose of ours." When at last the cargo arrived, it once more proved to include the inferior whale oil, for which Folger had been given no orders. Barnard declared that the delay meant a loss of £2 or £3 per ton (or perhaps £500 sterling in all). But, however much his mouth may have watered over the alluring might-have-beens, a comparison between his accounts

<sup>23</sup> H. MSS. (27) 2, Mar. 18, 1771. One Cruger writes to Hancock: "I had a Cargo early in the Fall of white Sperm Oil that sold for £32 per ton — the next importation fell to £30 & now as Spring is coming on and Winter the Time of the great consumption it is lowered to £28 per ton. N.B. Spermaceti Oil is always £3 or £4 a ton lower in *Summer* than *Winter* *October* & *November* are the months of Demand — I hope Sir you won't think me too Circumstantial & particular — I hate myself to be tedious."

and the cost figures suggests that the profits were still about £800 sterling, not to mention the agency commissions charged by the various partners.<sup>24</sup>

The Hancocks now began to consider what steps they should take in the coming season (1764). If they were to continue dealing in oil, both honor and interest demanded that interference by the Quaker Rotch should be stopped. He and all like him must be squeezed right out of the trade. With this end in view, the Hancocks resolved to corner every drop of oil on which they could lay hands.

They planned their spring campaign boldly, and without waiting for consultation with Barnard (who was merely asked if he wished to take a third-share again). Not content with Folger's help as their buyer on the Nantucket market, they gave orders to several other houses there for many tons of the first sperm oil, "engaging" it long before its arrival, laying down no price limit, and even promising to pay cash. In this way, an ample cargo would be secured for the *Boston Packet's* second voyage. But the program did not end here. Folger had been trying to settle "the Island of St. John's" (presumably the island off the northwest of Newfoundland, which might be a useful base for whalers), and his junior partner was about to visit that bleak spot. The chances were that he would meet the whalers there when they came back from their spring voyage, and that they would sell their catch to him cheaply rather than carry it with them on the fall trips. He was told to take a thousand barrels of oil and was also given a free hand in buying "fins." Folger was at the same time sent along the Massachusetts coast to purchase a likely new vessel; she would go to the Land, load this oil, and whisk it off to London before any rival could make a shipment.<sup>25</sup>

The next few months were spent in an atmosphere of flurry,

<sup>24</sup> Letter book, Nov. 7, 1763, Apr. 6, 1764, Barnard; H. MSS. (7) 2, Dec. 30, 1763, Barnard to Hancock (8) 3, June 15, 1765, Barnard's account current. The cost was just under £4,000 Mass., or say £3,000 sterling, and the net proceeds were £3,787 sterling.

<sup>25</sup> Letter book, Apr. 9, 1764, Barnard; H. MSS. (1) 1, Apr. 7, 1764, Hancock to P. Bunker; May 18, Hancock to S. Hussey; (12) 2, Mar. 17, 1764, Gerrish to Hancock.

plots, and excitement. The rivals accepted the Hancocks' challenge with spirit and made "strong Interest" against the syndicate. Rotch took unwearied pains to get oil from all parts of the country. His ship and the *Boston Packet* lay near one another in Boston harbor, both loading with oil and awaiting the signal to race for London, while he and the Hancocks vied with one another in trying to snap up any oil or fins that came to town, as well as in angling for the favor of the Nantucket merchants and fleet owners. The result of this feverish bidding was that prices went sky-high and all whale products became very scarce.<sup>26</sup>

By the end of June, the *Boston Packet* was almost filled. Her impatient owners could then wait no longer. They hastily added some tar, staves, and so on, to her cargo, and bade her captain set sail. To their malign joy, Rotch's vessel still lay waiting at the quay. And even better things were to follow. Despite the scarcity of oil, the Hancocks by some stroke of luck managed to buy a whole cargo for the new brigantine, the *Lydia*. Jubilantly they wrote:

This ship of Mr. Rotch's, the Hale Galley, Captain Hatch, began to load before the *Boston Packet*, and we apprehend we have Gained a Material Point in procuring oil for the Ship and Brigantine in the meantime, tho' not without much Opposition from a certain Quarter, but we have Surmounted all Difficulties, and intend the Brigantine shall put to Sea as soon as the Ship [Rotch's?], if not before, and hope will arrive with you before the ship. Oil was never known to be so high a price.

The *Lydia* too was sent off after a final scurry, and "If any mistakes in the cargo, you must excuse it, the Suddenness of her being Loaded and merely accidental must plead for our JH, who has had enough upon his hands."<sup>27</sup>

John had in fact been very busy. Besides the cargoes just mentioned, enough oil had been bought to send smaller ship-

<sup>26</sup> H. MSS. (1) 1, May 17, 1764, Hancock to Folger & Gardner; May 18, 1764, Hancock to S. Hussey & Co.; June 23, 1764, Hancock to Barnard; Letter book, July 9, 1764, Barnard; Boston Public Library, Ch. M. 3. 5, II, p. 163, July 6, 1764, Folger to Hancock.

<sup>27</sup> Apparently the proposed trip to St. John Island proved unnecessary. Letter book, June 23, July 9, 1764, Barnard.

ments as freight on two other vessels. To make sure of supplies, he had himself rushed down to Nantucket for a few days (one of the very few recorded instances of either Hancock leaving Boston on a business trip). He felt sure that Folger would get nothing done if left alone; "Captain Folger," he confided to Barnard, "has been of little Service to us, and think our Interest better than his, or many others of Nantucket, and are Sorry we Depended on any others either last year or this."<sup>28</sup> On his side, Folger was fuming against the Hancocks. He was anxious that his partnership with them should be kept secret from the Nantucket market, and roundly declared that the Hancocks talked too much and had even given information to the enemy. What was worse, he accused them ("if we could Possibly think you could be so impolitick") of having sent a captain to bid for oil in competition with his own and other established houses; this upstart's bidding had raised prices by £10 per ton. Plainly, tempers were fraying under the tension. Even the final triumphant letters from the Hancocks to Barnard were not free from carping:<sup>29</sup>

Give us leave out of friendship just to mention that we think you are not altogether so Regular in Your answers to Letters and Sending accounts of Sales, etc. as is Expected; we have heard many Complaints of that Sort, which is apt to Prejudice Persons against your House.

The *Boston Packet* and the *Lydia* had good passages, and reached London in August. Barnard at once sold the cargoes at what he thought were excellent prices. In high feather, he wrote that the partners would make a handsome profit; the market was good and since the Greenland fisheries had been a failure,<sup>30</sup> prices would stay high.

It is sad to relate that all these efforts and rosy hopes ended in disappointment. The rate of profit on the shipments seems to

<sup>28</sup> H. MSS. (8) 3, Jan. 11, and (28) 2, Mar. 9, 1765, Barnard's account; (23) 2, Aug. 15, 1764, invoices; (1) 1, July 20, 1764, Thomas to John Hancock; Letter book, June 23, 1764, Barnard.

<sup>29</sup> Boston Public Library, Ch. M. 3. 5, II, p. 163, June 16 and 30, 1764, Folger to Hancock; Letter book, July 9, 1764, Barnard.

<sup>30</sup> H. MSS. (7) 4, Aug. 13 and 17, 1764, Barnard to Hancock.

have been far lower than before; the *Lydia's* cargo indeed was probably sold at a slight loss. The trouble was that, though selling prices had risen, buying prices had been forced up even more; expenses and commissions added a third to the cost, and consumed nearly all the profit.<sup>31</sup>

It may be asked why, if these summer ventures met with such indifferent success, the syndicate went on making shipments in the fall. To this, two answers are possible. The first is that the partners had no idea how their ventures were turning out. When Thomas told Barnard and Harrison that they were not so regular in sending letters and accounts as was expected, he was putting his finger on the weak spot in the partnership arrangement. Communications were so slow that the three firms found it hard to keep in touch even when accounts were drafted promptly; if there were delays, the scope for confusion was boundless. When John was buying oil for the fall shipments of 1764, he had not yet received any account sales for the 1763 summer oil, let alone more recent consignments. He may by October have had some inkling that all was not well, for he then complained to Barnard that other London firms had sold American oil at much better prices. But, since Barnard's account sales for the 1764 summer shipments are dated January and March, 1765, John can hardly have had a clear view of the results for almost a year.<sup>32</sup>

The second answer is that, even if the consignments seemed to end in slight loss, they may have been worth while. For against such losses must be set the partners' earnings in the form of commissions and freight (assuming that they could find nothing better to do with their time, money, and ships). And, further, we are in danger of misunderstanding much of the Hancocks' trade if we think of it in terms of disconnected incidents. Because of exchange difficulties, a transaction could seldom be judged on its own merits; it was part of an elaborate

<sup>31</sup> H. MSS. (8) 3, (28) 2 and 5, Barnard's account sales, 1764; (8) 7, and (23) 2, Hancock's invoices; Boston Public Library, Ch. M. 3. 5, II, p. 179, Hancock's invoice to Barnard. The *Lydia's* accounts are given in item B of appendix to this chapter.

<sup>32</sup> Letter book, July 17, Oct. 10, 1764, Barnard.

cycle. The oil shipments must not be regarded as isolated ventures, but as remittances in exchange for manufactures; and, when these reached Boston, they too might be sold for more goods, and not for money. Thus a transaction cannot be appraised *in vacuo*. Under a barter economy a merchant could hardly speak of losses, unless a long round of dealings left him with fewer assets than he had had at the start.

#### 4. THE DEVELOPMENT OF A LONDON SHIPPING SERVICE

We must now review the crowding events of 1763-64 from yet another standpoint — that of shipowning.

This activity was a natural sequel to dealings in oil. The one made the other necessary, and the two followed parallel paths. In shipping, as with oil, the initiative was probably taken by Barnard and Harrison, who early in '63 suggested the building of the *Boston Packet* as a joint venture; Folger was also invited to hold a share and to act as captain. Once again, all financial details between the partners were left up in the air, and there they stayed until long after the new boat had been built and put in commission.<sup>33</sup>

The joint ownership of a vessel by several colonial houses and their London factor was not uncommon.<sup>34</sup> Such an arrangement spread the risks widely. Further, since the owner of a share was naturally anxious that his investment should pay, he felt bound to use the vessel to the utmost. Coöperation was thus forced on all. And each man thought that he gained by tying down his fellows in this way, even if he himself chafed under the restriction — a common state of affairs where there is a trade agreement. For example, when the ship was being built,

<sup>33</sup> Letter book, May 6, 1763, Barnard.

<sup>34</sup> A Bristol merchant, suggesting joint ownership of a ship with John, writes: "I think the *more* Owners you have of your Side the water the better on account of *their Orders* for goods to promote her *Freight*. I am largely in the New York trade, have the Consignments of many Vessels yearly, it is the plan there . . . I think if you were to build a good little Ship of 150 or 160 Tons & have two or three owners of your Side the Water — I mean large Importers of My Goods — there is no doubt but the Concern would get money by it." H. MSS. (27) 2, Mar. 18, 1771, Cruger to Hancock. See also July 27, 1764, Harrison to Hancock.

the London partners were sure to get the order for her hemp, duck, and anchor. When she sailed eastwards, she carried commodities such as oil; the more American owners, the better her prospects of a full cargo. On her arrival in London, the partners there took charge, collecting a  $2\frac{1}{2}$  per cent commission on her freight<sup>35</sup> and another  $2\frac{1}{2}$  per cent for selling the oil. Coming back, she would bring general freight; but the competition for this was keen, and a slight delay might mean an empty hold. Hence the desirability of the London agent's having a share in her ownership — it stimulated him to greater pains in finding cargo and turning her round quickly. And hence another reason for having several American owners — they could stipulate that their orders should travel by their own boat, thus making sure that she did not sail empty. Partnership thus guaranteed that the fullest use would be made of shipping. Perhaps its main drawback was that the Americans had no option but to buy through the one London house.

The *Boston Packet* was a full-rigged ship of 160 tons, and thus was bigger than any of the craft in which Thomas had hitherto been concerned. He took a lively interest in her, and indeed something of his old zest creeps into his letters as he describes her growth in the builder's yard; everything about her was "to be Done in the best manner, shall aim to have her a prime going Ship, handsome and to carry well, plain but neat, and for the London Trade, to hold in Thirds, or other ways if Folger does not Chuse so large a Concern."<sup>36</sup> All his letters to Barnard are full of proud references to her, and her maiden trip late in 1763 was in his eyes the crowning glory of an ambitious year.

Folger did not sail as captain, and neither would he make up his mind to take a share. Possibly he thought her too expensive; Barnard and Harrison complained that she was a dear ship. His refusal meant that the Hancocks had in the first instance to finance the whole of her cost (over £1,700 sterling) except for about £100 worth of hemp, et cetera, which was

<sup>35</sup> Boston Public Library, G. 41. 8, III, p. 148, Aug. 20, 1767, Harrison's account sales.

<sup>36</sup> Letter book, June 7, 1763, Barnard.

contributed by Barnard. So casual and trusting were the partners that Thomas did not see fit to provide Barnard with any vouchers to prove his large outlays, but merely wrote, "You may Rely this is the Original Cost of the Ship, with Charges of Provisions etc. We Judged it no way material to send any further particulars, if you Desire it, you shall have every Bill, which strictly Corresponds with this Account."<sup>37</sup>

The Hancocks were equally casual about insurance, though ship and cargo together must have cost them £5,000 sterling. They would probably have found it hard to insure such a big sum at Boston; merchants there formed a syndicate occasionally to give cover for a single trip (e.g., Thomas twice joined such a group, each time underwriting £200), but the matter was usually entrusted to London agents.<sup>38</sup> Thomas was in the habit of sending the relevant instructions in advance by a different vessel. Should his letter travel slowly, the ship to be insured might arrive first, and then he counted himself lucky to have saved the premium<sup>39</sup> (which was a substantial expense, being at this date 2½ per cent plus Barnard's ½ per cent commission); on the other hand, if she had not arrived, the underwriters might suspect that she had sunk and so hesitate to give cover. Thomas was much too fond of gambling to be cowed by this possibility — particularly where the risk was already spread through joint ownership. When the *Boston Packet* was nearly ready for her maiden trip, he vaguely suggested that Barnard & Co. might insure part of the ship and cargo, "should you imagine any Risque of her not arriving," but left the final say to them. Both letter and ship were late in reaching London, and his partners had great difficulty in getting cover; they

<sup>37</sup> Letter book, Nov. 7, 1763, Barnard; Jan. 6, 1764, Barnard; H. MSS. (7) 4, Mar. 23, 1764, Barnard to Hancock.

<sup>38</sup> Mass. Hist. Soc. MSS., June 4, 1745, Insurance policy on voyage to Surinam; Boston Pub. Lib., Ch. M. 3. 5. I, p. 111, Nov. 12, 1757, policy for Governor Hopson. In one case, the letter book speaks of a ship's being insured locally (Dec. 21, 1765). And there is a contract dated Sept. 5, 1769, made at the "Insurance-Office kept by Nathaniel Barber in Fish-Street, Boston," in which five merchants underwrite a total of £400. H. MSS. (26) 6.

<sup>39</sup> See Letter book, Jan. 17, 1746, Lane & Caswell. Similarly, John writes that, if his "ship will outsail the others, I cannot help it, it is a Risque I am not averse to run." Letter book, Jan. 12, 1767, Harrison.

wrote tartly that "for our parts, We think it too hazardous in Winter time to run any risque, and in future we request your always giving more timely notice for insurance." But Thomas maintained that they should have waited a little longer before acting, and he was no whit more precise in his instructions for the next trip, first saying that his share was not to be insured at all, then adding that Barnard might insure it if the ship seemed "out of Time."<sup>40</sup>

The *Boston Packet* was designed for regular traffic between Boston and London. There was no idea of selling her on arrival; in the Hancocks' eyes, ships were now fixed, not floating, assets. She would each year leave London about March and again in August, with the spring and fall goods, and would sail back from Boston in June and November. Always she was racing against time; for not only did delay spell poor oil prices, but the chance of getting freight in London also diminished sharply after the arrival of the other Boston vessels.<sup>41</sup> Thus, when she went on her maiden trip, Thomas told Barnard & Company to add thirty or forty tons of hemp to his own orders rather than wait for a full return freight. Barnard was however equally bent on getting her off speedily; his reply stated that he had already loaded her completely with only twenty tons of hemp aboard and that she would make the best freight of any ship bound for Boston that spring. He added that he would order her to start down the river at once; he was using his utmost endeavors to finish the invoices, but, if they were not ready when she reached Gravesend, he would order her to go on immediately and would send them by an express to Deal so that she might not be detained one hour.<sup>42</sup>

On hearing how hesitant Folger & Co. were to take a third-share in the ship, Barnard suggested that his firm should hold

<sup>40</sup> Letter book, Oct. 27, and Dec. 13, 1763, June 6 and 26, 1764, Barnard; H. MSS. (7) 2, Dec. 30, 1763, Barnard to Hancock.

<sup>41</sup> H. MSS. (27) 2, July 27, 1764, Harrison to Hancock.

<sup>42</sup> The freight was £585 Mass. But this was to some extent a case of robbing Peter to pay Messrs. Peter & Paul—i.e., Thomas paid the syndicate for the transport of his own large orders. There were also five steerage passengers and three cabin, all at five guineas. Letter book, Nov. 7, 1763, Barnard; H. MSS. (7) 2, Mar. 3 and 12, 1763, Barnard to Hancock.

nine-sixteenths, and the Hancocks the remaining seven-sixteenths. The reason for selecting these odd fractions was political: "it makes a saving in the duty on Oil of near 3/- per ton if Imported in a Ship the major part owned in London." But, when Folger saw that the vessel was a success, he decided that he was in fact the owner of a one-third share. He was not given the chance of similar shilly-shallying in the case of the next boat, the *Lydia*; here the 9:7 basis was adopted right from the start (although the oil was still held in thirds).<sup>43</sup>

Despite its advantages, multiple ownership caused much friction. It was particularly irksome to a strong firm like the Hancocks, who felt big enough to find full cargoes unaided. Before long, they bluntly told Barnard "we are not fond of many Owners. . . . We have been greatly Overul'd here in this Concern, more than we shall Chuse to Submit to again."<sup>44</sup>

#### APPENDIX TO CHAPTER X

##### A. *Stephens' Letter from London on the Potash Trade.*<sup>1</sup>

It being uncertain whether I shall return this Falle, & am sensible of a poison which is industriously spread, I beg leave to inform you of the State of Pot Ash, that you may be able to judge for yourself.

The Consumption of Pot & Pearl Ash in the British Dominions amounts from 2500 to 3000 Tons a Year one with another.

Of Russia, which has commonly been the Standard of others, there has been from 800 to 1000 Tons a Year for 20 Years past, from 35/ to 40/ until a progressive Rise happen'd which brought the Price up to 65/ & 70/ P[er] C[ent]. And the east Country & others did rise in Proportion.

The soft Soapmakers in this Town have used about 1500 Tons a Year of which about 800 Tons was Russia the Importation of which was very small, the last 4 or 5 Years, & has ceased entirely for the last two years, nor is any or very little expected thence in future.

But as the Deficiency then must be supplied elsewhere & 'twere

<sup>43</sup> H. MSS. (7) 4, Mar. 12, July 27, and Aug. 17, 1764, Barnard to Hancock; Letter book, July 9, and Oct. 11, 1764, Dec. 14, 1767, Barnard.

<sup>44</sup> Letter book, June 6, 1764, Barnard.

<sup>1</sup> H. MSS. (8) 9, Sept. 3, 1753, Stephens to Hancock.

reasonable to think the Price must be advanced, it may be asked why is it fallen?

In Answer, the Germans, who have not the Art of making the best Pot Ash, with a Prospect of a vast Price have o' late sent in prodigious Quantities of Pearl Ash; & tho the Soapmakers, to Save the Sinking Trade, have invented the Use of it, which was never practised before, yet the Glut has reduced the Price to 35/. But as I well know they cannot afford it for less, nor could nor did, whilst the Russians continued to import, so now the market depends upon them & the Last Country to make up the Deficiency 'tis reasonable to suppose, the Glut over, that the market will rise in Proportion to that Deficiency.

It may seem strange too that the Sopemakers do not be friend me.

In Answer, the Soft Sopemakers are, an incorporated Body of very rich Men, about 22 in Number; & tho their Charter does not give them a compulsive Power, each being at Liberty to buy & sell for himself, but as they agree, yet they have a great Influence at Market.

Some of them Mess<sup>rs</sup> Neaves in particular, who have at least £30,000 Stocks in Trade, & pay Duty 1800 or 2000 £ a Month for sope, being Buyers of Pot Ash to sell again, having bought in at an high Price, are fearful it may not rise now 'tis low, if my Method of making were put in Practice or published.

Again 'tis not consistent with the Interest of the Comp<sup>n</sup> nor any one of its Members that Pot Ash should be much under 40/ as the Number of Sopemakers might then be increased, their Charter not giving them an exclusive Right. In short their Policy is to keep if they can Pot Ash up to such a Price, as to keep out others, not caring neither how dear they sell so they can by a small Matter undersell or keep Pace with the hard Sope Makers.

This being the Case a great Point is gained to bring them to allow mine to be worth 38/ when they say they would give but 36/ for Russ: & do give but 35/ for the best Pearl. Tho they don't do me Justice by 10 P[er]C[ent]. The Dry Salters & Whitsters too allow mine to be better than either Pearl or Russia.

My Lord Halifax was cool on my first coming but as Mr. Kilby, who was so likewise notwithstanding your Letter, married Mr. Neaves Sister, this Interest too being nearly connected with that of Nova Scotia, I wonder'd not lately to hear him declare his Sentiments to be such as you may imagine & I did not wish, because I really think him a Gentleman of great worth.

B. *Financial Data Concerning the 1764 Summer Shipment on the "Lydia"*

The first voyage of the brigantine *Lydia* (Captain Scott) is well documented.<sup>1</sup> The outward cargo consisted of:

95 tons, 7 barrel, 4½ gallon Brown Sperm Oil			
@ £24 per ton			Mass. £2301. 2.10
14 tons, 7 barrel, 6 gallon White Sperm Oil			
@ £28.13.4 per ton			427. 2.
Binding and Guaging 110¾ tons oil @ 8/8			47.19.10
Freight of above from Nantuckett, 8/-			44. 6
Wharfage			5. 5. 4
Coopering and Trucking			6.15. 8
			<hr/>
			Mass. £2832.11. 8
178 barrels tar @ 10/4	£ 91.19. 4		
Coopering and Wharfage	3.17. 0		
	<hr/>		95.16. 4
185 lb Whalebone	£ 19.14. 8		
Carting on board	2		
	<hr/>		19.16. 8
White Oak Barrell Staves	£ 20.19. 2		
Carting and Wharfage	19		
	<hr/>		21.18. 2
			<hr/>
			Mass. £2970. 2.10
Commission @ 5%			148.10. 1 *
			<hr/>
			Mass. £3118.12.11
			<hr/>
			Mass. £2339. -. -
			<hr/>
			Mass. £2339. -. -

Barnard & Company's account sales shows that the goods (after allowing for a slight wastage) were sold thus:

90 ton 38 gal. Brown Oil @ stg. £26	£2343.18. 4
11 " 58 " White " " " 28	314. 8.10

<sup>1</sup>H. MSS. (8) 7, Aug. 15, 1764, Invoice; (28) 5, Aug. 17, 1764, Account sales dated Jan. 11, 1765.

1 $\frac{1}{4}$ " 6 " Amber " " " 27	34. 7.10	
216[?]" black " " " 25	21. 8. 6	
		<hr/>
	£2714. 3. 6	
165 barrels tar " " 12/-	99	
6900 Staves	17. 3. 9	
4 bundle whale bone	25. 3. 6	
Bounty on tar	39	
		<hr/>
	£2894.10. 9	
Deduct:		
Freight	£343.13. 0 <sup>x</sup>	
Other expenses	151. 5. 6	
Barnard's commission	<u>72. 7. 3<sup>x</sup></u>	
		<hr/>
	567. 5. 9	
	Net proceeds	2327. 5. -
		<hr/>
	Loss	<u>£ 11.15. -</u>

But part of the items marked "x," and possibly some others, should be offset against this loss, being charges by Hancock or Barnard. Hancock's share of these must have been some £250 sterling.

## CHAPTER XI

# Everyday Business Life in Colonial Boston

### I. THE SHOPKEEPER

WE ARE NOW fast nearing the point at which Thomas is plucked from our tale by death. Before saying good-bye to him, we should perhaps turn for a moment to glance back across his life; the pause will allow us to note certain phases of his work that do not fall neatly into a chronological record, and also to form some picture of a colonial merchant's everyday doings.

When Thomas was in his prime, Boston contained only some 15,000 souls, although it was the leading town in British America from the standpoints alike of population, shipping, and learning.<sup>1</sup> Its trade centered in a small area between the sea front and the Town (now the Old State) House. Along the sea front were the wharves, fish houses, and ships. The Town House also played a part in business, for its ground floor formed a covered walk where merchants met daily; frequent contacts on some such "exchange" were a plain need to men who were ever engaging in a hundred-and-one brief ventures and partnerships, and so "the custom of Boston is to shut up their warehouses at one o'clock, and go on 'change, and return about four o'clock in the afternoon." There was also a public market in Faneuil Hall.<sup>2</sup> At the time when Thomas died, the Hancocks'

<sup>1</sup>Thompson and Jones, *Ec. Dev. of U. S.*, p. 63; R. G. Albion, "New York and Its Disappointed Rivals," *Jour. of Ec. & Bus. Hist.*, vol. III, p. 606; *Camb. Hist. of Brit. Emp.*, vol. I, p. 810.

<sup>2</sup>Sears, *John Hancock*, pp. 50-57; *Mass. Hist. Soc. Proceedings*, vol. XVI, p. 69.

store stood hard by the latter Hall (and not far from the head of the present South Market Street). One of their advertisements starts: <sup>3</sup>

Store No. 4, at east end of Faneuil Hall Market, a general assortment of English and India Goods, also Choice Newcastle Coals, and Irish Butter, cheap for Cash.

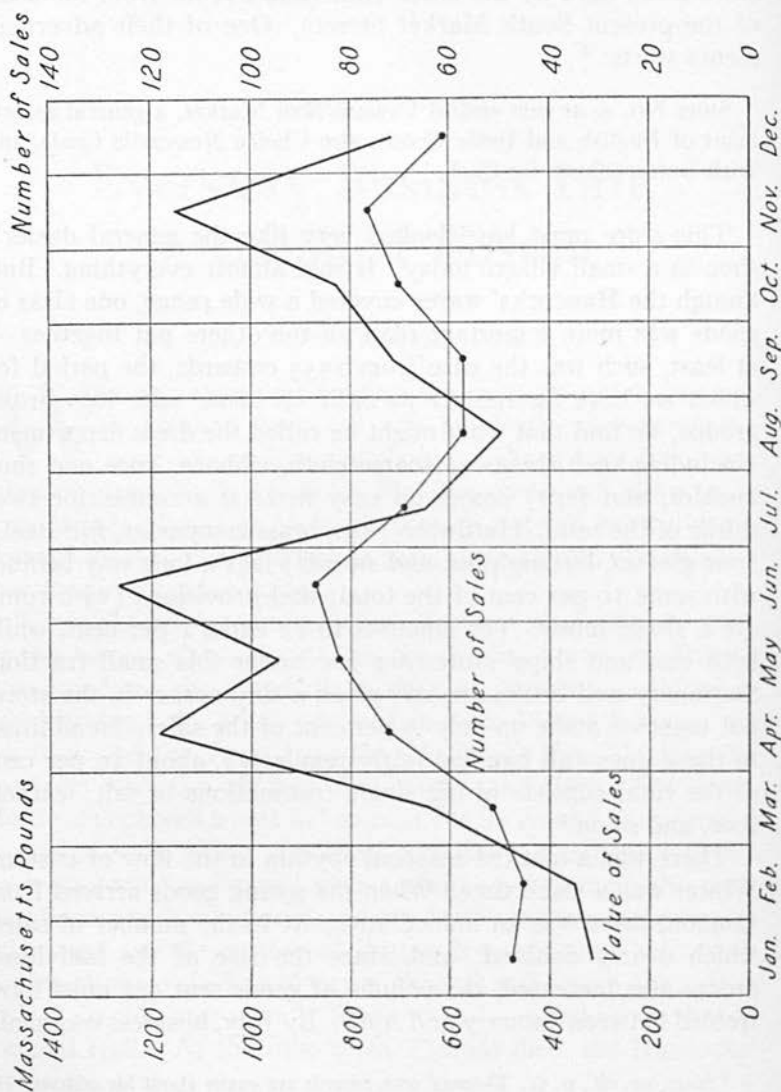
This store must have looked very like the general dealer's shop in a small village today. It sold almost everything. But, though the Hancocks' wares covered a wide range, one class of goods was more important than all the others put together — at least, such was the case from 1755 onwards, the period for which we have figures. If we split up home sales into broad groups, we find that what might be called the dress department (including such things as coarse cloth, ribbons, knee and shoe buckles, and fans) comes an easy first; it accounts for two-thirds of the total. Hardware (e.g., brass compasses, fire steels, hour glasses, larding pins, and swords) lags a long way behind, with some 10 per cent of the total; and provisions (with rum) are a shade lower. Tea amounts to an extra 1 per cent, while both coal and ships' stores are just under this small fraction. Stationery and books are still given a tiny corner in the store, but together make up only .6 per cent of the sales. In addition to these lines (all handled fairly regularly), about 10 per cent of the total consists of big single transactions in salt, leather, lime, and so on.<sup>4</sup>

There was a marked seasonal rhythm in the flow of custom. Winter was a slack time. When the spring goods arrived from London, there was an immediate spurt in the number of sales, which nearly doubled; and, since the size of the individual orders also increased, the volume of goods sent out must have trebled between January and April. By July, business was again

<sup>3</sup> Sears, *op. cit.*, p. 92. Thomas' own records are vague about his address. He is elsewhere said to have stayed in his original Ann Street shop till 1742 (*Mass. Hist. Soc. Collections*, vol. LXXV, p. 79).

<sup>4</sup> I have worked out these percentages from the credit sales recorded in the journals, by analyzing the figures for 14 sample months (chiefly May) from 1755 to 1774.

CHART I. AVERAGE MONTHLY CREDIT SALES, 1755-1775



dull. Then came the fall orders, and another spurt followed till November.<sup>5</sup>

In a town as small as Boston then was, the coming of a boat from Britain was an event, and set the tempo for business. When his spring or fall shipments arrived, a trader would hasten to lure customers to his shop with handbills or press advertisements stating that he had "imported in the 'Hayley' from London A large and general Assortment of Winter Goods which he will sell by Wholesale and Retail at the lowest Rates for Cash." Thomas believed in advertising in the papers fairly regularly, and he sometimes managed to inject a more vital tang into his notices, e.g., "Excellent good Bohea Tea, imported in the last ship from London: sold by Tho. Hancock. N.B. If it don't suit the ladies' taste, they may return the tea and receive their money again."<sup>6</sup>

And what sort of customers were attracted to Thomas' store by such bait? They included both Bostonians and country folk, and they came to buy both wholesale and retail. But, by the end of Thomas' life, he was probably tending more and more to refer small buyers to young Bowes (or some other protégé) in the retail shop round the corner; the average order for the period 1755-75 was for about £12 — a sum big enough to show that most of the firm's trade had become wholesale.

<sup>5</sup> Averaging the monthly totals for 1755-1775, as given in Tables 1 and 2 on pages 158 and 159, we get:

	<i>Credit Sales.</i>	<i>Number of Credit Sales</i>
	<i>Mass. £s.</i>	
January .....	316	47
February .....	355	45
March .....	639	51
April .....	1,183	72
May .....	946	82
June .....	1,261	87
July .....	649	69
August .....	496	60
September .....	711	61
October .....	826	70
November .....	1,148	76
December .....	711	61.

<sup>6</sup> Bant's advertisement, *Boston News Letter*, Nov. 18, 1773; H. MSS. (2) 4, July 16, 1764, Edes & Gill's account; Drake, *Our Colonial Homes*, p. 3.

The backbone of the business was the country trader, who treated Thomas as his wholesale supplier of European goods. Thomas dealt with large numbers of these village merchants, and a single spring order from one of them might mount up to several hundred pounds. Accordingly Thomas was quick to seize every chance of pushing his sales with such customers. Even a scrappy note asking one of them to forward a message is rounded off with: "I shall be Glad to Supply you with any Sort of Goods and upon as Good Terms as any body, whenever you may occasion." The letters ordering oil from the Nantucket dealers end with profuse offers of service; and these men did in fact become important customers, illustrating once again the "two-way" nature of colonial trade.<sup>7</sup>

Country buyers sometimes lived far afield and would send their requests for goods by a carrier, drover, or the captain of a coaster. In our chapter on the lack of money and the New Englanders' ways of surmounting this trouble, reference was made to the use of "orders" for the delivery of goods to carriers or creditors. There are so many of these papers among the Hancock records that we may almost think of Thomas as the head of a mail-order house — with the extra function of banker when he paid the goods to creditors. The country dealers were often traveling chapmen, whose custom was not to be despised. "Must request you always to procure for me the other sorts [of paper] which please my Country Chaps much better than what you now Sent," writes Thomas to a London agent. The chapmen on occasion proved a useful outlet for unwanted goods; thus, when Thomas was entrusted with the sale of a batch of stockings, he told the consignor, "No one or two persons will give anything for them together, So must Sell in Smaller parcels as I can find Chaps & Believe must Trust them out, the Town being full of Hose have offered them at Six and nine months Credit." <sup>8</sup>

Nowadays there is something of a controversy about the degree to which inter-provincial relations had developed before

<sup>7</sup> H. MSS. (1) 1, July 20, 1764, Hancock to Parker; Mar. 23, 1764, Hancock to Hussey. For a sample country order, see item A of appendix to this chapter.

<sup>8</sup> Letter book, June 13, 1737, Rowe; Sept. 4, 1736, Brice.

the Revolution. One group of scholars maintains that traffic between the Colonies was slight, that the discomforts and dangers of travel made contacts rare, and that more men went to England than to the next-door province; another school flatly contradicts this view, asserting that trade and personal ties were close.<sup>9</sup> The Hancock records suggest a middle opinion. Thomas' customers hailed from such spots as Kennebec, Kittery, Biddeford, Barnstable, Lebanon, Lyme, Derby, Danbury, and Long Island. His business was thus a machine for supplying goods to what is now Maine, to New Hampshire, still more to Connecticut (even to a part that has since become the preserve of New York traders), and to the eastern tip of New York province. Boston, it will be remembered, was not merely the chief port of Massachusetts, but the metropolis of all New England.<sup>10</sup> Where the other provinces formed part of its natural hinterland, trade links were very real, and cut clean across political boundaries. On the other hand, the Hancocks had few contacts with Philadelphia, and even fewer with New York and Charleston; London loomed far bigger in their eyes than any American city, and the West Indies seemed closer neighbors than the middle or southern Colonies.

A fleet of tiny coasters linked the other New England ports with Boston, and much of Thomas' time must have been spent in arranging with the skippers of such craft for the carriage of his goods. The skippers' receipts show that the welcome parcels of clothes and hemp, powder and shot, glass and pepper were often bound for townships far up the rivers of Connecticut, and might sometimes be taken thence to western Massachusetts. In our mind's eye, then, we may watch cottons from India and nails from England creeping slowly round the coast and up the waterways, over pack-horse trails, past the furthest villages, and so at last into the hands of frontiersmen and redskins.

<sup>9</sup> See, respectively, Andrews, *Col. Period of Amer. Hist.*, vol. IV, p. 413, and Harrington, *New York Merchant*, p. 206.

<sup>10</sup> See Nettels, "Boston, Philadelphia, and New York," pp. 186-189; and bills of lading in H. MSS. (5) 3, and wharfage accounts in 23 (3).

## 2. THE CREDITOR

Owing to the currency shortage, a sale might be prefaced by delicate negotiations regarding the form and date of payment. Thus the opening gambit of a country customer runs:

Fairfield. 18 Feb. 1755.

Mr. Hancock Sir. I shall be at Boston in May if not before & to make your payment Although it is very Dificult for we cannot purchase any Previsions of our Farmars without Loosing The Profit that we get upon our Goods, & Sir I have built one Vessel & got the Timber for a nother Sence I was at Boston & I finde it will Answare & as for geting any more Goods in Boston I think not without you and I could Come to Some Agreement that would Answare for us both Sir if you will Take a Vessell of Two hundred Tuns or under Sir then I will Trade with you you finding her Riging her Whol [hull] you Shall have as Cheap as they are built in Boston . . . I Should be glad if you will Send me the Prices of Provisions now in Boston Sir an answare I shall Expect So I am yours to Serve

Seth Osborne.

But this note did not find Thomas in an easy humor. He fired back a reply that his irritation makes unreadable in parts:<sup>11</sup>

Boston Feb<sup>y</sup>. 24 1755.

Sir.

I Rec<sup>d</sup> yours of 18<sup>th</sup> & the post [of] which Cost 7/6 When you Rite again Let it be on half a Sheet of paper which will Cost less.

As to the Proffet you Git on your Goods its your Look out not mine I Expect my money of you When its Due according to agreement, and as to being Concerned in Vessells of any Sort, I do not Incline on any acco<sup>t</sup> Whatsoever & advise you to be cautious therein yourself, and if you Dont Incline to Deal any further I Cant help that, I always know what to do with My Goods — which Cost me nothing but Silver & Gold & Bills of Exch<sup>e</sup> which is Better.

As to Provisions there is no [?] . . . you know they must be a Little higher to pay Debts . . . I shall want some Pork & Wheat by the first of April & I will either give you the market price then or as if the price is in May which you please, & you may depend I will allow

<sup>11</sup> H. MSS. (1) 2.

you the full price for your Debt. Wheat & peas will be wanted & come to a good market . . . if you'd Give me the Hull of a Ship of 200 Tons I would not accept her.

I am Sr

Your Humb. Serv<sup>t</sup>.

We have already noted how, in accord with the rules of two-way trade, debtors often supplied their supplier. Working on this basis, Thomas looked to his own customers (including other Boston merchants as well as country dealers) for many of his needs. Indeed, without an account current to tell the whole history of a customer's dealings with Thomas, we can never tell whether the goods that came to the latter's store were really payments of a debt or what we should now regard as normal purchases; all we can say is that other New Englanders were constantly sending him commodities such as oil, harness, psalters, and funeral rings, besides rendering him such services as trucking, gun repairing, the drafting of deeds, and the measurement of a ship's tonnage.<sup>12</sup>

But there is one variation on the theme of bookkeeping barter that we have so far neglected. Quite often, a remittance in kind was not sent to Thomas as simple commodity money (i.e., something that forthwith became his property), but as a *consignment* (in the narrow sense of goods to be sold by him on a commission basis). He would then act as the sender's agent, searching out the best buyer, and using the proceeds to square the sender's account. For instance, at the bottom of one such statement is the note:<sup>13</sup>

delivered by me to Thomas Hancock Esq. Twelve Barrells of pork to be sold and when sold my account to have credit for —  
Mem<sup>o</sup> Interest to be allowed on the above Ballance Till the pork is sold.

Customers expected Thomas to be excessively liberal in the matter of credit. Seldom seeing money and having no banks, they looked to their storekeeper for financial aid. He had to

<sup>12</sup> H. MSS. (2) 1 & 2, bills received.

<sup>13</sup> *Ibid.* (3) 2, Nov. 20, 1754, Grant's account. See also item B in appendix to this chapter.

give it or be content with poor trade. Therefore, after recording a sale, Thomas would note "To pay in 6 months" or "8 months" or "12 months." But even such long delays were not enough for many debtors. "Our Law," explains Thomas, "allows twelve Months which makes some People more Slack of paying for the Goods Sold them." During hard times (or so he asserts when extorting better terms from his London supplier) he was "obliged to Give one two & more years Credit for the best Goods wee Sell to our Country Chaps."<sup>14</sup>

Thomas did what he could to minimize these delays and the consequent risk of bad debts. Often his record of a sale is followed by some such note as "To be paid for in Nine Months, & If not paid then, after that to pay Interest, untill all is paid." And, besides mulcting the laggards in compound interest, Thomas might try to make his dues more safe by exacting bonds (which were in general merely written promises to pay, and were not secured on land, et cetera). By 1755 he held perhaps £10,000 worth of such bonds, granted by debtors as far away as North Carolina; records of their cancellation, and of their renewal after 6 per cent interest is added, fill much of his journal.<sup>15</sup> Men seldom love the financier who finds their capital, and doubtless Thomas was cursed far and wide for a blood-sucker.

Bonds and compound interest alike proved insufficient to spur debtors on to timely payment. Almost every account tells the same long-drawn-out story of dawdle and delay. Both slow transport and two-way trade tended to infuse a leisurely spirit into business; only after a prolonged interval could dealings be rounded off trimly. Thomas was as bad a sinner as the rest in this matter; on one occasion, his bill for newspapers ran on for ten years. John was even more dilatory. The close of the Revolutionary War found him still ingathering his uncle's estate. The following was written nineteen years after Thomas had died: "Among a Number of Specialtys committed to my

<sup>14</sup> Journal, 1755, pp. 6-11; Letter book, Sept. 4, 1736, Brice, and June 20, 1739, Rowe.

<sup>15</sup> Journal, July 12, 1756; H. MSS. (5) 5, List of bonds; (6) 4, Interest calculations.

care to collect — I find a receipt given by you to the Late Hon<sup>ble</sup> Thomas Hancock Esq<sup>r</sup> for a large Black Horse which you received of that Gentleman March 20 1764 — to dispose of for his Account — You will forthwith render an Account Sales — that your Obligation may be cancell'd." In the margin is the laconic note: "Answered the Horse died."<sup>16</sup>

### 3. DIFFICULTIES OF TRADING

Much of this chapter has already been taken up with the many troubles that beset the colonial shopkeeper — too few coins, too many notes, poor communications, sluggish debtors, and so on. But these by no means exhausted his catalogue of woes. At least two more demand notice.

The first was the general low standard of efficiency. Neither merchandise nor the men who packed it seem to have been reliable. Letter after letter protests that goods are dear, useless, or late. Glass arrives "bad and broken;" paper will not take ink; "You have also Sent us a parcell of Shalloons [cloth], which we never wrote for, and are so very ordinary, that we dont Expect ever to Sell them;" garlix (another kind of cloth) is "the worst that ever came into the country."<sup>17</sup> If the goods were not defective at their outset, they might through careless packing well become so when aboard ship: vinegar barrels leak, tea gets loose among coffee, rats eat books.<sup>18</sup> In times of war, the protests soar to a crescendo. And, while many of them were doubtless mere bargaining counters, they must have contained some element of truth. They were sent to Thomas as well as from him, especially when he held army contracts; an officer writes: "I had like to omitt acquainting you of the Sad Dog of a Butcher that Salted the Barrell of Beef, I dare engage that the Bullock or Cow must have been forty year old, its' so hard it can't well be cut with a Knife after 4 hours boiling & my

<sup>16</sup> H. MSS. (3) 4, Jan. 1, 1746, Draper's account; Letter book, Jan. 23, 1783, Hooker.

<sup>17</sup> Letter book, June 14, 1758, Thomas; Nov. 2, 1763, Wright & Gill; Nov. 25, 1763, Barnard; June 24, 1737, Wilks.

<sup>18</sup> H. MSS. (12) 3, Oct. 7, 1751, Hancock to Gerrish; (29) 2, Oct. 8, 1765, Williams to Hancock; Letter book, Jan. 21, 1740, Rowe.

servants have actually refus'd to eat it & say they could with pleasure eat [the] Butcher." <sup>19</sup>

Because goods were so liable to be defective, "surveys" were sometimes made. Thus, suitable merchants might be appointed by the "Judge of Admiralty" to give a certificate of damage for insurance purposes; and goods bought for the Crown might be surveyed on oath. The certificates are businesslike documents, giving the state of the goods in detail; e.g., of 42 barrels of beer, 3 are "Tolerable Good" and 6 "neither good nor Sower," while the rest are carefully ranged from "Mustey but not Sower" down to "Stinks and Sower." <sup>20</sup>

Difficulties over merchandise may have resulted in part from the smallness of the markets. Goods were likely to become very scarce. When buying food for the Woodford contract, John would find that there was "no pulse here, and none in Philadelphia," or that butter was unobtainable and no pease could be got "from any part of the Continent;" at another time, "There is not a cask of Rice in Town." <sup>21</sup> Conversely, markets were quickly glutted by the arrival of a few cargoes, and prices then dropped headlong. <sup>22</sup> Merchants apparently foresaw scant gain from efforts to prevent these ups and downs (say, by carrying larger stocks from good to bad times). Perhaps the failure sprang in part from ignorance of how to store perishables. More likely it was owing to the petty scale of trade, which made specialized wholesalers rare, and organized speculation in futures still rarer. <sup>23</sup>

The second trouble is more unexpected. It is smallpox. Outbreaks of this scourge were often severe enough to delay and upset trade. Letters from infected places had to be smoked by the sender, and might be stopped en route and "aird." Skippers

<sup>19</sup> H. MSS. (10) 3, 1748, Rogers to Hancock.

<sup>20</sup> Letter book, Apr. 2, 1746, Bourryau; H. MSS. (9) 3, Apr. 4, 1760, Hancock to Buntien; (9) 5, Lodge & Combrune's survey.

<sup>21</sup> H. MSS. (16) 1, Oct. 4, 1764, Hancock to Williams; (29) 6, Apr. 2 and 16, 1767, Feb. 5, 1768, Gerrish.

<sup>22</sup> See, e.g. (27) 2, June 8, 1771, Hayley to Hancock: "The price of Tarr must fall every cargo that arrives." A letter of Sept. 21 shows that its price has dropped from 10/6 to 7/3 in the season.

<sup>23</sup> M. Weber, translated by F. H. Knight, *General Economic History* (London, 1927), pp. 292-297.

were instructed not to go near stricken ports, and to show care about taking passengers who had newly recovered.<sup>24</sup> At times, Boston was so badly affected that drovers would not come into the town; a country debtor could say: "I design per first Opportunity that Presents itself to make you Payment but as the Smal Pox is very rife Among you I Doubt I Shall find Difficulty in Getting it Transported to Boston." An outbreak in 1764 was so vicious that many persons fled the city; Thomas wanted to buy claret, but "the owners are out of Town for fear of the Small pox and Could not Git at it."<sup>25</sup> Next year, John and other Bostonians petitioned the provincial government for tax relief, explaining that the town was in a bad state since the smallpox had "made it a hospital" from which many had fled and not returned.<sup>26</sup> Incidentally, Thomas was an advocate of inoculation, explaining that its risks were slight, as 103 persons out of 400 died in the "natural way" but "by Inoculation only 30 out of 2,400."<sup>27</sup>

#### 4. CORRESPONDENCE

In addition to his store, Thomas had a "compting room." When he grew rich, the routine work of this office was put into the hands of clerks (though John at one point complains, "Am reduced at the last Moment to write my own Letters").<sup>28</sup> Outgoing mail was dealt with as follows. Thomas or John would scribble a rough draft of the letter on any scrap of paper that lay handy. Then a clerk would make a fair copy for dispatch; on the back of one note Thomas has written:<sup>29</sup>

Mr Glover do Copyy this  
I shall [sign it?] at 1 o'clock as  
I Dine at the Hall.

<sup>24</sup> H. MSS. (16) 1, Nov. 20, 1764, Scott to Hancock; (12) 1, June 18, 1758, Green to Hancock; (1) 1, Mar. 5, 1744, Hancock to Gross; Letter book, Dec. 6, 1764, Barnard.

<sup>25</sup> H. MSS. (1) 2, May 25, 1752, Guy to Hancock; (9) 3, Apr. 25, 1764, Hancock to Williams.

<sup>26</sup> Mass. State Archives, 118, p. 108, petition of May 31, 1765.

<sup>27</sup> H. MSS. (12) 3, May 14, 1752, Hancock to Cowley.

<sup>28</sup> Letter book, Nov., 1739, Maplesden; Nov. 17, 1764, Barnard.

<sup>29</sup> H. MSS. (12) 3, June 22, 1750, Hancock to Cowley.

In the case of foreign letters, a copy was also made in the letter book. Where there was risk of loss at sea, one or more extra copies might be sent later; the delay was often used to add further paragraphs, so that the writer seems to ramble and sometimes to contradict himself.

Generally speaking, the letters are longer, less to the point, and much more human than those of the present. Business matters are interlarded with quaint scraps of family chatter, and price lists may be appended hopefully to letters that have nothing to do with sales. Agents were expected to dwell at length on public affairs, and the Colonies' isolation finds an almost pathetic reflection in Thomas' demand, "Why wont you give us some News, a little would be very acceptable, for we are in a starving condition."<sup>30</sup> Thomas himself was a lucid and vigorous correspondent, who believed in repeating and confirming very fully. Yet his letters can seldom have given much pleasure to the recipients; they are usually ungracious about goods sent, demand excessive credit, and wheedle in a naïve way for better terms. Thus a typical letter to London acknowledges the arrival of his goods, grumbles about their quality or price, explains his latest efforts at remittance, and frets over the delays in collecting bills sent to the agents; a list of new orders is enclosed on a special invoice, or is appended as in this example:<sup>31</sup>

Boston, June 14, 1763.

Gent<sup>n</sup>: We have none of Your fav<sup>rs</sup> unanswered. The Glass not yet Arriv'd. This is to Desire you will by first opp'y, Ship us the few things mention'd at Bottom hereof — & beg your care that the nails be well Drawn, the last you sent were extreme Bad, that we met with Difficulty in the sale of them, for their amount we shall order you payment in Time.

We are with Esteem —

Gent<sup>n</sup> Your most obed. serv<sup>ts</sup>.

Please to Send

10 p[iecs] Red narrow Bristol Bays [Baize]

5 " Blue Do.

<sup>30</sup> Letter book, Jan. 30, 1758, Kilby.

<sup>31</sup> Letter book.

20 pr. German Serge, half Blue not dy'd in the cloth  
& half good cloth coll<sup>rs</sup>

30 cask	10 <sup>d</sup>	Nails	} Let them be made of Good stuff well Drawn & full size, the Cask of the same make with the Lon- don Cask, not flat Hoops.
20 Do	8 <sup>d</sup>	Do	
6 Do	6 <sup>d</sup>	Do	
10 Do.	4 <sup>d</sup>	Do.	
10 Do.	20 <sup>d</sup>	Do.	

MESSRS. DEVONSHIRE & REEVE.

The letters do not suggest a leisurely and restful office. Frequently they were dashed off at the last moment before a ship sailed, and bear traces of scurry; many contain phrases such as "Inclosed we send you an original Letter from Mr. Winslow as we have no Time to copy it," and "the sudden Departure of this Vessell prevents my writing to —." <sup>32</sup>

There was an official mail service, but it was so slow and dear that no one used it if he could find other means of sending his letters. Before Franklin became postmaster-general, the return trip to Philadelphia took six weeks; yet, one winter when there had been no post for a month, Thomas dispatched an important letter thither by special messenger, and this man made the single journey in eight days despite the bad season, at a cost of \$53. The post office's bill to Thomas for sending letters to Halifax for a year is an odd document; each letter is recorded in terms of pennyweights and grains, and the total charge, at the stiff rate of 4d. per pennyweight, is over £90. Small wonder, then, that merchants evaded the government monopoly wherever possible. Writing to the governor of Connecticut, Thomas states that he saved the Colony several pounds each year through his interest with captains, who, instead of delivering letters to the post office according to regulation, handed them over to him. <sup>33</sup>

## 5. THE AGENT

The agent was the keystone of New England's foreign trade. The Hancock records scarcely mention a single overseas trans-

<sup>32</sup> Letter book, Mar. 30, 1764, Woodford; Jan. 13, 1772, Hayley.

<sup>33</sup> W. Smith, *History of the Post Office in British North America* (Cambridge, 1920), pp. 25-26. Letter book, Jan. 9 and 28, 1754, Kilby; H. MSS. (20) 2, Nov. 14, 1761, P.O. bill.

action in which an agent does not feature; if the Hancocks did not employ one, the reason generally was that they were themselves being so employed. In the absence of rapid communications, a merchant was forced to have some ambassador at a foreign port and to invest him with wide powers. On the rare occasions when the Hancocks knew no such delegate, they had to consign the goods to their own skipper, hoping that his Yankee shrewdness would enable him to sell his cargo and buy "returns" without being too badly fleeced;<sup>34</sup> but clearly it was better to entrust such dealings to a person who was at home in the strange market. Once, when Thomas knew of no suitable agent in Newfoundland, he wrote to the governor there and requested that dignitary to undertake some debt-collecting.<sup>35</sup>

An agent was often asked to do all sorts of odd jobs on top of his buying or selling; and, since his post was much coveted by rivals, he usually agreed with a good grace to play jack-of-all-trades. Barnard might be called on to ransom a prisoner in France, to have shoes made to his employer's measure, or to work up political propaganda against an unpopular law.<sup>36</sup> The Hancocks were not above gathering rents for correspondents, hiring out English convicts as indentured servants, or stabling a stallion.<sup>37</sup> Thomas liked a good funeral, and acted as executor with special relish. When a certain newly arrived English merchant turned ill of "a complication of Diseases, as our Physicians conceive, viz, a consumption, Dropsie, Jaundice, Astma, etc.," Thomas hastened to his bedside and "spent many hours with him Expecting to see him Dye his frequent request to me was not to leave him till he was Dead . . . Great pains was taken by some designing persons to get His affairs into their Hands the Consequence of which would have been very bad

<sup>34</sup> For example, H. MSS. (13) 4, May 1741, Hancock's instruction to Captain White: ". . . the Vessell & Cargo being as per Bill of Lading Inclosed Consigned yourself, you are to apply to Such Gentlemen at Lisbon to do your Business (in Case you Cant do it yourself, but we Desire you by all means to do what you Can yourself) as you think will best serve our Interest."

<sup>35</sup> Letter book, Aug. 13, 1745, Wibault.

<sup>36</sup> *Ibid.*, Aug. 17, 1764; Jan. 2, 1766.

<sup>37</sup> *Ibid.*, May 15, 1765, Barnard; Mass. Hist. Soc. MSS., July 18, 1747, Brackenburg's conveyance to Hancock; H. MSS. (11) 1, July 18, 1747, Hancock to Knowles; (1) 1, Aug. 15, 1750, Hancock to DeLancey.

and He often told me so . . . . I have given him a place in my Tomb which he often thanked me for and gladly accepted it . . . . His Funeral was Decent, honourable, in good Order & conformable to the Establisht Church of England, and attended by many Gentlemen of the first Rank here;" having had the will proved, Thomas sold the estate, which was quite big, and sent the proceeds (less a 5 per cent commission) to the relatives.<sup>38</sup>

Where so much hinged on the agent's honesty and trustworthiness, it was natural for the employer to choose men who were old friends or well recommended. It is significant that all the foreign agents mentioned in this history (except Godet) bear English names: the Hancocks looked for, and found, British firms in such places as Amsterdam, Lisbon, and Madeira.<sup>39</sup> Often there was a long-standing family connection. The task of an agent might well include acting as foster father to his employer's children. Godet, for instance, sent his son to board for four years with the Hancocks, and Lydia grew so fond of her ward that she protested she would never part with him; Thomas taught him accounts, but felt that the "french boy" did not fit into a staid Boston home and was relieved when Godet moved the lad to the Hopes' home at Amsterdam. Again, a Jamaica correspondent asks Thomas to board one child, who is still at school, and to take another into the countinghouse ("let me know what you would Ask with him & I'll remit you sugar or Molasses for that purpose, before I send him over").<sup>40</sup> And Kilby's motherless daughter was treated with warm affection by the Hancocks; none of Thomas' letters are more human than those telling of how he looked after her financial and other affairs. When "Our Daughter Sally" broke off a match, Thomas tried to reconcile the young

<sup>38</sup> Letter book, March 6 and 13, 1736, Brice; H. MSS. (5) 1, June 18, 1737, account with Brice; Letter book, Aug. 23, and Dec. 18, 1761, and Journal, Jan. 1, 1762, show that Thomas spent £200 on General Whittmore's funeral.

<sup>39</sup> The agents in Lisbon were White, Houston, and Hill; in Madeira, Lamar, Hill & Bissett — Boston Pub. Lib. Ch. M. 3. 5. II, p. 195; Letter book, July 23, 1765.

<sup>40</sup> Letter book, Oct. 21, and Dec. 22, 1748; H. MSS. (7) 6, Mar. 6, 1749, Godet to Hancock; and Nov. 12, 1747, James to Hancock.

pair; next he reported at length on the frugality and estate of a new suitor from Cambridge; then "I have given your Daughter away in marriage;" later "She is of a delicate make, her apron strings shorten and in due time you will be called Grandfather Kilby;" and finally, "Congratulate you Mr. Grandfather most heartily."<sup>41</sup>

We may conveniently classify agency dealings in two groups: single and continuous. In the first would fall isolated ventures, such as the sending of fish by Thomas to a Madeira agent in return for wine, or the consignment of coal to him by British merchants; here each transaction ended with the return remittance of goods or bills. The second group involved close coöperation that might last for years; here the agent was also banker, paying for purchases from third persons, as when Thomas acted for the British government or when Barnard supervised all Thomas' affairs in London. Because dealings with the permanent London agent were on a two-way footing, it is in fact somewhat misleading to speak of Thomas as employer and the Londoner as agent. In such a system of mutual agency, both men worked together as equals; if anything, it was the Londoner who had the upper hand, by virtue of the large overdrafts that he granted.

An interesting study might be made of a London agent's methods of getting supplies. For example, what part of these was still made in the workmen's own homes on the "putting out system," and what part in factories? Did Kilby ever go direct to the workmen, or to industrialists who controlled the workmen, or did he always deal with middlemen? Did he buy only as an agent, or did he sometimes trade on his own account, e.g., buying cheap lots of goods on the chance of selling them later to an American (and so perhaps making a secret profit as well as his commission)? How many months' credit did he get from his suppliers? Did the latter give him secret commissions? One imagines that there must have been some profits that do not meet the eye — otherwise the agent could scarcely have kept alive. He often charged a commission of only 2 per cent on

<sup>41</sup> Letter book, Jan. 14, Feb. 6, May 1, June 28, Dec. 6, 1754, Apr. 14, 1755; Kilby.

goods bought for American principals, and then might allow as much as a year's credit before exacting interest;<sup>42</sup> he also shouldered a big risk of bad debts. One is accordingly not being unduly cynical in supposing that he sometimes cheated his employer, for instance by overstating manufacturers' prices. It is significant that he never tried to vouch his accounts with manufacturers' invoices. The only way in which American principals could check his figures was to find out what other agents were charging; Thomas did not scruple to send Kilby a list showing a rival correspondent's prices, demanding a rebate.<sup>43</sup> The agent had a second cause for reticence about his suppliers: an American who found out their identity might place orders direct or through rivals.<sup>44</sup>

Occasionally the agents did not wait passively for Thomas' orders, but sent goods without any instructions from him. A Bristol firm, for instance, having despite abject appeals failed to win orders for some time, shipped him a parcel of wares with no more explanation than "I make no Doubt but what you'll wonder and be Greatly Surpriz'd on receiving the Inclosed Invoice for Goods Shipd by me on your Account." Or an English house might on its own initiative decide to make Thomas its Boston agent. Then, perhaps after scant warning from his

<sup>42</sup> H. MSS. (8) 1, Agents' invoices. One agent charged no commission and gave a year's credit on his own line of goods, but on other articles charged commission and gave only nine months' credit. — Mass. Hist. Soc. MSS., Apr. 26, 1784, Harrison to Hancock. Elsewhere John rebukes agents for charging commission on ribbon which, he has found out, they make themselves. — Letter book, Dec. 2, 1771, Hurst.

<sup>43</sup> Letter book, Nov. 20, 1747.

<sup>44</sup> "When ordering pistol powder from Kilby, Thomas instructs him to buy it from "Mr. John Walton . . . whose Powder suits my Sales better than any other Powder in England & its where Mr. Spooner used to buy for me & the Reason I wrote to him formerly was because I did not know where to direct you to the place before." Letter book, Mar. 4, 1755.

It is interesting that Thomas should have dealt with many minor agents in the 'thirties, as well as with a chief agent (Wilks); whereas later, though his trade was bigger, the number of agents seems to have shrunk. Possibly the trouble and cost of remitting to so many persons outweighed any savings; e.g., telling one agent to pay another, he says, "You'll please to Excuse my Desire in paying This money out of your hands . . . I Expect and Desire you Charge me the Same Commission as if you Shipt me Goods to the same Vallev." American Antiquarian Society MSS., July 4, 1735, Hancock to Storke.

principals (who might indeed be unknown to him), he would find himself in charge of a cargo of flour or beer or gunpowder.<sup>45</sup> He must in such cases make weighty decisions about unloading, storage, and sale; sometimes he had also to look after the vessel that brought the goods, acting as guide, financier, and friend to her captain. Thus Barnard and another merchant twice sent a large ship to Boston with cargoes that included coal, lemons, and salad oil. The Hancocks had to "push them off" on a poor market; in addition, they made advances to the captain, advertised that the ship was for sale, and, finding no buyers, sent her to seek a return cargo in the southern Colonies.<sup>46</sup>

#### 6. CASUAL PARTNERSHIP

The endless shifts and changes that Thomas made in his export methods may cause us to forget how stable was his trade in British goods. These came westwards in a fairly steady flow, no matter how his system of paying for them was varied. And the work of selling them and gathering payment, though involved, did not change much from year to year nor entail great risk. It was sending remittances eastward that called for resource and daring.

Thus business had two distinct, though closely connected, sides. There was (1) the import and home trade, and (2) the chain of export ventures. The first was continuous and fairly safe; the second was a series of widely different projects fraught with great hazards. We can hardly be surprised to find that Thomas' methods of controlling and financing the two types of work should have varied. His importing and store-keeping he kept under his own thumb. But exporting and any other projects that involved much cost or danger were often shared with fellow merchants.

<sup>45</sup> H. MSS. (7) 2, Mar. 15, 1764, Jones to Hancock; (5) 1, Sept. 16, 1754, Hancock's account with Chase; (8) 1, Jan. 1, 1751, Hancock's account with Barratt; Oct. 22, 1756, Hancock's account with Lodge & Combrune; Letter book, July 1, 1763, Birbeck.

<sup>46</sup> This was the *Adventure*. Hancock charged 2% on return freight obtained. Letter book, Nov. 9, 1763, Barnard; Jan. 6, 1764; Feb. 7, and Apr. 18, 1765; Journal, Jan. 23, 1765, Feb. 4, 1766; *Boston News Letter*, Nov. 17, 1763.

Thus, Thomas might at any given time be reinforcing his trade in manufactures with half-a-dozen or more auxiliary projects, which were managed by as many separate partnerships. Such partnerships were generally informal and short-lived. The degree of unity varied greatly. On occasion the partners would act as one close-knit body, while at other times they were not much more than a group of separate traders working in a common field. A joint adventure in shipping, for instance, involved real combination so far as the ownership of the boat herself was concerned, but each bit of her cargo might be earmarked as the property of one particular partner or of a sub-group of the partners.<sup>47</sup>

Though this system of auxiliary partnership was a useful means of pooling capital and skill for hazardous schemes, it had its drawbacks. It led to overlapping and confusion; thus we find Thomas, on receiving an order, asking "if this is a Company affair with Mr. Aphorp or to myself alone."<sup>48</sup> Errors became specially probable when the partners lived on opposite sides of the ocean. For instance, provisions being scarce and dear at the close of 1763, Thomas decided to risk importing a large amount of pork and butter from Ireland, and told Barnard to send it. Next month he doubled his order, and suggested that Barnard might like to take a half-share in the venture, in which case some beef could be added, and (speed being essential) a small vessel might be specially chartered to fetch the provisions from Cork. But he soon saw that they would reach him too late; probably he had planned to use them for the Woodford supply, and for this he was now forced to buy American pork at a high price. When at last the boat arrived, she proved to contain not merely the double order (costing £1,320 sterling) on the Hancock's own account, but also a second, and even larger, consignment of provisions that the over-ready Barnard had chosen to send as a joint adventure between himself, another London firm,

<sup>47</sup> See H. MSS. (4) 1, May 4, 1740, list of goods taken aboard the *Three Friends*; (13) 4, Sept. 11, 1741, instructions to Gross: "I have likewise [at Honduras] in Company with W<sup>m</sup> Tyler Esq. Eighty Tons of New River Wood . . . . the half being forty Tons belongs to me . . . . if you can Get my half or any part thereof do it."

<sup>48</sup> H. MSS. (12) 3, Sept. 4, 1758, Hancock to Bulkley.

and the Hancocks. The shortage by this time seems to have ended, and Thomas was unable to sell a single barrel for some weeks. Despite efforts to get rid of the meat at places as far off as Nantucket, more than a year went by before all was sold, and at low prices; months more were to pass before the buyers paid the Hancocks, though the latter felt obliged to remit substantial sums to their London partners. Such were the irritations of casual or temporary partnership.<sup>49</sup>

### 7. THE BANKER

I have already explained how, through the widespread use of orders, every merchant of standing was willy-nilly raised to the plane of banker, and made to transfer credit between his customers. We have also seen that Thomas made heavy advances to customers as a matter of course, and was able to support the government with large overdrafts during wars. It is natural to ask what other financial work was done by him.

The answer is that he did a great deal. There being no full-time specialists in foreign exchange, any merchant with overseas connections might act as a channel for remittances. If he also had a reputation for integrity, he would be trusted with other men's funds and be expected to arrange for their transfer or investment. Thus a business of standing would naturally tend to develop banking functions. As the Hancocks grew in wealth, they were called on to handle more and more financial work, particularly in the field of foreign exchange. In these activities we may detect the germ of a fully fledged banking-house; if the firm had lasted till the next century, such it might well have become (just as the Hopes, in the more mature financial center of Amsterdam, went from trade to bill-broking and then banking proper<sup>50</sup>).

The step from agent to deposit banker was easy. When Kilby went off to seek his fortune in Britain, the Massachusetts treasury owed him money. Thomas was entrusted with the collection

<sup>49</sup> Letter book, Oct. 29, and Nov. 14, 1763, Jan. 16, 1764, Jan. 8, May 2, and Dec. 21, 1765, Barnard; H. MSS. (7) 4, Mar. 23, 1764, Barnard to Hancock (see appendix to this chapter); (1) 1, May 17, 1764, Hancock to Folger.

<sup>50</sup> Wilson, *Anglo-Dutch Com. and Fin. in 18th Cent.*, p. 169.

of these funds. Having extracted them, he kept them in "a fine iron chest I bought of Governor Belcher" and then put them into government bills on Kilby's behalf. He also invested £200 sterling in a 6 per cent bond for Kilby's children.<sup>51</sup> Again, he writes to a Nova Scotian correspondent: "Your Bill for 2200 Dollars I have Received & Let it out at 6 per Cent Interest from Dec 5<sup>th</sup> where its Safe and I can have [it] on Short Notice. I dont mix this with your Account but keep it a Separate thing on Interest till your further order;" the correspondent was requested to draw at six or ten days' sight when he wanted the money. Perhaps Thomas used it to finance his own swollen trade during the war, but later the correspondent told him to put it and further deposits into Treasurer's notes, i.e., term deposits at interest with the provincial government.<sup>52</sup>

The notes became popular securities: Bastide and another British officer employed Thomas to invest their spare cash in them and in lottery tickets.<sup>53</sup> When a retiring governor charged Thomas with the task of selling his furniture, Thomas induced the successor to buy it, and the price was then deposited with the Treasurer; further,<sup>54</sup>

Your Excellency having Lodged in my Hands in Province Securities the sum of Four Thousand Four Hundred and Sixty five pounds, ten shillings & one penny in Lawful Money upon Interest on your own Accountt and Risque as per List Delivered . . . . Whenever you may have Occasion to Draw for said Money in part or for the whole, your Bills shall be punctually paid. Please always to give Notice before you Draw that I may have time to Exchange the Notes into Cash.

Lottery tickets were another favorite investment. They were for many decades to play a big part in government and even company finance, besides being a ready means of raising funds for such deserving objects as Harvard College or the winding-up

<sup>51</sup> Letter book, Mar. 3, 1746, July 10, 1747, Kilby.

<sup>52</sup> H. MSS. (10) 1, Dec. 5, 1757, Hancock to W. Tonge; Journal, Aug. 28, 1760, and Jan. 2, 1762; the last entry runs: "Ballance . . . which he desires me to let be in my hands at his Risque, till I can Invest it in Treasurers Notes in his Name."

<sup>53</sup> Letter book, Aug. 2, 1763, Bastide; Mass. Hist. Soc. MSS., July 19, 1764, Allen's account.

<sup>54</sup> Journal, Oct. 2, 1760; Letter book, June 2, 1760, Pownall.

of the Land Bank.<sup>55</sup> A born speculator like Thomas found them most tempting. Twice he took half-shares in Bastide's tickets. Several times he ordered his London agents to buy tickets:

I have a mind to be concern'd in Wigans Lottery at the Old Peacock Exchange Ally if not too Late I should be Glad you'l Interest me in half of 8 or Ten Ticketts if you can Spare the Cash & Think the Chance Good . . . if you Interest me or not Interest me, Success or no Success let this be a Secret.

Fortune rarely smiled on him; "Our Society's success in the Lottery is but poor," he admitted to his partner Bastide, and, out of ten tickets bought for £117.10.0 sterling in a London lottery, eight proved to be blanks and the other two carried prizes of only £20 each.<sup>56</sup>

We saw in the last chapter how Thomas gambled occasionally in marine insurance (the scale of his underwriting was so small that "gamble" is the only appropriate word). There is one interesting case of his acting as a sort of inverted underwriter, i.e., paying a sum-certain for the chance of making an unknown gain. Among his papers lies an agreement running thus: <sup>57</sup>

Whereas I the Subscriber am Master of the Sloop Seaflower Bound on a Whaling Voyage Northward or Elsewhere I oblidege my Self for the consideration of £30 per month to give unto Capt. Henry Atkins or Order the full neat proceeds or profits of the three eighths of the whole that Said Sloop Shall by any way or means get or obtain on Said Voyage.

There is a rider to the effect that Tyler and Hancock have bought a two-eighths share from Atkins, for £20 per month.

An importer was bound to become skillful in the art of sending back payment, whether in the guise of wares, of specie, or of bills. Each of these was a "way of remittance;" no strong feel-

<sup>55</sup> H. M. Larson, "S. & M. Allen," *Journ. of Econ. & Bus. Hist.*, III, p. 430; H. MSS. (22) 3, May 5, 1774, Browne's account; Journal, Jan. 17, 1761.

<sup>56</sup> H. MSS. (9) 3, Dec. 13, 1745; Letter book, Oct. 27, 1759, Hancock to Bastide; Dec. 10, 1739, Kilby; H. MSS. (8) 1, June 30, 1751; (7) 3, Dec. 28, 1751, Thomlinson to Hancock.

<sup>57</sup> H. MSS. (6) 9, Mar. 31, 1736, Snow's agreement.

ing about the contrast between goods and money is apparent.<sup>58</sup> But Thomas liked bills best, for they saved freight and insurance.<sup>59</sup> So he bought them extensively from other Boston merchants. Naturally he preferred their drawers and acceptors to be men of substance, and he was ready to pay a premium for resounding names. "Peter Faneuil," he assures his supplier, "promised me what Bills he draws this season," and "any merchant in London will take that Gentleman's Bill when Accepted as Soon as a Bank Note he being the Topmost Merchant in this Country & [I] Gave 20 per Cent Extra for it . . . . I hope therefore at the Time of acceptance you will Credit my Accountt for the Same & Stop the Interest from Going longer."<sup>60</sup> But not only leading Bostonians sold exchange to Thomas; he gladly garnered scraps from nonentities living far away in Nova Scotia and Newfoundland.<sup>61</sup> The house of Hancock was thus a well-established buyer of surplus bills.

Thomas' firm was also an agency through which remittances could be made. He informs his London factor:<sup>62</sup>

This Day I Received £150 New England Currency (I wish it had been as much Sterling) from Governor Talcott to be Remitted you for your Good Services to the Colony of Connecticut which you may depend upon I shall take the first Oppertunity to Invest for you in a Good Bill of Exchange or Silver & Gold & Remitt the Same to you.

As the firm grew more important, the tendency was for it to sell rather than to buy exchange; especially when the large oil shipments were being sent to Barnard, bills on him were issued freely, and he is told in a single letter of a dozen New England firms for whom he is to pay out a total of over £3,000.<sup>63</sup>

The Hancocks could also render more elaborate services. Thomas on one occasion undertook to give a letter of credit to

<sup>58</sup> *Ibid.* (1) 6, July 5, 1735, Kilby to Spooner. Consider also: "the neat proceeds Remitt to me . . . in Duffilds [cloth]  $\frac{3}{4}$  Red one 3<sup>d</sup> Blew." Letter book, May 4, 1737, Wilks.

<sup>59</sup> Letter book, May 24, 1738, Longman.

<sup>60</sup> Letter book, June 23, 1739, Wilks; Feb. 18, and Mar. 6, 1739, Rowe.

<sup>61</sup> For instance, Journal, Aug. 11, 1755; H. MSS. (12) 2, Oct. 18, 1763, Woodford to Hancock.

<sup>62</sup> Letter book, Nov. 14, 1738, Wilks.

<sup>63</sup> *Ibid.*, Oct. 12, 1764, Barnard.

an American visiting London. Again, the firm was called on by a Nova Scotian to deal with "a Bill upon Mr. Barrell of Portsmouth [New Hampshire?] for 800 Dollars which I beg you will be at the Trouble to Negotiate for me, and keep the money in your hands till I have occasion to draw for it."<sup>64</sup> And if necessary Thomas could handle exchanges between America and foreign countries. Having obtained a draft on an Amsterdam house, he proceeded to dispose of it by the simple device of sending it to a London creditor, who was to get payment as best he could and then use the proceeds to offset Thomas' debt.<sup>65</sup> A remittance from Stockholm to the "Pastor of the Swedish Congregation at or near Philadelphia" shows how the machinery creaked: the remitter drew a bill on a Swedish agent in London; the latter was presumably not in the American trade, for he handed over the money to Kilby; Kilby got out of the difficulty by crediting Thomas and sending the bill to him with a request that he would have the money paid in Philadelphia; but Thomas passed on the onus to the unfortunate pastor, who was told that "as I have no Money in your place, I must desire you will draw on me" and this bill would be paid at sight if the demander brought the pastor's receipt; receipt and original bill were then to be sent back to Kilby and finally returned to the Swedish agent.<sup>66</sup>

#### 8. THE LANDLORD

Thomas found another outlet for his excess energy and funds in real-estate ventures. He sank money alike in sound Boston properties, farms in Massachusetts and Connecticut, and highly speculative settlements on the far fringes of civilization. His biggest city investment was in the wharf (later called "Hancock's Wharf") at the foot of Fleet Street.<sup>67</sup> Nearby stood the more important Long Wharf, which had the distinction of being

<sup>64</sup> Letter book, Dec. 15, 1737, Clarke; H. MSS. (29) 2, Nov. 24, 1767, Williams to Hancock.

<sup>65</sup> Letter book, June 20, 1737, Rowe.

<sup>66</sup> H. MSS. (7) 3, July 17, 1761, Kilby to Hancock; Mass. Hist. Soc. MSS., Nov. 9, 1761, Hancock to Wrangel.

<sup>67</sup> The name was "Clarks Wharf" till about 1775. (Boston Pub. Lib., Ch. M. 1. 10, Map on p. 38.)

run by one of the few public companies then existing.<sup>68</sup> But Thomas showed no wish to follow this lead, and one of his many partnerships owned the wharf; he held a three-eighths share for a long time, but then he or John bought out the other proprietors by degrees, and the whole property had become John's by the time of the Revolution. A retired captain with a one-eighth share acted as managing partner. His main task was to keep the wharf's ten stores in good repair and to let them out (chiefly to the partners themselves); he later acted as general factotum for John, superintending workmen, weighing goods, and hiring out a Negro as required.<sup>69</sup>

John, however, could and did call himself a director of a real-estate company. Its story apparently ran as follows. During Governor Shirley's régime a scheme had been started for settling the frontier along the Kennebec River, to provide a springboard for overland thrusts at Quebec. Grants of land were accordingly made to a body called the New Plymouth Company. But this was not a success, and a Boston syndicate that included Thomas and Apthorp took the company over, tried to "advance" the land, and perhaps toyed with the notion of starting a large-scale potash industry among its boundless forests. Then the Seven Years' War broke out, and the new proprietors grew alarmed at the thought of enemy depredations. So the plan was pushed no further, and there is no sign of Thomas' having reaped any return on his investment save an interest in the wild valley of the Kennebec. He bequeathed vast stretches to his nephews; John's share alone was in 1794 worth many thousands of pounds. Much of the land was not divided, however, being presumably still the unsurveyed property of the company. John became a director of this body, though his sole recorded activity on its behalf was the financing of an appeal by it to the Privy Council.<sup>70</sup>

Thomas' insatiable thirst for ventures led him to acquire

<sup>68</sup> Harrington, *New York Merchant*, p. 47.

<sup>69</sup> H. MSS. (5) 8, Feb. 18, 1750, Captain Machett's statement; (24) 1, Jan. 9, 1772, Machett's bill; Journal, Sept. 18, 1767.

<sup>70</sup> Smith, *Hist. of P. O. in Brit. N. A.*, p. 48; Mass. State Archives, 116. 304, Nov. 1752, 117. 387, Mar. 24, 1758, petitions by Hancock; Boston Pub. Lib., Ch. F. 1. 68, Oct. 19, 1756, Agreement by the proprietors of the Kennebec purchase;

two properties that were even more remote and useless. One was an island off Canso, at the northeast tip of the Nova Scotian peninsula. This he bought in 1747, possibly with the idea of starting a fishery there. His records make no more mention of the place till the last year of his life. Then he sent an agent to find out what the island was like, and if possible to start a colony on it. The report was poor: "there is but five pepol Com to Setle as yet those five Did not incline to Setle upon your Island but Chose Sum other place which they thought more Convenent for Large Vessels." And no more is heard of the scheme.<sup>71</sup>

Two hundred miles out to sea from Halifax lies Sable Island, "the graveyard of the Atlantic." Sailors had for centuries thought of this thirty-mile sand-strip in terms of shoals, wreckers, and buccaneers.<sup>72</sup> Yet "the fish taken there exceed any in the world," and New England fishermen made the first and last of their five trips a year to the surrounding banks.<sup>73</sup> Thus, despite its grim repute, the island had commercial possibilities. The first hint that Thomas owned rights in this place takes the form of a newspaper advertisement. The Reverend A. Le Mercier, a Boston minister, had conceived the charitable idea of stocking the island with cattle, for the benefit of shipwrecked mariners. He tried to put his design into effect, but the beasts were stolen by "the ruder Sort of Fishermen." Hence the advertisement, stating that the owners of the island would give £100 old tenor as a reward to anyone who denounced the wrongdoers, and continuing:

N. B. If any Families of well minded Persons are inclined to go and settle there, (even upon a Tryal) they shall have reasonable and sufficient encouragement from us.

And whereas, the Lonesomeness of the Place, is almost the only

H. MSS. (5) 1, June 16, 1757, Account with Plymouth Company; Suffolk County Probate Records, 13484, Thomas' Will, 20215, May 27, 1794, Valuation.

<sup>71</sup> Boston Pub. Lib. MSS. 340, May 28, 1748, Hancock's memo; G. 41. 8., p. 174, July 8, 1749, Hancock to Pribble. The island was called Robinson or Clark's Island; H. MSS. (1) 6, June 24, 1725; (1) 3, Aug. 26, 1764, Hopkins to Hancock.

<sup>72</sup> For fuller details, see Joseph Howe, *Sable Island* (Halifax, 1858); Canadian Archives Report, vol. XXVI (1895-96), p. 84.

<sup>73</sup> Innis, *The Cod Fisheries*, p. 166, n.

Difficulty that may attend that Settlement, We make it known that Some Families have already Expressed their Willingness, of settling there . . . .

Andrew Le Mercier  
Henry Atkins  
Thomas Hancock.

Boston 24<sup>th</sup> of February 1746-7.

The settlement did not thrive, and Thomas soon afterwards stated that the only rent to be hoped for was in the form of some fish and half-a-dozen seal skins "for annual acknowledgment."<sup>74</sup> However, if the project put little into his purse, it won him a lasting reputation for humanity: "This Gentleman fitted out a Schooner upwards of 40 year ago, on board of which he embarked Horses, Cows, Sheep, Goats, Hogs, and Animals likely to live on the Island;" they did well until the war with Britain, when they were eaten by privateers.<sup>75</sup>

In our section on Thomas' work as a banker, we noted that, had his firm lasted till the American economy had become more mature, the house of Hancock might possibly have concentrated on banking. However, it might equally well have chosen real estate as its special field. John Jacob Astor, for example, started his career as a general merchant (just after the Revolution), but later gave up a prosperous business to become New York's greatest landlord.<sup>76</sup>

#### 9. MANUFACTURING AND MINING VENTURES

All of Thomas' successes were scored in trade, as distinct from manufacturing. However, this was probably a matter of necessity and not choice. He had no objection to managing industries. On the contrary, he embarked hopefully on several such ventures early in his career; had they turned out well, they would doubtless have been followed by more. But he was al-

<sup>74</sup> *NEHGS Register*, vol. XIII, p. 318; Letter book, May 20, 1747, and July 26, 1748, Kilby.

<sup>75</sup> Canadian Archives, *Report*, vol. XXVI (1895-96), p. 86. John had a half-share in a trip to the island, and made a profit of over £200 (Journal, Sept. 25, 1766).

<sup>76</sup> Gras and Larson, *Casebook in American Business History* (New York, 1939), p. 93.

ways met in this field by unfriendly forces against which his best efforts were in vain, whereas he learned in time how to circumvent the difficulties of trade. We must therefore try to find out what adverse factors came into play when he made his essays in industry.

About 1736, Thomas took to dabbling in mining schemes. A Connecticut prospector asked him to arrange for the financing of a copper mine. Thomas as usual looked around for partners,

but as it was an affair of consequence & a considerable Sum of money must be paid for the first purchase & more for the Engine & to Carry on the works it has taken time to consult properly on the affair, & I am now to Inform you that I have shown your Letter to Several Gentlemen who Decline being concerned, but M<sup>r</sup>. Sam<sup>l</sup>. Waldow has had the matter under consideration & has come to this conclusion that if you will Admitt wee should Send a man up Skilled as we Suppose in mines & Copper & let him take a view of it & give time for our answer Till he returns & make report of his Judgment to us on the Affair, Then wee will write to you our Resolution whether wee will take the part you offer or not, at the price and on the Terms you offer it. . . .

The mine was opened in due course, and Thomas sent four half-barrels of "oar" to Britain in order that its value might be discovered. Months must have elapsed before a report could be received; and presumably it was unfavorable, for we hear no more of copper exports.<sup>77</sup>

At the same time, Thomas held a one-twentieth share in an iron mine. Feeling that their manager ought to have experience, the owners decided to send him to pick up ideas overseas, and he accordingly sailed for London armed with an introduction from Thomas: "his business in England is to get advise in the iron manufacture & bring over workmen to carry on the Same in the best manner which Iron works I doubt not will Succeed very well." But, before the fate of the mine could be determined, the depression of 1737 hit Thomas, and he had to sell his share in London to repay his agent there.<sup>78</sup>

The paper mill was a much more serious attempt at indus-

<sup>77</sup> Letter book, Apr. 12, 1736, Rowe; May 4, 1737, Wilks.

<sup>78</sup> Letter book, Nov. 22, 1736, Maplesden; Sept. 22, 1737, Clarke; Dec. 17, 1737, Wilks.

trial development and was not allowed to fizzle out until a twenty-year effort had been made to render it successful. It was started by five equal partners, of whom Thomas' father-in-law, Henschman, seems to have been the most active. He, Thomas, and another of the group, being stationers, had obvious motives for wanting to make paper; the fourth perhaps sold paper too; the fifth was interested only as an investing capitalist.

No paper was being made in Massachusetts (and hardly any in all the other Colonies) when the partners began to consider their project. Before taking such a big step as the setting-up of a mill, they decided to ask the provincial legislature for its blessing, in the form of a monopoly. The legislature proved friendly, and in 1728 passed a special act:

*Whereas the Making Paper within this Province will be of Public Benefit and Service; But inasmuch as the Erecting Mills for that purpose and providing Workmen and Materials for the Effecting that Undertaking will necessarily demand a considerable Disburse of Money for some time before any profit, or gain can arise there-from; . . . . Be it enacted. . . .*

The sole privilege of making paper was to belong to the Henschman group for ten years, provided that an output rising to five hundred reams was achieved. If any other person dared to make paper without first obtaining the consent of the five "Undertakers," he was to pay twenty shillings for every ream made, one half of the penalty going to the partners, the other to the poor of the town.<sup>79</sup>

Thus encouraged, the partners set to work. Suitable premises were found eight miles away, in the form of an old fulling mill on the banks of the Neponset river, at a spot now in the town of Milton; the tide provided an intermittent source of power. An English foreman was put in charge and was given two or three boys as workmen. The manufacturing process was probably as follows. The rags were first shredded by hand on a scythe fixed to a post. Then they were ground to pulp by

<sup>79</sup> *Acts and Resolves of the Province of Massachusetts Bay*, vol. II (Boston, 1874), p. 518.

water-driven "engines," consisting of two rollers running over a plate covered with knives or ridges. The pulp was molded into sheets, which were pressed, hung in a loft, and then pressed and hung again, after which they were trimmed—all by hand. The whole process took about three months, during which each sheet would be separately handled half-a-dozen times. At the end of each fifteen-hour day, Henchman's staff might perhaps have turned out 60 pounds of paper.<sup>80</sup>

Because modern bleaching processes were not known, good paper could be made only if the raw materials (rags) were chosen with care. So Henchman and Hancock themselves undertook to collect the rags at their bookshops, advertising that they would pay 3d. for every pound of fine linen rags brought to them, 2d. for coarse linen, and 1½d. for cotton. But it proved hard to obtain enough rags, and next year the partners offered as much as 6d.<sup>81</sup> The climate of New England scarcely favored the wearing of linen clothes, and so the local supply of raw materials was bound to prove restricted; the partners had even to import rags from England. But, despite these troubles, Henchman was able in 1731 to tell the legislature that 400 reams of printing and wrapping paper, plus 25 of writing, had been made in a year,<sup>82</sup> and the output seems to have risen slowly for the next six years. Dividends were paid in kind, i.e., the products were split among the partners; if any of the latter did not need paper, they sold their dividends to Henchman. The foreman met the local expenses (chiefly the boys' wages and board), and was each quarter repaid by Henchman, either directly or with orders on the other partners.<sup>83</sup>

There is external evidence that the mill's output was not large. The British government watched the development of

<sup>80</sup> E. B. Crane, "Early Paper Mills of Massachusetts," *Worcester Hist. Soc. Proceedings*, vol. VII (1888), pp. 115 *et seq.*; V. S. Clark, *History of Manufactures in the United States* (Washington, 1916), p. 168; W. Goold, "Early Paper Mills of Massachusetts," *NEHGS Register*, vol. XXIX, p. 158.

<sup>81</sup> Advertisement in *The New England Diary* (Boston, 1729) and *An Astronomical Diary* (Boston, 1730).

<sup>82</sup> *Journal of House of Representatives of Massachusetts*, 1731, p. 313.

<sup>83</sup> The accounting details, together with estimates of the expenses and output, appear in Baxter, "Daniel Henchman," p. 21.

American industries with a suspicious eye, and the Board of Trade duly reported the attempt by Massachusetts to foster paper-making:<sup>84</sup>

This Manufacture . . . has hitherto made but a small Progress, and can hardly be said, in a strict Sense, to interfere with our own Paper, because almost all the Paper sent to *New England* is foreign Manufacture; but it certainly interferes with the Profit made by our *British* Merchants upon the foreign Paper sent to this Province. However no complaint has ever been made to Us against this Law.

Mr. Belcher, the present Governor of this Province . . . acquainted us . . . That about Three Years ago a Paper Mill was set up, which makes to the Value of about Two hundred pounds Sterling *per annum*.

Paper-making never grew important enough to be listed among the proscribed industries.<sup>85</sup>

In 1737 the foreman left, and the output seems to have dropped immediately. One of the partners sold his share to a newcomer called Smith, who, though he knew little about paper-making, took an active part in superintending the mill. Output continued to go downhill. Yet Smith had faith in the venture, and gradually bought the buildings and the other partners' shares; the last to sell out was probably Henschman, who parted with his share in 1748, for a mere £77 (then equal to, say, \$30). Owing to the lack of skilled workers, the mill was mostly idle for the next fifteen years. It sank into ruin, and Smith started a tavern instead. About 1763, however, his son-in-law chanced to meet a good paper-maker among a band of immigrants. With this man's help, and a subsidy from the legislature, the mill was started afresh; the position rapidly grew brighter, more mills were built alongside, and Smith in the end retired with a comfortable fortune.<sup>86</sup>

So much for Thomas' failures in the field of industry. His successes (if indeed we may ascribe them to him) were scored

<sup>84</sup> *The Belcher Papers* in *Collections of the Massachusetts Hist. Soc.*, Sixth Series, vol. VI, pp. 70, 489; D. Macpherson, *Annals of Commerce* (London, 1805), vol. III, p. 187.

<sup>85</sup> Andrews, *Col. Period of Amer. Hist.* (New Haven, 1938), vol. IV, p. 349, n. 4.

<sup>86</sup> Crane, *op. cit.*, p. 167.

when he entrusted the whole process of manufacture to somebody else. We have already seen how his potash schemes languished until after he had resigned this work to Wilder. In addition, he often engaged with a distiller to make rum; he sometimes contracted with a shipbuilder for a new boat; during the war rush, he gave a large order to a baker and another to a spinner. Yet these manufacturers in their turn relied on Thomas (just as their counterparts in Europe were often dependent on able merchants before the age of factories<sup>87</sup>): he usually gave them their orders and supplied the raw materials. Even shipbuilders were unable to stand on their own legs, but looked to Thomas to get the hemp and rigging from Britain.<sup>88</sup>

It thus seems fairly clear that, given the raw materials, the fate of the industrial ventures depended mainly on technical skill. Thomas himself had no such skill, and he would not give up his profitable work as a trader in order to learn how workshops should be run. So his manufacturing schemes failed if he could not find a good manager; they prospered if he could put them into the hands of experts (usually full-time specialists). Perhaps because the Colony was too small to justify specialization, or because the industrial revolution was still too young a force to have produced a reserve of trained labor, experts were hard to come by. Thomas was making his experiments half-a-century too soon.

## APPENDIX TO CHAPTER XI

### A. *Sales to Country Merchants.*

A journal entry recording a fairly typical sale, probably to a merchant of Lancaster, Mass., runs thus:<sup>1</sup>

Joseph Wilder Jun <sup>r</sup> Esq <sup>r</sup>	Dr to Merchandize	
for 1 piece $\frac{3}{4}$ Garlix		2.16. —
1 p <sup>s</sup> Calaminco 30 yards		2.10. 8

<sup>87</sup> Gras, *Business and Capitalism*, pp. 92-103.

<sup>88</sup> Journal, Jan. 23, 1756, Henshaw; H. MSS. (14) 3, Dec. 12, 1751, Sloan's account; (1) 2, Feb. 18, 1755, Osborne to Hancock; Journal, Feb. 12, 1756, bread account. Thomas kept a careful check on the physical quantities of raw materials put out. — H. MSS. (2) 3, Mar. 2, 1756, Brown's account.

<sup>1</sup> Journal, May, 1756.

1 p <sup>s</sup> Cyprus		3. 6. 8	
1 p <sup>s</sup> Hattband Crape 28 yards		1. 17. 4	
$\frac{1}{2}$ <sup>†</sup> Black Silk		1. 6. 8	
2 dozen Fans	10/8	1. 1. 4	
1 dozen Black ditto		14. 8	
			13. 13. 4
1 dozen Stript Caps		1. 0. 8	
2 Bags Silk & Hair Buttons	11/4	1. 2. 8	
$\frac{1}{2}$ <sup>†</sup> Silk & Hair		18. 8	
2 doub. Gro. Silver'd Buttons	20/-	2. .	
2 doub. Gross plain Bath	13/4	1. 6. 8	
2 doub. Gross wrott ditto	13/4	1. 6. 8	
1 p <sup>s</sup> fig'd Ribon 12 yards		6. 5	
1 p <sup>s</sup> Black Padusoy 18 yd <sup>s</sup>		12. 8	
2 p <sup>s</sup> narrow Black 36 yd <sup>s</sup>		8. 6	
			9. 2. 11
			22. 16. 3
			£ 22. 16. 3
for the Sum brought Ower			
2 pieces narrow Black Ribon			
	36 yards at 12/-	1. 4.	
2 p <sup>s</sup> fig'd Ribon 12 yards	10/8	1. 12.	
1 p <sup>s</sup> Black Quality 24 yards		1. 8.	
1 p <sup>s</sup> wide ditto		2. 2	
1 p <sup>s</sup> yellow ditto		3. 6	
7 p <sup>s</sup> Gartering	1/6	10. 6	
1 Gross Sleeve Buttons		6. 5	
3 dozen Black Neck Laces	2/2	6. 6	
3 dozen Ivery Combs	8/8	1. 6	
1 dozen ditto		9. 4	
$\frac{1}{2}$ Ream Cartridge paper		1	
			7. 2. 1
			£ 29. 18. 4

*B. Letters Illustrating the Trade of a Commission Agent.*

- (1) Thomas writes to S. Chase, of Providence, for whom he has sold 45 barrels of flour, sent more as a remittance than as an ordinary venture.<sup>1</sup>

<sup>1</sup> H. MSS. (5) 1, Sept. 16, 1754.

Sir,

Herewith I send you the Account of Sales for the 45 bb. Flower which proved very Indifferent & 9 of them quite bad, but you were so Lucky as to have it here when there was no Good flour in Town so I pushed it off for Good at 6.10/- Except the 9 bb. was very Glad to Sell them for Brown Bread at 5.5/- p bb. — I Charge you no Commission, and beg you to Remitt me the Remander as Soon as possible its' Long Due, & you must pay me the Interest after one years Credit I assure you I pay Interest for the very money I want this to Discharge

I am

Your huml Serv<sup>t</sup>.

(2) Thomas fishes for employment.<sup>2</sup>

If you should Incline to make a Tryall of best Brack Hemp 30 or 40 Tons, Duck of all Sorts for Sails, Sheeting (broad Russia Linnens) Cordage, Iron, Flax, Hides, etc. etc. no man in N. England will serve you better than,

Sir

Your most Obed. Hum Serv<sup>t</sup>.

(3) Barnard intimates that he is sending the joint consignment of pork, et cetera, and gives instructions for the return of the ship.<sup>3</sup>

We have also inclos'd Invoice of 400 Barrels Pork, 300 Barrels Beef, & 300 Firkins Butter Shipt on Board Said Ship to your Address. One third of which we have taken the Liberty to ship on your Account, & Debit your Account with Us for the same being £585.11.9 stg. One Third is our Account, & the other One Third on Account of Mr. Arthur Jones & Co of this City. These were Shipt by Paul & James Benson of Cork, who forwarded you by the Ship Invoice in Irish Money & Bill of Lading. The Cost they Charge to Us. The Freight of the Whole is at 40 Shillings stg. per Ton of 8 Barrels, & We believe 32 Firkins are reckoned to a Ton. We Shipt some Hemp in the Vessell before she saild from hence. We have recommended the Ship to your Address & you will Charge Commission on the Amount of the Freight, & also on the Cargo, if she goes to the West Indies. The Owners have left it to you & Capt Hayward to determine which Way the Vessell is to proceed, either to Carolina, West Indies or back directly to London.

<sup>2</sup> Letter book, July 6, 1758, Dingley.

<sup>3</sup> H. MSS. (7) 4, Mar. 23, 1764.

We doubt not your doing all you can for their Interest. Great Despatch must be used. —

We recommend as quick a Sale of our Part of the Provisions as possible, & on the best Terms you can for Money. If your Market will not take off the whole, We think some might sell at Halifax, but not on Credit, & be careful into what Hands you trust It. We think some Captains in the trade would be best. On the whole, if you can't dispose of the whole provisions with You soon, We think It will be best to Ship Some to the West Indies.

- (4) Newly appointed English agents state their terms and describe their relations with the manufacturers.<sup>4</sup>

We are very much obliged to you for the kind preference you are pleased to give us of dealing with us for £1000 or £1500 p.a. which would sute us very well, and as we entertain an exceeding good Opinion of you will embrace it with a great deal of pleasure on such terms as we think may make it worth our while and as you are so good to desire us to be free with you we cannot think it will be so unless you will be content with Six Months Credit from the date of the Invoice and after that expiration to pay 5 p.c. Interest for whatever you are behindhand on any cargo, we can get nothing by this but even Loose part of our Commissions, for we are often obliged to buy and get these goods ready a Month before the ships departure as we take but six Months credit for any Sort of goods pay ready money for Some and for many others in 2 or 3 Months it is not in the power of many Tradesmen to trust Longer, but we are very desirous of cultivating a ffriendship with you on any terms that will not be too disadvantageous to us. Our ffriends in the Sugar Islands make no scruple of paying us Interest from the date of their Invoices and to be sure its worth something to stand midleman for accidents may happen to those that are esteemed very good Men — in those Islands they have a very great advantage of our New Eng<sup>d</sup> ffriends as they have a Staple Commodity and are always remitting: we hope our proposal may be agreeable being very unwilling to part with you and if it is will endeavour to serve you in the best Manner possible but relying on your paying for the goods in 12 Months. as you are not insensible of our A.S. [Schaffer, a partner] having been at the head of Mr. Wilk's affairs ever since you dealt with him we assure you there never was a penny more ch<sup>d</sup>. on any goods than what they really cost

<sup>4</sup> H. MSS. (7) 1, Feb. 6, 1743, Bourryau & Schaffer to Hancock.

which gave him a generall and just reputation and we assure you we shall never practise any other ways we can not contradict what Several Gent<sup>n</sup> in this place may have offer'd you but are sure if they act on our principal they must be losers. We shall not take up any More of your Time . . . .

PART II

JOHN HANCOCK, 1764-1775

## CHAPTER XII

# Change of Government

1764-1766

### I. THE END OF THOMAS

ON AUGUST 1, 1764, as he was entering the Council Chamber at the State House, Thomas was seized by a fit of apoplexy. Two hours later, he died.<sup>1</sup>

His funeral was celebrated with great pomp. Indeed, it is said to have been the last at which the old extremes of mourning were observed; hostility to Britain, and a consequent wish to import fewer of her manufactures, were shortly to lead to simpler ceremonies.<sup>2</sup>

When the will was read, a long list of people found that their names were included. The widow was provided for generously: she was given £10,000 sterling (in cash or securities of her own choosing), plus Hancock House and the lands round it, its carriages, horses, and Negroes. More modest sums were bequeathed to other relatives, e.g., each sister received £666.13.4. There were a number of philanthropic gifts: £200 to the Linen Manufacturing Society, £600 for a house for "such unhappy persons as it shall please God in his providence to deprive of their Reason," and £1,000 sterling for a chair in oriental languages at Harvard. The list tails off with £200 and a suit of mourning to the Reverend Sam Cooper, small sums to various old friends, silver cups to churches, and freedom to Cato the slave if he behaved well till the age of thirty. The rest of the estate went to John.<sup>3</sup>

Thomas had directed that no inventory was to be filed, and

<sup>1</sup> Letter book, Aug. 17, 1764, Barnard; I. Thomas, *History of Printing*, vol. II (Worcester, 1810), p. 429.

<sup>2</sup> Brown, *John Hancock*, p. 45.

<sup>3</sup> Suffolk County Probate Records, 13,484, Will dated Mar. 5, 1763.

so we do not know exactly how big a fortune he had made. Since, however, the specific legacies must have added up to some £30,000 (Mass.), while gossip put John's residue at another £70,000 or more, a total of £100,000 is a not unreasonable estimate.<sup>4</sup>

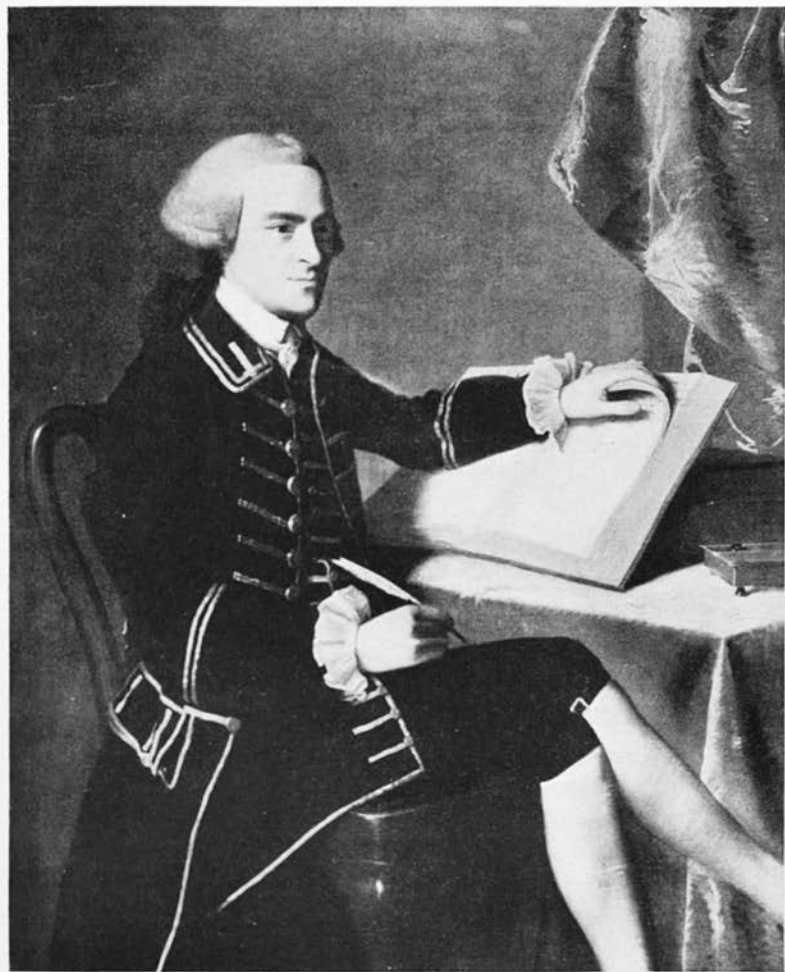
## 2. KING HANCOCK<sup>5</sup> ASCENDS

When the final clause of the will had been read, John may well have sighed with relief. At long last, his position was safe; all his hopes had come true, and his uncle had made him one of the richest men in America. The future must have seemed full of promise. He was only twenty-seven, and by no means ill favored in the matter of looks; he could wear his dandified clothes with an air, and he knew how to make himself popular. Not yet married, he was still living at Hancock House. He now decided that he might as well continue to dwell in that resplendent home with his fond, if managing, Aunt Lydia. But he had no intention of playing the genteel loafer. As a matter of course he was become the sole head of the business and he meant to run it as his uncle had done, though perhaps on a bolder scale.

What were his chances of success in this responsible post? Nobody could accuse Thomas of having shirked the problem of training his successor. The old man had given his nephew a sound schooling and had sent him abroad to get a knowledge of foreign markets. John had now been learning the ropes for ten years, and for the last eighteen months he had ranked as a partner with an increasing say in control. So far as all the externals were concerned, Thomas had made quite sure that his heir should have a far better start than he himself had enjoyed. But was Hancock House, with its tradition of show and easy spending, the right nursery in which to instill prudence and care? And had John as much innate ability as his uncle? Here were pretty problems for the men on the Boston 'change to gossip over.

<sup>4</sup> Watkins, "The Hancock House," p. 16; Hutchinson, *Hist. of Province of Mass. Bay*, p. 297; British Museum, Egerton MSS. 2671, p. 43.

<sup>5</sup> So John was dubbed later (Sears, *John Hancock*, p. 91).



JOHN HANCOCK  
Merchant and Patriot

The times did not look promising for a beginner. John had served his apprenticeship during the war, when money flowed in almost for the asking; now every penny had to be earned laboriously. The postwar slump was growing worse. During the years of prosperity, many merchants had overstocked; peace was proving ruinous for them, and several leading Boston houses collapsed. Nor was this time of troubles to be short. For the death of Thomas synchronized almost perfectly with the close of an era. One phase of New England's commerce had come to its end; moreover, the first British empire had reached its apex and was soon to decline headlong. No Boston merchant would enjoy peace of mind for the next two decades.<sup>6</sup>

To add to the other difficulties, there were already signs of a rift between Britain and her Colonies, resulting from a change in the attitude of Whitehall. British statesmen had awakened to the fact that their swollen empire could no longer be left to run itself almost without supervision and expense. Three hundred thousand new subjects, both Canadian and redskin, brought grave responsibilities. A standing army would henceforth be needed to police and defend the Colonies. Moreover, the last war had still to be paid for. America had been freed from the threat of French onslaughts and was to be guarded against future foes; Parliament deemed it not unreasonable that the Colonists should help to foot the bill for these benefits — not merely, as hitherto, by enabling British commerce to pay high dividends, but in a much more direct fashion: taxes must be levied; the customs service must be shaken up; trade must be made to serve the best interests of the commonwealth. Few men then foresaw that the Colonists would object to such reasonable propositions. Fewer still had grasped the concept of political evolution; few could see that a community, like an individual, may grow up — that the Colonies had changed from infants into adolescents, and would now need to be handled by their mother-country with supreme tact if harmony was to be maintained.<sup>7</sup>

<sup>6</sup> A. M. Schlesinger, *The Colonial Merchants and the American Revolution* (New York, 1918), pp. 56–57.

<sup>7</sup> *Camb. Hist. of Brit. Emp.*, vol. I, pp. 603, 636–639; J. T. Adams, *The Epic of America* (London, 1938), p. 73.

By the time of Thomas' death, Parliament's reconstruction policies were already affecting trade. Import duties were being clapped on certain classes of wines and silks. The customs had been chivied into action against smuggling; and the vice-admiralty courts were being strengthened, to make sure that offenders should no longer escape the law through chicanery in the colonial courts. In partnership with the depression, the new regulations reduced by four-fifths the number of vessels plying between the mainland and the West Indies. Since this trade had been New England's chief source of money, cash once again disappeared from circulation. Merchants complained bitterly. Most importers were up to their ears in debt to British suppliers, and it was natural to begin talking of boycotts. Before long there were several minor agreements not to import luxuries.<sup>8</sup>

However, there is no reason to think that in the fall of '64 John Hancock had any inkling of the dangers that lay ahead of him or felt at all strongly about imperial politics. He was beginning to find the fussiness of the customs mildly irritating, and he had to spend a certain amount of time in wheedling officials and writing to London about certificates of the landing of tea at Boston. Seeing that business was erratic, he blamed the smallpox and tried to mend matters by sending out polite offers of service to his customers. He certainly had not the slightest intention of cutting down his trade with London; on the contrary, his mind was absorbed with ambitious plans for expanding it.<sup>9</sup>

### 3. FRESH BATTLES FOR OIL

It will be remembered that for the past two years the Hancocks' main energies had been bent on building up a shipping service to London and an export trade in oil. Neither project was so far a proven success; the three-sided partnership (of the Hancocks, Barnard in London, and Folger at Nantucket)

<sup>8</sup> Schlesinger, *op. cit.*, pp. 52-65; Beer, *British Colonial Policy*, pp. 281, 292.

<sup>9</sup> Letter book, June 27, and Dec. 19, 1763, Aug. 17, 1764, Barnard; Dec. 7, 1764, Devonshire & Reeves. H. MSS. (7) 2, Mar. 12, and (27) 2, Sept. 15, 1764, Harrison-Hancock.



DOROTHY QUINCY  
Wife of John Hancock

had proved irksome, and the profits on the oil consignments were still unknown. But Thomas was hardly in his grave before John wrote to Barnard & Company, telling them that he meant to increase rather than lessen his oil trade and asking whether they were willing to take shares in further ventures. Barnard's reply ran: "We sincerely condole with you on the death of your Uncle Thomas Hancock and wish you and Mrs. Hancock all possible comfort under such an affliction. We shall be glad to continue the concern in oil and bone."<sup>10</sup>

John believed that the whole oil traffic was now concentrated in the hands of a few big firms. In America, the oil was chiefly bought by the Hancock group and Rotch, between whom there was open war. In London, most of the American oil passed through the hands of Barnard and two other firms. These last were leagued with Rotch, and were trying to engross the whole supply. John was firmly resolved not to be squeezed out by his rivals. As a result of his recent trip to Nantucket, he was on good terms with the chief dealers and felt that he could count on getting as much oil as he pleased. He now ordered the dealers to buy on a large scale, with no restriction on price and with a promise of cash payment whenever it was wanted.<sup>11</sup>

Urged on in this princely fashion, the agents bought lavishly. Oil and whalebone poured into the Hancock warehouses throughout the last three months of 1764. John's own two vessels were laden as fast as the "dirty winter weather" would allow, and the overflow provided freight for four other boats. These shipments cost an unheard-of figure — nearly £17,000. John could not "but think I have shewn pretty good generalship."<sup>12</sup>

When the oil reached London, two of the cargoes proved to

<sup>10</sup> Letter book, Aug. 17, 1764, Barnard; H. MSS. (27) 2, Sept. 15, 1764, Barnard-Hancock.

<sup>11</sup> Letter book, Aug. 17, 1764, Barnard; Mass. Hist. Soc., Aug. 17, 1764, Hancock to Barker and Burnell. Rotch seems to have been acting for an association of "candlers" who were fighting to monopolize supplies. — *Commerce of Rhode Island*, vol. I (*Mass. Hist. Soc. Collections*, seventh series, vol. IX), pp. 87-92, 97-100.

<sup>12</sup> Letter book, Sept. 29, 1764-Apr. 18, 1765, Barnard; Journal, Oct. 3, Nov. 1-27, 1764.

be bad and so would fetch only poor prices. John was forced to admit lamely that, relying entirely on Folger and other Nantucket merchants, he had not troubled to inspect the oil; he promised Barnard to be more careful in future. His whalebone sold well, however, yielding a profit of 30 per cent. "Whalebone" (misnamed alternatively "fins") is really a "conglomeration of hairs covered with enamel-like fibrous tissue;" suitably treated, it yields the thin springy strips that are such a boon to makers of corsets, carriage shades, whips, helmets, and so on. Its high price in 1764 was probably owing to the fact that Parliament had newly decreed, by way of encouraging the Empire's mercantile marine, that colonial "fins" should have a virtual monopoly of the British market.<sup>13</sup>

On one score or another, John was growing more and more displeased with both the other firms in the oil syndicate, and his letters to them are packed with grievances. Barnard & Company were neglecting him by not buying all the goods that he ordered, as well as by sending faulty wares, such as bales of cloth whose first yard or so was excellent but whose inner folds were unfit for use; moreover, they omitted John's own hemp and beer from the *Boston Packet*, and instead shipped the goods of Rotch and other merchants. What was even more galling to his pride, they criticized the high prices which he had paid for oil and bone, hinting that he must be buying extravagantly or was indeed charging more than true cost. These reflections on his judgment and honesty evoked an angry reply from John, who roundly told the Londoners that they were welcome to break the connection and go elsewhere for their oil; his letter, however, ends softly with his consent to take a one-third share in yet another ship. His complaints about Folger were much more bitter. Folger was not getting nearly enough oil and was not helping to bear the heavy financial burden; every farthing's worth of the biggest cargo (costing over £6,000) was

<sup>13</sup> Brandt, *Whale Oil*, p. 28; Beer, *op. cit.*, p. 220; Letter book, Apr. 18, 1765, Barnard; Boston Pub. Lib., Ch. M. 3. 5. II, 187, Folger's invoice of Oct. 18, 1764, shows that 50 bundles of bone cost £595 stg.; 52 were sold for £934, and the outlays were only £26 (bone being easy to handle, freight ate up less than 1% of the proceeds, as compared with 12% for oil). G. 41. 8. III, 85, Barnard's account of Mar. 25, 1765.

bought and paid for by John himself; Folger was in short doing nothing except collect a third of the profit, and the sooner his share of the *Boston Packet* was bought out the better.<sup>14</sup> During the next season, John's anger against Folger & Company continued to mount. At last he came to believe that they were playing him false by shipping oil through rival channels, and he swore that he would not be imposed on any longer. The partnership was ruptured. Then Folger called on John, soothed him with assurances that the story about the other shipments was false, and the breach was at once healed.<sup>15</sup>

From John's conduct of his first campaign, it is clear that his generalship was to lack neither spirit nor energy. But certain shortcomings were also beginning to show. His ability to work smoothly with other firms looked doubtful; apparently he had not his uncle's happy knack of blending bluster and civility in just the right proportions. And, if he tackled the big issues with enthusiasm, he neglected petty matters; these tended to accumulate until they became serious blockages. Thus he was extremely slow about settling accounts with Barnard. For nearly a year after his uncle's death, he was snowed under by the multiplicity of his affairs — besides the usual business dealings, there were the legacies to be paid, troops in Nova Scotia to be victualed, and consignments of sugar and indigo to be sold. And so, at the very time when he was scolding the London firm for keeping him in the dark about oil sales, he was himself apologizing in letter after letter for failing to send statements showing the cost of the *Lydia* and the *Boston Packet*, et cetera, without which no one in the syndicate could tell where he stood.<sup>16</sup>

The mounting price of oil in 1764 tempted record numbers of whale-men to sail forth in 1765. Nor was this the only result. Barnard met Rotch's London agent, and they agreed that it was high time to limit their buying prices. Each firm then wrote to its American ally and urged new tactics. Barnard had for more than a year been shrewdly suggesting that Rotch

<sup>14</sup> Letter book, Oct. 25, Nov. 17, and Dec. 6, 1764, Apr. 5, 1765, Barnard.

<sup>15</sup> Letter book, July 23, Aug. 6 and 22, 1765, Barnard.

<sup>16</sup> Letter book, Oct. 13, 1764, Apr. 5, 1765, Barnard.

should be taken into the syndicate and made a joint-owner of the *Boston Packet*, but the Hancocks had been lukewarm. Now, prompted by his London agent, Rotch called on John and suggested an agreement to keep down buying prices. John, in return, went so far as to ask his enemy to a dinner over which the matter might be discussed. But he first warned Barnard that there were scant prospects of the formation of an effective monopoly. Too many of the oil buyers would pay any price for the sake of getting their ships away; Rotch and the others would go on buying desperately notwithstanding all their promises and the plans made in London. It would not do for John to be idle while rival vessels were becoming established in the trade. He too must either sell his ships or keep them running twice a year. In short, he showed Barnard plainly that he had no intention of joining forces with Rotch, or of allowing his hands to be tied by any price limit laid down in London.<sup>17</sup>

Rotch duly came to dinner. The long discussion that followed was not very fruitful, and no partnership was formed. Still, John was forced to admit that the Quaker seemed friendly and helpful, and had promised to abide strictly by the instructions from London; how far he would stick to his word (John sourly concludes to Barnard), time alone would discover; "but I will for once try him, which but for your desire, I should never have even had a thought of doing."<sup>18</sup>

While he was making this tepid attempt to form a buyers' ring, John was taking steps to control supplies in a way that was more to his liking. He began to buy shares in whalers, soon becoming owner of part of four such boats. Evidently he preferred the vertical to the horizontal form of "trust." His partners were men of Nantucket and Martha's Vineyard; but Folger, being out of favor at Hancock House, had little say in this development, and was more and more replaced by Barker & Burnell as chief collaborator at Nantucket. Also, despite the obvious disadvantages of sinking still more capital in boats for the London trade, John now had an extra one built for himself, while Barnard and Harrison (not content with their shares

<sup>17</sup> Letter book, Mar. 12, 1764, Apr. 5 and May 15, 1765, Barnard.

<sup>18</sup> Letter book, Apr. 18, 1765, Barnard.

in the *Boston Packet* and *Lydia*) agreed with Barker & Burnell that yet another vessel should be built for a three-cornered partnership with John, who diplomatically named her the *Harrison*.<sup>19</sup>

As John had foretold, the negotiations with Rotch came to naught. Both men began to buy their summer consignments without knowing what the cost would be, merely promising to pay at current rates when the price should "break." John later alleged that, despite their agreement with one another, Rotch was quietly offering more than their stipulated limit, with the result that prices would break at more than that figure.<sup>20</sup>

However, the agreement does seem to have taken the edge off competition during the summer of 1765, for that oil season proved calmer than its predecessor. And impending political troubles now threatened to make winter shipments impossible.

#### 4. THE SHADOW OF THE STAMP ACT

Throughout the year following Thomas' death, the frictions resulting from state regulation of trade had been becoming more noticeable. An increasing part of John's time was spent in unknitting red tape. With the oil cargoes he usually sent some staves or other naval stores; to make sure that these enumerated articles went to Britain, he had to provide the Boston customs with bonds, which were discharged only when he presented certificates of landing in England. Again, he sent certificates of plantation origin with each export of potash, though this was done with the more agreeable aim of winning bounties at London. Conversely, when he imported tea, he had to obtain Boston certificates with which Barnard could recover a drawback.<sup>21</sup> And customs dues were now being sternly collected on some of his imports. Payment was bad enough by itself, but it became doubly galling if the goods were of poor

<sup>19</sup> Letter book, Apr. 18, Aug. 16, 1765, Barnard.

<sup>20</sup> Letter book, June 24, and July 6, 1765, Barnard. The concept of prices "breaking" seems to have been widespread, e.g., Hayley of London writes: "Whale bone continues without a price and will do so till the success of the present year's Greenland fishery is known." H. MSS. (27) 2, July 17, 1771.

<sup>21</sup> Letter book, e.g., on Nov. 17, 1764, John writes to Barnard: "You have Inclos'd a Certificate of Landing the tea by Marshall, also a Naval Store Bill,

quality; thus Barnard without John's orders sent a trunk of silks that were "very ill chosen, extreme bad colours, very high charged, and . . . would not sell here to the end of time," but they had to pay duty on reaching Boston, and, when John told the collector that they were to be returned, the reply was that the English customs would then make a charge too.<sup>22</sup>

We must not however over-rate these administrative pin-pricks; John did not grumble about them often, and was appreciative when concessions were made to him. But heavier taxation was quite another story. Even before Thomas' death the firm had started to protest against the threatened increases. A letter to Barnard, after lamenting the sad state of business, goes on:<sup>23</sup>

and the heavy Taxes laid on the Colonies will be a great Damp to Trade, in short if such Duties are Laid and we must be Oblig'd to bear all, we shall have little or no Demand for Supplies from England, this ought to be Consider'd, and hope we shall be Reliev'd, we are worth Saving in this part of the world.

Such letters were of course written not merely to relieve angry feelings, but also to rouse the North American section of the London exchange into effective protest.

The complaints increased throughout 1765. In January, John was greatly upset by the failure of several leading merchants, which he described as a prodigious shock to trade and the greatest loss to some people ever known in his part of the world. Happily he was himself entirely clear except for one bill of exchange (given to him by a bankrupt), but he no longer knew who was safe and who not, and he regretted having given orders for spring goods. In February, he told Barnard and Harrison to make the most of their remittances, for money was extremely scarce and trade very dull, and "If we are not reliev'd

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and must beg at all Events you return me a Certificate of Landing the Staves and Whalebone at London, as I am under Bonds here, and things at Present under such Circumstances with the Custom house that it is very difficult to carry on business, and unless redress'd Trade must dwindle that without you return a Certificate my Bonds will be put in Suit."

<sup>22</sup> Letter book, June 27, July 6, 1765, Barnard.

<sup>23</sup> *Ibid.*, June 23, 1764, Barnard.

at home we must live upon our own produce and manufactures." We may note in passing that March saw his first appointment to civic office — he was chosen as one of Boston's selectmen (roughly the equivalent of a town councillor); he was evidently beginning to take an interest in political affairs and to be recognized as a public figure.<sup>24</sup>

In April, John makes his first references to the Stamp Act. Since this aimed at raising revenue by taxing various documents, including many commercial and legal papers, it was bound to fall heavily on traders. It evoked a startling outburst of hostility from the Colonies. John's immediate protest to Barnard runs: "I hear the Stamp Act is like to take place it is very cruel we were before much burthened we shall not now be able much longer to support trade, and in the end Great Britain must feel the ill effects of it." He repeats much the same message, but with mounting stress, in succeeding letters, e.g., "we are terribly confus'd here — if the Stamp Act takes place we are a gone people — do help us all you can." By September, he announced the arrival of "the most disagreeable commodity (say stamps) that were ever imported;" he added that, since the principal merchants were all resolved not to carry on business with the stamps, trade would entirely stagnate. Though alarmed at the confusion and loss that would follow such an extreme step, John supported the merchants' attitude wholeheartedly. On the other hand, when the anger against Britain spread to the lower classes and caused riots, during which much damage was done to the home of the Lieutenant-Governor, John was all disapproval; such conduct, he exclaimed, "was quite a different affair, and was not done by this town and is what I abhor and detest as much as any man breathing."<sup>25</sup>

In October, John prepared to bring his business into line with the merchants' resolves, which were to come into force, with the Stamp Act, on November 1. He sent full details of his plans to Barnard. The *Boston Packet* and the *Lydia* were

<sup>24</sup> Letter book, Jan. 21, and Feb. 7, 1765, Barnard; Brown, *John Hancock*, p. 68. The signature that was to become so famous already surpassed most others in size and flourish — see signatures on the merchants' petition, Mass. State Archives, vol. CXVIII, p. 102.

<sup>25</sup> Letter book, Apr. 5, Sept. 11 and 30, 1765, Jan. 25, 1766, Barnard.

expected back from Britain with his fall goods about that date. If they managed to reach Boston before then, they would be hurriedly unladen, filled with oil that was lying ready in the warehouse, and sent off before the fatal day when stamps would have to be affixed to clearance documents. If they arrived too late, then not one drop of oil should be remitted. The ships would in that case be hauled ashore; alternatively, John would sell his shares in them to Barnard if the latter felt that any other Boston agent would consent to trade. And Barnard need send no spring goods. Rather than accept the burdens imposed by "that D—d act," John was resolved to sell off his stock, shut his warehouse doors, and never import another shilling's worth of British goods. Even if he himself were willing to submit slavishly and apply for stamps (he continues), he would not dare do so, for his property and possibly his very life would be at stake, such was the popular feeling. He rubbed in the gravity of the position by advising Barnard & Company to bid adieu to all their debts in America, inasmuch as remittances and courts of justice would alike vanish after November 1.<sup>26</sup>

John's letters give a good summary of the arguments against the Stamp Act. The Colonists' unexpected bitterness was caused partly by the magnitude of the revenue to be raised. True, the sum in question (probably much less than £100,000 stg. from all the Colonies, including the West Indies) is not big by later standards and was not enough to meet half the cost of the garrison. Yet it was large compared with existing taxes.<sup>27</sup> John felt that these were already quite heavy enough; his uncle had been paying £400 stg. a year to the province throughout the late war, and his annual bill was still £300 stg. plus some minor imposts. Rightly or wrongly, he believed that he was being taxed more harshly than an Englishman of equal fortune.<sup>28</sup>

<sup>26</sup> Letter book, Oct. 14, 1765, Barnard.

<sup>27</sup> Beer, *op. cit.*, pp. 286, 295.

<sup>28</sup> "We are now groaning under [a] load of debts the consequence of our great exertions in the late warr, a debt I know not when we shall discharge, and to comfort us we must have the heavy burthen of a Stamp Act to grapple with; we are amazingly taxed here. I believe I may venture to say that not a man in England in proportion to estate pays the tax that I do. What would a mer-

Hatred of the Act was increased by what were deemed its breaches of the Constitution — taxation without representation, and the trial of offenders in the Admiralty Court without a jury. Though John's letters do not give the legal argument in full, they show that he felt strong emotion on this question. "I will not be a slave," he exclaims; "I have a right to the libertys and privileges of the English Constitution, and I as an Englishman will enjoy them."<sup>29</sup>

And the typical merchant, as he inveighed against the Act's extortion and tyranny, must have been swayed by yet a third consideration. A stoppage of trade with Britain might be exceedingly convenient. Stocks that had been lying on the shelves for months could then be sold, and there would be no need to pay English creditors. Though John was alarmed at the prospect of a prolonged trade stoppage (particularly at the very time when his big oil shipments for the year ought to be made), he could hardly fail to see some advantages in such a breathing space. His finances were now in an unhealthy state. Debtors were not paying. The cost of his oil purchases was heavy, and often had to be met in cash. He had been financing this trade by drawing many bills on Barnard & Company at the time of each shipment to London (arguing not unreasonably that, as his partners benefited by the cheapness of cash buying, they ought to help to find the money). He kept a regular calculation of his funds in Barnard's hands, and at the start of the year believed that, even if the oil cargoes realized only their cost, he still had about £2,000 stg. to his credit. To his surprise, Barnard & Company suddenly began pressing for remittances and objecting to the stream of bills that he was drawing upon them. He replied tactfully, promising to mend his ways and asking that a copy of his account (to stop future disputes) should be sent to him every six or nine months. But he went on drawing. Then came the news, just when the Stamp Act

chant in London think of paying £400 sterling annually which my late uncle paid to this Province and county; his taxes from the year 1757 to 1763 amounted to £2,600 sterling, and I now pay yearly to this Province and county near £300 sterling, besides all duties, imposts, ministers and many other which are additional taxes." Letter book, Oct. 21, 1765, Barnard.

<sup>29</sup> *Ibid.*; E. Channing, *The United States of America* (Cambridge, 1896), p. 50.

agitation was reaching its climax, that the record oil cargo sent more than a year ago on the *Boston Packet* had been sold for less than its first cost. John protested that there must be a mistake. Yet, when he was at last able to piece together all his dealings into a coherent account, he found that his imports, plus nearly £14,000 stg. of bills drawn by him on Barnard, far outweighed his remittances, so that he was over £9,000 in debt to the London house.<sup>30</sup> This was serious. Under such circumstances, a no-trade agreement would have its compensations; it would provide a welcome pause for retrenchment and a sound reason for not paying debts to England.

### 5. THE ACT COMES INTO FORCE

The 28th of October, 1765, found John scanning the horizon in vain for any sign of the *Boston Packet*. He still hoped that she would reach Boston before the Act came into force; with luck, he might persuade the customs to clear her before she was loaded, and so avoid using stamps. To be on the safe side, however, he now rushed off four oil consignments in vessels belonging to other owners.<sup>31</sup>

The *Boston Packet* failed to reach Boston in time. But no harm followed. For the Act could not be put into effect. Such was the temper of the mob that every stamp distributor resigned his post. The customs house therefore soon reopened and gave clearances as usual, the officers merely certifying that no stamps were to be had. The *Boston Packet* was able to sail with her oil cargo; it was shortly followed by two more of John's boats.<sup>32</sup>

Although exports were not stopped, the merchants of Boston agreed to import no British manufactures until the Act had been repealed. And the town was still in much confusion; the law courts remained shut for many weeks, and there was much political agitation. John, far too excited to sit down quietly at his office work, pleaded his growing part in public affairs as a fresh reason for not having Barnard's accounts ready in time.

<sup>30</sup> Letter book, Apr. 18, May 21, and Oct. 14, 1765, Barnard; Journal, Feb. 8, 1766.

<sup>31</sup> Letter book, Oct. 28, 1765, Barnard; Nov. 4, Devonshire & Reeve.

<sup>32</sup> Letter book, Dec. 21, 1765, Barnard.

He kept faithfully to the merchants' non-importation pact. He sent spring orders to several English firms, but was emphatic that not one single manufactured article was to be bought unless the Act was repealed (the sole exception being his order to Longman for a handsome collection of books, which, in fulfillment of an old-standing promise by his uncle, he now presented to Harvard College). His ships might accordingly have to sail back empty unless Barnard could get freight for them — an improbable event — or sent unmanufactured goods such as hemp.<sup>33</sup>

Barnard and Harrison had not been much impressed by John's denunciations of the Act. They felt little sympathy for the colonial merchants, whose measures of resistance they dismissed as so much rashness; and they were thoroughly shocked by the turbulence of the Boston mob. The stoppage of trade and remittances, however, roused them to vigorous action on behalf of the Americans. Barnard passed all his days and nights at the House of Commons listening to business connected with the Colonies. Similarly Messrs. Devonshire & Reeve (John's Bristol agents) made strong propaganda against the Act, while another correspondent, Barlow Trecothick, was chairman of the merchants' committee that was pressing for repeal.<sup>34</sup>

By March of 1766, John received word that the volleys of protest were likely to prove successful. Soon after, the good news of repeal reached America (on one of John's ships). Great was the rejoicing. Even Barnard sounded enthusiastic about the Colonists' victory, and sent a life-size print of Pitt to John; he also shipped the latter's heavy spring orders of goods, and obtained a record freight for the *Lydia*.<sup>35</sup>

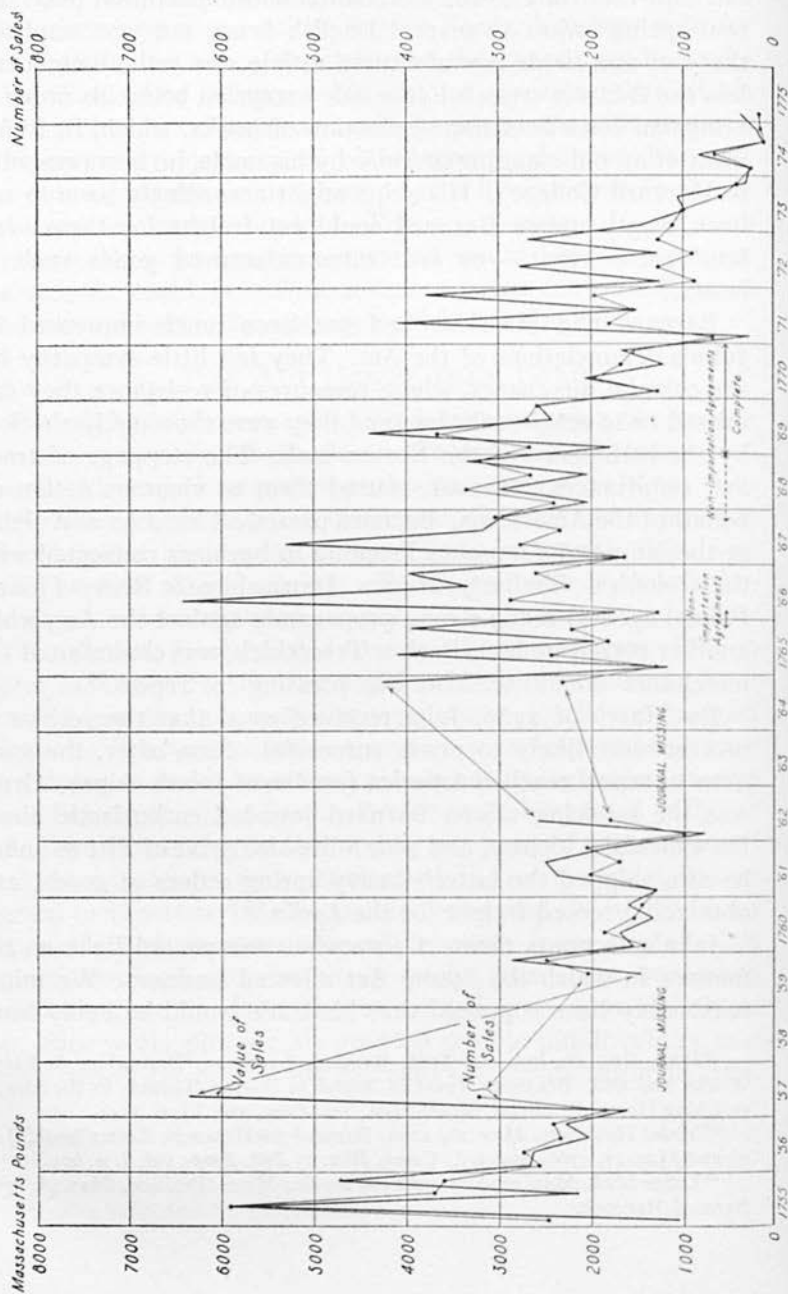
John's accounts throw a somewhat unexpected light on the manner in which the Stamp Act affected business. We might reasonably have supposed that his trade would be badly hurt.

<sup>33</sup> *Ibid.*, Oct. 28, Dec. 21, 1765; Barnard, Longman, Devonshire & Reeve, Wright and Gill. Benjamin Franklin helped to interest Thomas in the idea of enriching Harvard's library (*Mass. Hist. Soc. Proc.*, vol. VI, p. 354).

<sup>34</sup> *Mass. Hist. Soc.*, May 16, 1766, Barnard to Hancock; Letter book, Jan. 25 and Mar. 27, 1766, Barnard; *Camb. Hist. of Brit. Emp.*, vol. I, p. 601.

<sup>35</sup> Letter book, Mar. 27, Devonshire & Reeve; *Mass. Hist. Soc.*, May 16, 1766, Barnard-Hancock.

CHART II. CREDIT SALES, 1755-1775



Yet, if there was any fall, it was short-lived, and was more than offset by exceptional spring sales. Chart II on page 238 shows a steep upwards trend for the first half of 1766, despite both non-importation (from approximately November, 1765, to March, 1766) and postwar depression. Indeed, the continuous line on the graph (showing sales in terms of money totals) at this time reaches its peak for the whole postwar period. Even the more conservative line which shows the *number* of sales, and so is not influenced by a few abnormally big transactions, lacks the dip that all John's protestations about trade stagnation might have led us to expect. Clearly, his fears were not realized. The non-importation period fell in the slack winter months, and so hurt him less than might otherwise have been the case; perhaps too the threat of coming scarcity impelled customers to lay in big stocks. And we must recall once again the fact that the absence of money had many odd results. Presumably heavy purchases by a merchant would, in a semi-barter economy, tend to push up his sales; since John was buying oil hard at this time, perhaps his sales were buoyed artificially and were not typical of all traders. Still, the suggestion remains that the Americans won their victory at a remarkably low price.

## CHAPTER XIII

# John's Policy of Expansion 1766-1768

### I. INTEGRATION

**T**HE STAMP ACT was still unrepealed, and the future of business uncertain, when John announced to his London agents that he meant to engage more largely than ever in the oil and potash trades.<sup>1</sup> The year that followed saw him expanding the business in all directions.

He was by now fully aware of the risks attached to his grand program. He had received account sales for at least the earlier oil consignments, and knew how erratic had been the profits. He could also see that the future of his home trade was not free from hazard. He warned English agents that their liberality in giving credit to all and sundry had brought an excessive number of men into the Boston import trade; these rivals had been forced by the stresses of the times to sell at any price, making John complain that he might as well retire. Yet, despite this competition and his own indebtedness, his orders to England grew higher. Barnard & Harrison sent him about £8,000 sterling of goods during 1766, and a full £10,000 worth in the next year.<sup>2</sup>

John's growing reputation as a business leader is reflected in an unexpected way. He was constantly being importuned to act as patron to struggling beginners. Usually he assented to such pleas, and so helped to launch many lads on their careers as importers (regardless of their potential competition). First there was Ebenezer Hancock, his brother. Ebenezer had

<sup>1</sup> Letter book, Jan. 22, 1766, Barnard.

<sup>2</sup> Letter book, Jan. 18, 1766, Devonshire & Reeve; H. MSS. (28) 3, Invoice from Barnard & Harrison.

worked in Thomas' store for a while, but left to start on his own when the uncle died. John recommended him to English agents and aided him financially. Poor Ebenezer however had no head for business, and after a few years was forced to hide from his creditors. When he was at liberty to come abroad again, John set him up in another shop, after admonishing him to reflect on his former imprudences and to abound in the work of the Lord.<sup>3</sup>

John also showed generosity to a cousin, ordering Barnard to advance as much as £1,500 sterling to him. But such bounty was by no means restricted to members of the family. Letter after letter contains recommendations of sober and deserving youths who were trying to "establish a correspondence in the English way." Sometimes John merely introduced them; on other occasions, he went much further and stood surety for them or even paid for their goods. Then, if they failed, an unpleasant wrangle with Barnard was likely to follow.<sup>4</sup>

In one instance, however, it was not philanthropy that prompted John to assist a beginner, but a wish to float a subsidiary to his own business. His 1766 expansion program included the starting of a shop, to serve as a retail counterpart for the main business. He appointed one of his clerks called Palfrey as its manager, on a profit-sharing basis; he imported some £1,800 worth of stock-in-trade for this protégé, and also gave him an extra-warm recommendation to Barnard and Harrison so that further goods might be ordered from London direct. Next year, another follower (William Bant) was furnished with an even larger stock and was also set up in a subsidiary shop. Bant seems to have been capable; he kept his venture running till the Revolution, besides acting as John's right-hand man in many other matters. The profits of the shop

<sup>3</sup> Letter book, Jan. 18, 1766, Barnard; H. MSS. (25) 1, Nov., and Dec., 1764, John's bills in favor of Blanchard and Hancock; Boston Pub. Lib., MSS. 254, Jan. 11, 1771, and Ch. M. 1. 8. 129, Dec. 5, 1771, John to Ebenezer Hancock. The latter (1741-1819) was never more than a poor relation (see *NEHGS Reg.*, vols. IX and LIV). He was in partnership with E. Blanchard, and some of their papers are in the H. MSS.

<sup>4</sup> See, e.g., Letter book, Nov. 17, 1764, Jan. 18, and Dec. 17, 1766, Barnard. The cousin was William Bowes.

were credited equally to John and Bant. John recovered his outlays partly in cash installments, and partly by making the usual elaborate triangular transfers, i.e., by providing third persons with orders (both verbal and written, for money and goods) on his partner.<sup>5</sup>

At the time that John was starting these retail branches (and so was rounding off his sales organization) he was also completing his control over the whole machinery for getting oil. Integration in this field meant catching whales and making the oil as well as shipping it to London. So John had set up his small fleet of three or four whalers, whose crews carried out the risky and malodorous job of killing the whales and reducing their carcasses to bone, oil, et cetera. Now he doubled his fleet (though all the vessels seem to have been shared with partners). There was no fixed hunting ground; one boat went cruising in the West Indies, another off North Carolina, and so on. We have fullest details of a brig called the *Whalebone*. She was bought and fitted out by Barker & Burnell of Nantucket. John took a one-third share (at the rather stiff cost of £489), and hoped that "we shall make a considerable saving, having made such an arrangement with the crew as if she meets success will be agreeable to our advantage." She was sent off to the Straits of Labrador. After a cruise that lasted all summer, she returned to Nantucket, and then helped to carry the season's harvest across to London. At this stage, John offered Barnard & Harrison the remaining third share; they accepted, but must have rued their bargain, for the cargo sold at £500 sterling less than cost. But then, what was "cost" if the ship caught part of her own cargo? The answer presumably is prevailing market prices at Nantucket. Thus the loss may have been offset by a profit at the earlier stage (i.e., the difference between the outlays for the whaling trip and the value of the

<sup>5</sup> Letter book, Jan. 18, 1766, Barnard; Journal, May, 1766, May, and Oct. 19, 1767, and later. H. MSS. (17) 5, Feb. 20, 1783, Mrs. Bant-Hoskins. The fate of Palfrey's shop is obscure; probably it collapsed during one of the non-importation periods, and Palfrey then played understudy in the main business. He was Paymaster-General in the Revolutionary War, and was drowned while going to France as Consul-General. (*Mass. Hist. Soc. Proceedings*, vol. XVI, p. 69.)

catch); a few accounts for other voyages have survived, and suggest a small profit on each. When we consider such complexities, the need for first-class accounting becomes obvious; when we also remember that John's records were haphazard, that in any case a year or so might elapse before all the data could be pieced together, and that accounting had not yet taken cognizance of the major expense item of depreciation (in this case, on the whalers), it becomes plain that John lacked the figures essential for rational policy. Without an accountant, complex business was no better than blind man's buff.<sup>6</sup>

The arrangement with the whalers' crews was probably that they received little or no pay, but were given a substantial share — say, 40 or 50 per cent — of the value of the catch. An account for one of the voyages shows that the master received one-sixteenth of the oil's value, and the remaining thirteen members of the crew got lesser shares that sank to a mere fiftieth in the case of the boy.<sup>7</sup>

## 2. THE OIL BATTLE REACHES ITS CLIMAX

John now addressed himself to the task of winning final victory in the fight for oil. He seemed sure of large supplies; ownership of whalers guaranteed part of his needs, and his practice of paying cash had won over most of the dealers to his side. So he felt strong enough to stand on his own feet, and<sup>8</sup>

as to my coming into any kind of conversation, connection, or concern with Mr. R— I must beg leave utterly decline even the thought of such a thing but with respect to Folger, Barker, etc. I am ready to consult for the good of the whole tho' I generally chuse to carry on my own business in my own way.

The oil market at London was sluggish at the start of 1766, but later the agents wrote that prices would probably improve

<sup>6</sup> Letter book, Feb. 25, Mar. 27, and Oct. 23, 1766, Barnard; Journal, Sept. 10, Nov. 4 and 25, Dec. 18, 1766, and Feb. 26, 1767; Receipt book, Apr. 21 and 25, 1767; H. MSS. (23) 2, Nov. 20, 1766, Barker's invoice for the *Whalebone*; and Aug. 20, 1767, Harrison's account sales, quoted in Gras and Larson, *Case-book in Amer. Bus. Hist.*, p. 68.

<sup>7</sup> H. MSS. (24) 1, Dec. 9, 1772, Barker's account; (25) 3, Lydia's undated account.

<sup>8</sup> Letter book, Apr. 17, 1766, Barnard.

in the fall, especially if the American fishery had a poor season; they told John to buy all that he could, unless the price was extremely high. This was an encouraging change from their usual harping on the need for caution; possibly it resulted from Barnard's retirement, which left young Harrison in control (along with Barnard's son).<sup>9</sup>

John needed no second bidding. The 1766 catch proved poor and prices stiff; but John felt that he had great power over the dealers and could have almost all their oil. He bought lavishly. The likelihood of high London prices tempted many rivals into the fray, but he brushed aside their competition. Rotch was routed. Swept off his feet by success, John went on buying cargo after cargo, drawing freely on Harrison to meet the expense. Costs piled up to nearly £25,000. In return, John was able to send off about a dozen large consignments to London; on one ship the whalebone had even to be stacked in the cabin. At the end of the struggle, he felt that the greater part of the season's catch must be in his hands. He had bid especially high for whalebone and believed that he held it all. Triumphant he told Harrison & Barnard that they would have power to command their own prices, and bade them exert themselves to make the most of their chances.<sup>10</sup>

But the syndicate had overreached itself. The last consignment had not left Boston when word came that London prices were sliding downhill. John refused to believe that the fall would last. But it did. Enough oil probably reached London from other sources to thwart his plans. Big whaling fleets operated from English and Scottish ports, not to mention Holland and Germany; John would have needed to form a world-wide cartel to corner the market effectively. Also, much of his oil again proved bad. Accounts were exchanged after the usual delays, and it then became certain that the whole campaign of 1766 had been a mistake. Full figures have survived for six of the cargoes, every one of which seems to have been sold at a sub-

<sup>9</sup> Letter book, Apr. 17, 1766, Harrison; Boston Pub. Lib., Ch. M. 3. 5. II, 203, Aug. 22, 1766, Harrison to Hancock.

<sup>10</sup> Letter book, Oct. 17, Nov. 8 and 10, Dec. 17, 1766, Jan. 23, 1767, Harrison.

stantial loss, amounting in all to no less than £3,600 sterling.<sup>11</sup>

John at first took the news of his failure with surprising calm. When one remembers how violently the Hancocks could rebuke an agent for a petty mishap, their restraint over major calamities appears remarkable. On this occasion, John's complaints to Harrison were confined to: "from the earnestness of your writing me to purchase all I could lay my hands on, I was in hopes we should have made a handsome profit, but it cant be helpt." However, if he was a good loser so far as money went, reflections on his skill stung him to the quick. Harrison & Barnard suggested that, since so much of his oil had proved bad, they should send a man from London to inspect future purchases. At this, John boiled over:<sup>12</sup>

What you mean, Gentlemen, I am at a loss to know. When I am in want of a Guardian, our laws will appoint one. Really I know not what you think. I am a judge for myself, and if you do not think me a judge for you, I pray you would not employ me, for I will never submit to have a man sent over to inspect my business, to make me the ridicule of the merchants.

Harrison and Barnard had plainly taken fright. They showed growing reluctance to share in any of the oil ventures, and told John to leave them out unless the price sank to an improbable figure. They also suggested that they should employ another firm of London agents to handle the oil. This proposal was also hotly refused by John, on the grounds that it meant paying two commissions.<sup>13</sup>

John felt unable to act on a big scale by himself, and, despite a fall in prices, in 1767 he sent over barely half his total of the preceding season. His oil exports dwindled further in the years that followed. The fleet of whalers was reduced correspond-

<sup>11</sup> Brandt, *Whale Oil*, pp. 207-209; Letter book, Jan. 12, Apr. 22, 1767, Harrison; figures regarding oil costs are chiefly in H. MSS. (23) and (28). See also the Journal of Dec. 10, 1766; Mass. Hist. Soc. Hancock MSS., undated lists of remittances by Hancock; Boston Pub. Lib., G. 41. 8. III, 116 and 143, Harrison's account sales.

<sup>12</sup> Letter book, Apr. 22, Sept. 4, 1767, Harrison.

<sup>13</sup> Letter book, May 19, June 22, Sept. 18, 1767, Harrison.

ingly, and, while his vessels sometimes had a good season and would go hunting as far away as the African coast, they were also on occasion put to the prosaic task of freighting. Conducted on this unheroic scale, oil dealings would seem to have become a source of mild profit.<sup>14</sup>

### 3. THE PARTNERSHIP EXPLODES

While the oil battle was being fought and lost, John's capacity for working in harness with other merchants was being put to the test.

For the second season running, he decided that Folger was not supporting the syndicate loyally; therefore relations were broken off, and Folger was not given a share in the oil shipments. Once again, when Folger came apologetically to the Hancock office, John veered round, and the breach was patched up.<sup>15</sup>

Possibly because he was dissatisfied with Harrison & Company, John tried during 1766 to strengthen his trade with Bristol. Devonshire & Reeve were his main suppliers in that town, but they did not in return buy their American goods through him. Now their Boston agent died, and John sent them a broad hint that he would be willing to step into the dead man's shoes. However, the Bristol firm decided to drop its American business (perhaps a sign that trade was getting worse), and all that John's request won for him was the chance of collecting the firm's debts.<sup>16</sup>

He tried again. A Bristol merchant called Jones had recently come to Boston touting for trade. John, repeatedly solicited by him to form a partnership, at last consented, in spite of advice from friends to the effect that Jones was best left alone. They

<sup>14</sup> See the papers in H. MSS. (23) and (27).

<sup>15</sup> Letter book, Oct. 7, Dec. 17, 1766, Harrison.

<sup>16</sup> Letter book, Jan. 18, 1766, Devonshire & Reeve, and their reply in Boston Pub. Lib., Ch. M. 3. 5. II, 205, Aug., 1766. On the general question of trading with Bristol, consider: "There are but few articles from your country [America] to this which do not answer as well as in London, 'tho' I must add this City, comparatively speaking, will not admit of any great quantity at a Time, 60 or 80 Tons of Oil by a Vessel goes off very well, and so will 15 or 20 Tons pot ash — *Dyewoods* of all sorts will sell in any quantity and is now higher than in London — Lumber we abound in." H. MSS. (27), 2, Mar. 18, 1771, Cruger-Hancock.

agreed to consign goods to one another and to share a ship in the Boston-Bristol trade. Jones went home and sent off some wares, while John bought a suitable ship and cargo. When she was half-laden, however, Jones without warning denounced the agreement. John ruefully estimated that this breach of faith would cost him £500 sterling; but the contract had not been put into writing, so all that he could do was to compose a scornful note to his ex-partner, ending: "I now utterly forbid you ever to ship me a single article again and desire you will never more solicit me on that head. I despise you for your conduct towards me and desire no connection with you. You have greatly deceived me, but it shall be the last time." A couple of years went by, and then Jones sent a present of beer and cheese, to which John replied with an order.<sup>17</sup>

There was also friction at this time between John and two old friends who had some years earlier entrusted funds to Thomas. One was a British officer who had deposited over £1,100. About a year after Thomas had died, John suggested that this money should be sent to England, the provincial Treasury having no need of funds. A letter from the depositor, dated two years later, accuses John of ignoring at least ten requests to carry out the suggestion. John pleaded illness, but at last sent a remittance.<sup>18</sup> The second creditor was the former governor of the province, Thomas Pownall, in whose care John had sailed to London; he was now a member of Parliament and an enlightened advocate of the American cause. He too had deposited treasury notes in Thomas' hands. He began to ask for repayment shortly after Thomas' death, and John at once promised to remit. Pownall waited in vain; then he repeated his requests, tactfully suggesting that the mail must have miscarried. Still John failed to pay. In 1768, Pownall wearily gave his Boston agent a power to collect. The agent called many times at the Hancock office. John was all promises. Yet he would not agree with the agent about the method of remittance,

<sup>17</sup> Letter book, June 22, Harrison; Sept. 3, 1767, and June 29, 1770, Wm. Jones.

<sup>18</sup> Mass. Hist. Soc., Hancock MSS. 1765, Captain Allen's account; Apr. 1, 1767, Allen-Hancock; Letter book, July 6, 1765, and Dec. 26, 1767, Allen.

since the amount was large (some £5,000); they discussed sending a cargo of oil to London, or money to New York (where General Gage, British Commander-in-Chief, would give bills on the Treasury in exchange), but John dismissed both devices as too risky. Next "he peremptorily declares he will not pay the money unless he has his Uncle's receipt for the Province Notes given up. I have kept him in as good a temper as I possibly could." Weeks of negotiation went by before John agreed to pay, and finally he remitted the money by the simple device of drawing orders on his London agent for the whole amount. Such delays were clearly fatal to his credit as a banker.<sup>19</sup>

Relations with Harrison & Company were full of ups and downs. If John was conciliatory, Harrison was vexed, and vice versa. Three outbursts by John are worthy of mention:

(1) When Harrison sent one of his rare accounts, John was startled to find himself charged with £216 of interest on his overdraft. This, he objected, might well be correct reckoning — he had not had time to check the arithmetic — but it was sterner treatment than he had expected; considering how profitable his trade must be to Londoners, they might well be less strict and nice in this sort of calculation. For the future, they must send an account regularly, so that he would be spared such "destructive charges;" they had better not send any spring orders until the matter was settled. The letter concludes by thanking them for the present of Harrison's portrait and then admits that, in view of the overdraft's size, the interest is a mere trifle. A fortnight later John added that his protest had been made merely "that you may know I take proper notice myself of all my affairs, and have an open eye."<sup>20</sup>

(2) Next month (when the great 1766 oil campaign was at its climax) John flew into a much more violent rage over a £300 charge to his account for goods sent to one of his numerous

<sup>19</sup> Letter book, Mar. 27, 1766, Nov. 16, 1768, Pownall; Mass. Hist. Soc., Jan. 11, 1765, Pownall-Hancock; Boston Pub. Lib., Ch. M. 1. 10, p. 43, Sept. 4, 1767, Pownall-Hancock; Brit. Mus., Egerton, 2,670, Sept. 19-Dec. 10, 1768, A. Oliver-T. Pownall.

<sup>20</sup> Letter book, Oct. 21, Nov. 15, 1766, Harrison.

protégés. Harrison & Company were making a fool of him, he wrote, and seemed bent on putting him out of temper; he could not stand these constant disputes. "I will live as agreeable and easy as I can and unless I can carry on business without being involved in so many perplexities as of late, I will leave it off or carry it on in another manner." Further, they must in future give him a year's credit, which was what he had to allow in Boston. Simultaneously, he sent a private note to Harrison, appealing for a continuance of their friendship; inasmuch as this note was deliberately omitted from his letterbook, we can only guess at its contents.<sup>21</sup>

(3) Throughout the next year (1767), John complained about the miserable state of business in America. At the very time when he was realizing that his oil schemes had been a blunder, he also found that imports would not sell and cash could not be coaxed out of debtors. Then came talk of fresh duties being imposed on goods, and of another non-importation movement. John began to hint that he would in any case stop giving orders to Harrison & Company for several years, during which time trade might mend and his account could be squared. After three years of ill success, he was perhaps growing tired of a merchant's life, and his interest in the business was certainly being distracted by an increasing part in public affairs. Moreover, his health was giving him much trouble. Judging from his letters, his temper was uncertain for months on end; from time to time he would show bursts of spleen in the midst of an otherwise friendly letter. By the close of the year, his cannonades against Harrison & Barnard had become almost continuous. Their tea was dear. They were no longer getting freight for his ships. They were not taking enough interest in the oil, but were leaving it in the care of brokers who were under the buyers' influence. They were getting their American goods through little upstarts instead of substantial exporters like himself, thus making it harder for him to pay them. They were also selling manufactures to any and everybody. (The unreasonableness of this complaint, in a man who was forever

<sup>21</sup> Letter book, Dec. 17 and 26, 1766, Harrison.

recommending beginners to them, is striking). Though they were always dunning him for money, they were far too free with their credit to the small fry; if he was to be treated no better than the man who imported a paltry £1,000 of goods a year, it was high time for him to sever the connection.<sup>22</sup>

Plainly the breaking point was near; a relationship as close as a mutual agency, with partnership added from time to time, could exist only where there was friendship and trust. The final rupture came a few weeks later. Word arrived that Harrison & Barnard had refused to send goods to Palfrey, the manager of John's retail shop. They excused themselves politely, claiming that they wished to retrench. Simultaneously they declined an order from another of John's many hangers-on, though this order was backed by John's bill for £200. John interpreted their refusals as a direct slur on his credit. He at once replied with a long and passionate letter to them; after dealing at length with the slights to which he had been subjected and contrasting these with the respect accorded him in Boston, he went on to say that he would forthwith change to a new agent, and wound up with a threat to induce the rest of their Boston customers to follow his lead. Yet at the same time he asked them to honor £3,000 sterling of fresh bills.<sup>23</sup>

So ended a relationship of twenty years' standing. A few months later, John wrote again to his ex-agents to say that he was sorry about all the quarrels. One reason for his anger, he confided, was that he had heard on good authority that they doubted his solvency and were even thinking of sending out an agent to secure their money. Perhaps, he ended, they might all be able to work together more happily at some future date.<sup>24</sup>

Harrison & Company had not been talking idly when they spoke of their need for retrenchment. Within a year of the rupture, they were bankrupt. It is impossible to tell whether John was to blame for this collapse. Probably he was one of their biggest debtors, and the news that he had transferred to

<sup>22</sup> Letter book, May 19, July 29, Aug. 25, Sept. 18, 1767, Harrison, Sept. 3, Reeve.

<sup>23</sup> Letter book, Oct. 16, 1767, Harrison.

<sup>24</sup> Letter book, Apr. 13, 1768, Harrison.

another house would doubtless leak out in London and weaken their position. He shook his head sagely over their downfall; he felt "grieved for old Mr. Barnard . . . always thought they were too unlimited in their supplies to people, and was fully convinc'd they must sink a great deal of money."<sup>25</sup>

#### 4. THE NEW AGENT

On the same day that John dismissed Harrison & Barnard, he wrote offering the vacant post to one George Hayley.

Hayley had entertained him in London, but there had never been dealings between them, nor had John sent any hint of his intended change of agents. Accordingly, his letter gave a full account of his reasons for transferring: it explained that he had for long dealt with Harrison & Barnard, but was now filled with disgust for that house and had resolved to make a change; that the first person who came to his mind at this juncture was Hayley; that the latter could ask Harrison & Company, and many others, about his character, capital, and status; and that cargoes of oil, fms, and potash would shortly be sent over as payment for British goods.<sup>26</sup>

It was impossible to wait four months — the time needed for a reply to reach Boston — before beginning to trade. John had no option but to assume that his reputation was good enough to make Hayley consent. Long before the new agent had become aware of the honor that lay in store for him, a string of cargoes and orders was following the first letter across the Atlantic; what seems more remarkable, John also furnished third persons with a couple of dozen bills (for over £5,000 sterling) on the unsuspecting Londoner.<sup>27</sup>

Fortunately Hayley accepted. He bought John's spring goods and met the bills. There was the usual interchange of compliments and presents. John started by sending some wood-ducks,

<sup>25</sup> Letter book, Oct. 4, and Nov. 14, 1767, Hayley.

<sup>26</sup> Letter book, Oct. 16, 1767, Hayley. Hayley was a London alderman, and a Whig M.P. from 1774 till his death in 1780. (His brother-in-law was John Wilks.) Soon after becoming John's agent, he took as his partner another Whig M.P., Ben Hopkins. — A. B. Beaven, *Aldermen of the City of London* (London, 1908), vol. II, pp. 135 and 200.

<sup>27</sup> Letter book, Nov. 2, 1767, Hayley.

a hundredweight of table fish, and a keg of pickled peppers; Hayley replied with a peacock and peahen and two hampers of beer; John followed with a view of Boston; and Hayley wound up with a "very genteel" dressing table. For some months Hayley must have been many thousands of pounds out-of-pocket to his new correspondent, but then came his reward in the shape of oil cargoes. An account for the first year's dealings has survived and shows that Hayley's advances were (in round numbers):

For goods sent to John and his satellites	£8,250
“ bills of exchange honored	24,250
“ miscellaneous commissions, etc.	1,850
	<hr/>
Total advances	£34,350
	<hr/> <hr/>

On the other side, John is credited with (approximate figures used here also):

Bills of exchange remitted to Hayley	£6,300
Oil	14,100
Potash	2,200
Freight collected, insurance refunds etc.	5,050
	<hr/>
Total remittances, etc.	£27,650
Balance due by John at end of year	6,700
	<hr/>
	£34,350
	<hr/> <hr/>

If we may judge from the absence of grumbling, Hayley was more efficient than his predecessor and gave John little cause to regret the change.<sup>28</sup>

It was no more possible for John to sever relations overnight with Harrison & Barnard than it is for a divorced couple with children to make a clean break. The two houses were linked by many unfinished business matters. In particular, the jointly owned ships were an embarrassing tie. John was fond of the *Lydia*, which had proved herself a good and lucky vessel, and

<sup>28</sup> Letter book for 1767-68; H. MSS. (28) 3, Hayley's account current of Dec. 31, 1768.

one of his first acts after the quarrel was to ask that she should be sold, and to instruct Hayley to buy out Harrison & Barnard's share without letting them know his identity. But there remained two other vessels; these continued to be jointly owned for many years, and indeed one of them belonged to the Anglo-American partnership throughout the Revolution.<sup>29</sup>

In any case, John saw no harm in occasional dealings with Harrison; such transactions, if brought to the notice of Hayley, served to keep the latter attentive. So, after the passage of a couple of years, during which John's resentment had simmered down and the bankrupts had struggled to their feet again, the rift was healed. A member of the London firm visited America, and presented John with a tablecloth and napkins which were declared "excessive genteel and by far the best in the country." Thereafter the old relations were in part resumed; cargoes of oil were occasionally bought jointly with Harrison & Company, and orders were divided between them and Hayley.<sup>30</sup>

##### 5. THE LAST OF THE GOVERNMENT CONTRACTS

It will be recalled that as stated above only one government contract remained to Thomas when he died; that this was for the victualing of 500 men in Nova Scotia; that Thomas was merely the sub-contractor, his principal being Matthew Woodford of England; and that Hancock and Nephew had, after years of chaffering, agreed to supply the rations at a fixed charge of 4½d. per man per day (instead of on a commission basis). They ended their letter of acceptance by stating that it would bind them as fully as legally executed articles.

Left on his own, John informed Woodford that the death of his uncle had put an end to all "proposals." He might be willing to take the subcontract on the suggested terms, but not until another half-year had gone by; in the meantime, he would supply victuals on a commission basis only.<sup>31</sup> And Thomas had been dead for eighteen months before John finally committed

<sup>29</sup> Letter book, Nov. 2, 1767, Hayley; June 29, Nov. 5, 1770, Harrison; Nov. 14, 1783, Scott.

<sup>30</sup> Letter book, Nov. 4, 1772, Harrison.

<sup>31</sup> Letter book, Oct. 13, 1764, Apr. 9, 1765, Woodford.

himself to serve Woodford. His delay got him no better terms, the final contract being almost identical with the earlier one. John was to be responsible for supplying standard rations to the soldiery, in return for 4½d. per man per day plus £160 a year for the pay of the local commissaries.<sup>32</sup>

John soon found that, as in earlier years, the contract was beset with hosts of trials and vexations. Not the least of these was the difficulty of getting all the complicated ration figures from his commissaries and of compiling accounts for Woodford; despite the fact that delay meant lying out-of-pocket, John sometimes did not send accounts to his principal for months. As before, the commissaries had many troubles to report. New garrisons had been sent to Nova Scotia, bringing women and children; these soldiers, "paying somewhat for their Provisions, think they have a right to be particular." At the Chignecto outpost, the Indians grew so threatening that the commissary sent his wife to Boston. The Acadians were also restive. When told to take an oath of allegiance to the Crown, they refused, and as a reprisal were provided with no more food.<sup>33</sup>

Largely because no more rations were being given to the Acadians, there was a marked decline in the quantity of food issued. But this drop merely involved John in more squabbles. Unfortunately the British Treasury had appointed two chief agents; Woodford was to victual 500 men (approximately the number at the minor forts), and the other contractor was to supply the 1,500 men at Halifax. By 1766, the numbers at the minor forts had dwindled to 200. John then told the colonel

<sup>32</sup> Letter book, Jan. 16, 1766, Woodford.

<sup>33</sup> *Ibid.* A commissary gives a sympathetic account of the Acadians' plight: "As the Inhabitants of these Parts, are much distressed for Provisions, owing to a most unfavourable Season, I know not what the Poor Wretches will do. I cannot advise you to supply them, as they have no money to pay, that being an article scarce to be found among any of us. Some Stock of Cattle they have, but neither would it Answer your End. If it may be agreeable to you, I should be glad to take from your Provisions 20 or 30 Barrells of Flour, which you may Charge me with, at what Price you think reasonable, letting me know it, as it might Possibly answer my End to take some of their Young Stock off their Hands (since I am commencing Farmer) which I don't see how I could well turn to your Advantage. But I am no other ways Sollicitous thereon, than upon these Poor Peoples Account." H. MSS. (29) 4, Dec. 3, 1764, Joshua Winslow to Hancock.

at Halifax that the "deficiency" must, in terms of Woodford's contract, be made up by transferring 300 of the Halifax troops to John's lists. This the colonel refused to do on his own responsibility, and Woodford had to appeal for a Treasury ruling in order to effect the necessary change. Thereafter much confusion ensued at Halifax; the same commissary acted for both English contractors, who were bewildered by their conflicting rights to stores, transfers, and "deficiencies," and could do nothing save beg the commissary to sort out their tangled claims. Once again, administration floundered for lack of accounts. The commissary speedily saw that he had the whip hand, and paid little heed to appeals from John and the principals. Matters were still unsettled in 1768, when Woodford died. His heirs at once gave the contract to a Philadelphia firm that offered better terms than John, and the latter confessed himself not displeased at being freed from all the bother. And so ended the last of the Hancocks' many government contracts.<sup>34</sup>

Perhaps John might have used his commissaries as wedges for opening up a big trade with Nova Scotia. These men were establishing themselves as merchants at key points in the growing colony; they were also helping to develop coal mines on Cape Breton Island. John was their nearest agent; and they already employed him as their supplier and banker. But, if there was a chance here, John did not seize it hard enough, and his high-sounding offers of service yielded only a few shreds of business.<sup>35</sup>

<sup>34</sup> H. MSS. (29) 6, Nov. 10, 1766, Hancock-Col. Dalrymple, and Feb. 20, 1767, Gerrish-Hancock, etc.

<sup>35</sup> H. MSS. (25) 3, Oct. 29 (29) 6, June 27, 1767, Gerrish's colliery account, etc.

## CHAPTER XIV

# Non-Importation, 1768-1770

### I. JOHN ENTERS POLITICS

**A**FTER THE STAMP ACT had been repealed, and while John was making his abortive experiment with oil, there was a year's peace between Parliament and the Colonies. But the calm was broken in the middle of 1767 by Parliament's passage of the Townshend Acts. These sought to raise revenue by adding such everyday articles as tea, paper, and glass to the list of goods taxed on importation into America. Moreover, steps were taken to vitalize the customs (a board of commissioners being set up at Boston) and to ensure the punishment of smugglers (e.g., judges' salaries were no longer to depend on votes by the colonial assemblies). Here were severe taxes coupled with sweeping constitutional changes. American politicians took up the cudgels again, and there was talk of another, and a more stringent, non-importation agreement.<sup>1</sup>

As we saw in the last chapter, John's trade was by now languishing. His export plans had miscarried; and the graph on page 238 shows that, after the surprisingly prosperous days of the Stamp Act, the value of his home sales had been slipping steadily downhill (the simultaneous rise in the *number* of sales suggesting that customers must have been buying on a pettier scale and at falling price levels). Non-importation would therefore suit his book admirably.

During this second crisis, his letters are less full of political matters than they had been during the first. Far more space is devoted to bad trade than to liberty. He mentions all the wonted signs of trade depression, and perhaps stresses shortage of money more than usual. For instance, he says that he has been left with 100 tons of fish on hand for a whole winter, bad

<sup>1</sup> Schlesinger, *Col. Merchants and Amer. Revolution*, pp. 91-105.

markets in the West Indies and the closure of the French ports there having made this commodity unsalable, "and [I] have since been oblig'd to barter some part of it away for rum and what other things we could get." A Nova Scotian correspondent gratefully accepted a loan in pork, writing: "as I receive it as cash the interest is to commence from the time of delivery." The long credit chain that linked the frontier with Boston, and Boston with London, had been stretched further and further; John was allowing many village traders a year in which to pay, yet he was already lecturing his new London agent because "too great encouragement is given by your gentlemen merchants to persons here of no capital . . . such credits, not only hurt your best friends here, but finally yourselves."<sup>2</sup>

However, if John kept his political views out of his letters, he had chances in plenty for expressing them elsewhere. He was now growing into a public figure of note; and, since his political and business careers were for a time closely intertwined, we must pay some heed to his progress. He had stood for election to the General Court of Massachusetts just before the Stamp Act troubles, but had come last in the poll, with only 40 votes. Within a short time, however, he had contrived to identify himself with the popular cause; during the rejoicings over repeal, he "gave a grand and elegant entertainment to the genteel part of the town, and treated the populace with a pipe of Madeira wine," besides illuminating his house and erecting a stage for fireworks in front. He stood again for the Court six months after his first defeat, and was elected in triumph with 437 votes (May, 1766). In due course, all sorts of other public posts followed, including even an officer's commission in the governor's guard of cadets.<sup>3</sup>

At this stage, too, John began to act in concert with several men who were destined to take the lead in America's fight for freedom. Indeed, there are some grounds for believing that his

<sup>2</sup> H. MSS. (17) 3, June 2, 1767, Hancock to Smith; Letter book, Sept. 21, 1767, Harrison, and Dec. 15, 1767, Hayley; Boston Pub. Lib., Ch. M. 3. 5. II, 221, July 30, 1767, Tongue to Hancock.

<sup>3</sup> John Rowe, *Letters and Diary*, edited by A. C. Cunningham (Boston, 1903), p. 15; Brown, *John Hancock*, p. 129; Sears, *John Hancock*, p. 132.

leap into popularity and public life was deliberately engineered by one of these men — the leader of the extreme radicals, Sam Adams. The latter (according to the more restrained John Adams) “made it his constant rule to watch the rise of every brilliant genius, to seek his acquaintance, to court his friendship, to cultivate his natural feelings in favour of his native country, to warn him against the hostile designs of Great Britain;” John was among these promising youths who were adroitly won over to the Sons of Liberty. On the day of his election to the legislature, the two Adamses strolled past his house. Said Sam: “This town has done a wise thing to-day.” “What?” “They have made that young man’s fortune their own.”<sup>4</sup>

We get what is perhaps the best character sketch of John from this same source. John was “the delight of the eyes of the whole town.” But he was delicate and infirm, so that a great part of his life was passed in acute pain; this led to

a certain sensibility, a keenness of feeling, or, in more familiar language, a peevishness of temper, that sometimes disgusted and afflicted his friends. Yet it was astonishing with what patience, perseverance, and punctuality he attended to business to the last. Nor were his talents or attainments inconsiderable. They were far superior to many who have been made more celebrated. He had a great deal of political sagacity and penetration into men. He was by no means a contemptible scholar or orator. Compared with Washington, Lincoln, or Knox, he was learned.

Adams tells us also of John’s handsome gifts to public causes, and repeats an unlikely statement that John’s business was of such size as to furnish daily bread to not less than a thousand families.<sup>5</sup>

<sup>4</sup> C. F. Adams, *Works of John Adams* (Boston, 1856), vol. II, pp. 259-261, 364, also quoted in *Old South Leaflets*, vol. VIII, no. 179. The same story is told much less flatteringly by Peter Oliver, who described how Sam Adams ingratiated himself with John “in the same manner that the Devil is represented seducing Eve, by a constant whispering at his Ear” until John “was as closely attached to the hindermost part of Mr. Adams as the rattles are affixed to the Tail of a rattlesnake;” at times, John tried to disengage himself, but then Adams “like the Cuttlefish would discharge his muddy liquid, and darken the waters to such a hue, that the other was lost.” *Brit. Mus.*, Egerton 2,671, p. 43.

<sup>5</sup> Adams, *Works of John Adams*, vol. II, p. 259.

Another (and a less friendly) contemporary makes the interesting suggestion that John's great business expansion was planned with an eye to popularity rather than profit: <sup>6</sup>

He changed the course of his uncle's business, and built, and employed in trade, a great number of ships; and in this way, and by building at the same time several houses, he found work for a great number of tradesmen, made himself popular, was chosen select man, representative, moderator of town meetings, etc.

This hardly sounds convincing, but it at least gives a plausible reason for John's many introductions of young merchants to London agents.

If John's politics affected his business, his business also affected his politics. It provided him with excellent grounds for fierce opposition to the new taxes and customs measures. And there would be a natural temptation for him to blame Parliament for his ill success as a merchant. In an indirect sense, such an idea would be not without reason; Whitehall's plan for knitting imperial trade into a logical unity — by cutting off the Colonies from dealings with the French West Indies, and by making most of their commerce with Europe pass through Britain — doubtless aggravated the depression and limited opportunities. Yet John had so far suffered little direct hardship. Britain was his obvious market for buying manufactures and selling oil; and so his commerce for the most part conformed with mercantilist ideals. When it did not, he had hitherto been able to carry it on without attracting the notice of customs officials. He probably engaged in two types of illicit traffic (though both were on a small scale):

(1) He evaded certain taxes in his ordinary trade between London and Boston. We are accustomed to think that all the smuggling was done at the American end, but the British agents also took part. Thus John's cargoes of whale products often included "head matter" (i.e., spermaceti, the wax from which the finest candles were made), which should have borne duty on its arrival at England. He would ask his agents to get this

<sup>6</sup> Hutchinson, *Hist. of Province of Mass. Bay*, p. 277.

through the customs unnoticed, and they never met with any trouble in doing so.<sup>7</sup>

(2) Every year or two, John would send a ship to Madeira. She carried cod, flour, staves, and other commodities, which were consigned to agents on the island. The agents invested the proceeds in pipes of wine, about half being for John's own hospitable table ("I don't stand at any price, let it be good, I like a rich wine") and the rest for friends or the general market ("such as will answer for our public houses here, where the best company resorts"). Duty was charged on such wine at the stiff rate of 140/- per "ton," and there was thus a strong incentive to smuggle.<sup>8</sup>

At this point, the history of John's business becomes the history of America.

## 2. THE *Lydia* CASE

Late in 1767, Parliament's new commissioners arrived in Boston to invigorate the American customs service, hitherto controlled from London. Their welcome was boisterous, but not cordial. They reported to the Treasury that traders were concerting to make plans for distressing customs officers; that John Hancock "is one of the Leaders of the disaffected in this town, . . . early in the Winter he declared in the General Assembly that he would not suffer any of our Officers to go even on board any of his London Ships." The mob hanged two of their number in effigy, and went to their houses raising "hideous noises;" the magistrates could not protect them from such insults. They stressed the difficulty of administering the regulations without support, admitting that they had been impotent when a local boat ("Malcolm's vessel") stopped outside the harbor, unloaded sixty pipes of wine into lighters, and was then entered as arriving in ballast.<sup>9</sup>

Such was the position when, on April 7, 1768, John's favorite

<sup>7</sup> Letter book, Jan. 18, 1766, Harrison; Dec. 15, 1767, Hayley.

<sup>8</sup> Letter book, July 23, 1765, Nov. 12, 1767, and Jan. 20, 1768, Lamar, Hill & Bissett.

<sup>9</sup> Public Record Office, T. 1, 465, Mar. 28, and May 12, 1768, Commissioners to Lords of Treasury.

ship *Lydia* reached Boston with his spring orders from London, and tied up at Hancock's Wharf. The customs officers suspected that she contained tea, paper, and other dutiable goods; so a couple of tidesmen, Owen Richards and Robert Jackson, were next day sent aboard to see that there was no clandestine running. In the afternoon (these men related) John came on board with a crowd of followers, including Captain Malcolm, the alleged smuggler. John asked the tidesmen what their business was; on being answered that they came at the order of the collector and the comptroller, he told the captain on no account to let them go below deck, on pain of dismissal. Next night, however, Richards slipped down into the steerage. About 11 P.M. John marched aboard with eight or ten henchmen (including a Negro slave bearing a lantern) and ordered Richards to get out. He refused. John demanded to see his orders and commission, and found that the latter was undated; Richards was also unable to show any writ of assistance. John then ordered the mate and bosun to turn him out; they were unarmed, but seized him under his arms and thighs and forced him on deck, while Captain Malcolm shouted: "Damn him, hand him up; if it was my vessel, I would knock him down." The companion was fastened behind him. John now asked: "Do you want to search the vessel?" The frightened tidesman said he did not. "You may search the vessel," was the reply, "but shall not tarry below."<sup>10</sup>

It is perhaps unsound to say of such a deep-rooted and widespread movement as the American Revolution that it began with any one incident; yet, since the hustling of Owen Richards from the *Lydia* was the first act of physical opposition to Crown officers by respectable citizens, John's admirers have some grounds for claiming that he started the Revolution. His action threatened to bring down drastic punishment upon him. For the indignant commissioners hastened to lay the affront before their solicitor and the attorney-general of Massachusetts, to find whether John could be prosecuted. The opinion given in reply was cautious and judicial. The law, it appeared, was full

<sup>10</sup> *Ibid.*

of loopholes. The relevant Act forbade the use of clubs and weapons against officers; but here the officers had been attacked by unarmed persons. The case therefore hinged on whether John had behaved illegally in forcing a tidesman out of the steerage and on deck. Officials had the right "freely to go, be and remain on board." But did "on board" mean any more than "on deck?" The Act authorized officers to go aboard for two reasons:

(1) To search. With this aim, officers could undoubtedly go into the hold. But Owen Richards had most unfortunately stated that he did *not* wish to search.

(2) To watch against running ashore by boats, et cetera. Here the Act was silent about the hold. One might of course argue that to force officers out of the hold was to violate the Act, since the climate was so severe that they would perish on deck; but this was weak, because they could always go to the forecabin or cabin when shelter was needed. Probably "deck" was all that the Act meant.

The attorney-general accordingly wound up by suggesting that no further steps should be taken. In any case, the procedure laid down in the Act would be new to Massachusetts, and such an unusual prosecution "might in the end be rather prejudicial than advantageous to the Interests of the Crown;" "though Mr. Hancock may not have conducted himself so prudently or courteously as might be wished, yet from what appears it is probable that his intention was to keep within the bounds of the law." This opinion was later confirmed by the Treasury's London barrister, and accordingly John was not prosecuted.<sup>11</sup>

### 3. THE *Liberty* CASE

While the law officers were still pondering their opinion on the affair of the *Lydia*, tempers became more and more violent at Boston. Two of the commissioners reported that, when walking with army officers on Long Wharf, they were assaulted by the rabble, which stoned them as they put off in a rowboat. They took care to inform the Treasury that John Hancock was

<sup>11</sup> *Ibid.*

now carrying his opposition to a higher pitch. A certain social slight pained them especially. John informed the governor (so they alleged) that if they were invited to the feast on general election day, he and the company of military cadets would not attend; when the governor replied that attend they must, John tore the seal from his officer's commission, and the cadets thereafter voted that the governor should not have the use of Faneuil Hall for the dinner. And "this infatuated man [Hancock] now gives out in public, that if We, the Comm<sup>rs</sup> are not recalled he will get rid of us before Christmas."<sup>12</sup>

The threat of a prosecution was still dangling over an angry John on the 9th of May, when a second of his ships arrived. This time it was the *Liberty*, straight from Madeira with his wine. According to Hallowell, the comptroller of customs, an entry was made for twenty-five casks of wine, but it was commonly reported that she had a much larger quantity on board, and he himself heard John declare that this cargo should be run ashore. (The Hancock records throw no light on the truth of Hallowell's allegation. The invoice of the Madeira agent mentions only eighteen full pipes of wine — i.e., what John had ordered for himself and a friend; but his letter to the agents asks them to give the *Liberty* preference if they were freighting wine to Boston, so there may have been much more). As before, officers were placed on board. When questioned by their superiors, they said that no wine was run out of the ship.<sup>13</sup>

A month passed, during which the *Liberty's* cargo was discharged, and her return cargo was stowed away. Into the harbor there also came a fifty-gun man-of-war, the *Romney*, sent in response to the commissioners' pleas for support. Following the brutal practice of the times, her captain set about forcibly

<sup>12</sup> *Ibid.*

<sup>13</sup> House of Lords, July 21, 1768, Hallowell's deposition; as with most of the other documents, copies may be seen in the Public Record Office, T. 1, 468, and T. 29, 39, and British Museum, addl. MSS. 38, 340; they are reproduced in G. G. Wolkins' "Hancock's Sloop *Liberty*," in *Mass. Hist. Soc. Proceedings*, vol. LV, pp. 239-284; H. MSS. (22) 2, Mar., 1768, Lamar, Hill, & Bissett's account; Letter book, Jan. 20, 1767/8, Lamar, Hill, & Bissett; G. Bancroft, *History of the United States*, vol. V (London, 1854), p. 109.

impressing seamen for her service, and this inflamed the temper of the dockside crowd to white heat.<sup>14</sup>

Then Thomas Kirk, one of the tidesmen who had been on the *Liberty*, on June 10 went to his superiors and confessed that he had been lying when he said no wine was run ashore; he now wanted to make a clean breast. His story ran as follows. On the night of May 9, the other tidesman got drunk and staggered home to bed. Marshall, John's senior captain, came aboard at about nine in the evening and suggested that Kirk should let the wine be removed. Kirk flatly refused. At this, Marshall and some unknown persons hove him down the companion into the cabin and nailed on the cover. He broke through a door into the steerage and thence tried to go on deck; but he was seen and was forcibly pushed back into the steerage. There he was kept for three hours. During this time, he heard the noise of many people at work hoisting out goods, and of tackles being used. When the noises ceased, Captain Marshall came down and threatened that Kirk's property would be destroyed, and his very life endangered, if he ever revealed what had passed that night. He was so scared by these threats that he kept the affair to himself. But now Marshall had died — it was said from overheating himself on the night in question — and he wished to make a "discovery" of what had passed.<sup>15</sup>

On learning these facts, the commissioners decided to seize the *Liberty*. But, they cautiously reflected, there was no telling what the crowd in its present mood might not do if provoked by such an act; accordingly it would be prudent to get the crew of the *Romney* to help make the seizure, and thereafter to move the *Liberty* alongside the warship.<sup>16</sup>

A man who was lounging on the dock that evening tells how<sup>17</sup> being on John Hancock Esq<sup>r</sup>'s wharf, I saw the Comptroller and Collector of His Majesty's customs on said Wharf, and I saw some marines on board a sloop which lay at the Wharf, which induced me

<sup>14</sup> Bancroft, *op. cit.*, p. 109.

<sup>15</sup> House of Lords, depositions by Hallowell and Kirk, July 21, 1768.

<sup>16</sup> House of Lords, Wm. de Grey's statement, July 25, 1768.

<sup>17</sup> House of Lords, Benjamin Goodwin's deposition, June 16, 1768; Bancroft uses this at length (Chap. XXXIV).

to go alongside to see what was the matter, as I thought something very extraordinary to see Custom-house Officers making a seizure after sunset. As soon as I came alongside, I saw Captain Malcolm talking to the Comptroller; and Capt. Malcolm said, you better let the Vessel lay. Mr. Hallowel said, she shou'd not; and ordered the Fast to be cut; with what he said one of the Marines fired off his Gun for Signal for another Barge, which was alongside in about two Minutes. Mr. Hallowel said, cut the Fasts. the people that was there said, stop 'till the Owner comes. No Mr. Hallowel said, damn you, cast her off. And the Master of the Romney said, damn you why don't you fire? I said, what Rascal is that, which dare tell them Marines to fire? I then spoke to the Collector, and said Mr Harrison, you better let the Vessel lay at the Wharf, until the Owner comes down, as he's sent for. He made answer, I will go with you to the owner. Then the Comptroller said, no, damn it, she shou'd go, and shew me the man that dare oppose it. I then askt the Collector, if he was not the Commanding Officer there? The Master of the Romney swore and made such a Noise I could not hear, what the Collector said. The Master swore, by God she shou'd go, and got some hatchetts out of the Barge, and cut away the Fasts, and swore, if any persons put their hands near, he'd cut them off, and called to the Marines several times, why don't you fire? They got Tow Ropes in the Barges, and the Master cut away the Fasts, and they tow'd her away in a piratical Manner.

This version of the brawl omits to tell that the mob seized hold of the *Liberty's* ropes as she was being towed away, threatened to throw the *Romney's* men overboard, and showered stones on them; and that, when the customs officials went home in the dusk, a rabble some hundreds strong followed, pelting them with stones and dirt, beating them with sticks, and then smashing the windows of their houses. The commissioners found that they had brought a hornet's nest about their ears. That night they took shelter in the homes of friends, afterwards fleeing to the *Romney* with their families and the customs-house cash. Later they moved to the castle.<sup>18</sup>

The fat was now in the fire. However weak the British government might be, it could hardly overlook such an incident.

<sup>18</sup> House of Lords, depositions by Hopkins and Hallowel, etc., July 21, 1768; *Mass. Hist. Soc. Proceedings*, vol. LV, pp. 281-283.

Troops were soon afterwards sent to Boston to enforce the royal authority. These in their turn were the cause of more violence. And so John's small venture started a chain of events that unquestionably helped to precipitate the final struggle.

#### 4. JOHN'S TRIAL

Since the *Lydia* case had not yet been abandoned by the Crown lawyers, the seizure of the *Liberty* left John under the threat of two resounding prosecutions. He was also faced with the problem of how to get back the *Liberty*. She had been seized on a Friday; on Saturday, he sent emissaries to bargain with the collector. They proposed that she should be brought back to the shore on Monday. If she were, John would give bond to re-deliver her should the case go to court and a decree of forfeiture result; if she were not, consequences very terrible for the officials would ensue when the mob, now composing itself for a quiet Sabbath, was once more free to wreak its weekday humor. The customs officers accepted with relief, and indicated that they would make the affair as easy as possible for John. Many of his fellow merchants, growing alarmed at the prospect of more rioting, pressed him to accept the Crown's terms. On Sunday, word came to the officials that he agreed. That night, however, he held a long conference with James Otis (his legal adviser), Samuel Adams, and many others; Hancock House was crowded with his friends. At midnight, his emissary was sent back to the collector with the news that John would now make no pact with officialdom. So the *Liberty* was not returned.<sup>19</sup>

But the Bostonians did not molest Crown officers further. They contented themselves instead with holding a mass meeting, at which they resolved to make protest in the form of an address to the governor. A suitable document was drafted, setting out their grievances in dignified language, and a committee of twenty-one was chosen to present it. John, who now had all the popularity that heart could desire, was appointed

<sup>19</sup> House of Lords, Hallowell's deposition; June 12, 1768, Comptroller's letter to Chairman of Commissioners; *Mass. Hist. Soc. Proc.*, vol. LV, pp. 260 n., 275.

to this delegation. Inasmuch as the governor was staying at his country house, the committee formed itself into a procession (comprising half of Boston's twenty-two carriages) and drove out to Jamaica Pond in some pomp, with John's phaeton leading the way. The governor, by his own story, appeased his visitors with a genial reception, gave them wine, and sent them away well satisfied, "especially that part of them which had not been used to an interview with me."<sup>20</sup>

The affair of the *Liberty* was referred to the attorney-general at London. As in the *Lydia* case, the Crown's position proved surprisingly weak. The unloading of a vessel without a true and perfect inventory was grounds for seizure and forfeiture; but here the evidence consisted only of John's alleged declaration and what the unhappy Kirk had heard while locked below. In the end, however, the Crown decided to risk a prosecution. John was arrested. The charge made against him was that he had assisted in the landing of one hundred pipes of wine, valued at £3,000 stg., well knowing that the duties thereon were not paid, with intent to defraud our Lord the King; the penalty demanded was £9,000 stg. (of which one-third would go to the Crown, one-third to the informer, while one-third was the perquisite of the governor). Nor was this all. The *Liberty* herself would automatically be forfeited if the Crown proved its case, and there were other possible penalties that might add up to the fantastic sum of £100,000 stg. Bail was fixed at £3,000 stg.<sup>21</sup>

When legal proceedings began, the *Liberty* was at once forfeited. But the case against John himself, and the leaders of the mob, proved more difficult for the Crown lawyers. John was defended by John Adams, who recorded in his diary that the case was painful drudgery; the court of admiralty met day after day, and the Crown seemed determined to examine the whole town as witnesses, even threatening to summon John's "amiable and venerable" Aunt Lydia. But, after a three

<sup>20</sup> Bancroft, *op. cit.*, p. 112; *Mass. Hist. Soc. Proc.*, vol. LV, p. 257.

<sup>21</sup> *Ibid.*, p. 260; Quincy's *Massachusetts Reports, 1761-72* (1865), pp. 456-463; Brit. Mus., Egerton 2,670, Oliver's letter book, Nov. 8, 1768; Adams, *Works of John Adams*, vol. II, pp. 215-216.

months' trial, the attorney-general saw that he was getting nowhere. Wearily he wrote across the record: "Our Sovereign Lord the King will prosecute no further hereon." So ended the main proceedings against John; yet Adams states that the case had not been finally settled when the Revolution broke out, six years later.<sup>22</sup>

Even after her forfeiture, the *Liberty* seemed fated to be a cause of strife between Britain and America. There are grounds for supposing that the customs officials retained her, and converted her into the revenue cutter *Gaspée*. Three years later, she ran aground off Rhode Island; by night, the men of Providence attacked and burned her, with momentous consequences.<sup>23</sup>

##### 5. NON-IMPORTATION

There had been talk of non-importation before the seizures of John's ships. By the time of his trial, the cry for such a step was becoming much louder.

The movement had in late 1767 been aimed chiefly at the dutied articles, and was based on popular feeling rather than an organized boycott by importers. For example, women made it a point of honor to give up tea (and strengthened wavering sisters by denouncing that herb as a pernicious destroyer of the texture of the stomach, as well as a cause of relaxation, dejection, and hysterics); similarly, the town meeting declared that a profusion of luxuries was sapping the spirit of frugality and industry, besides increasing the ruinous debts to British merchants.<sup>24</sup>

Despite both his indebtedness and his fiery sentiments, John did not at this stage embrace the movement with overmuch zeal. His imports for 1768 amounted to at least £8,200 stg. An order to London for the very best glass for his own home, together with his large import of Madeira on the *Liberty*, shows that he did not share the desire for Spartan living.<sup>25</sup> Despite his puritan

<sup>22</sup> *Ibid.*, p. 216; *Mass. Hist. Soc. Proc.*, vol. LV, pp. 260-261.

<sup>23</sup> *Loc. cit.*

<sup>24</sup> Schlesinger, *op. cit.*, pp. 105-113; Brown, *op. cit.*, p. 151; letter in *Boston Newsletter*, Mar. 23, 1769.

<sup>25</sup> H. MSS. (28) 3, Dec. 31, 1768, Hayley's account; Letter book, Dec. 15, 1767, Hayley.

background, John was no believer in self-denial; later generations were to look fondly back on him as a colorful nabob who traveled with six horses and four servants, whose hobby was the dinner table, and who was in consequence plagued by that most gentlemanly ailment, gout. We can scarcely be surprised if such a man was apathetic to demands for austerity.<sup>26</sup>

During 1768, it became clear that partial non-importation was having little effect, especially since many towns were not following Boston's lead. The people of Massachusetts, made more angry by incidents such as the seizures of John's ships and the arrival of troops, determined on stiffer measures. They proposed a complete boycott, and circularized the sister Colonies in quest of support. Boston merchants almost unanimously agreed to cease importing everything save a few necessities such as fishing gear, shot, coal, et cetera, after 1st January, 1769.<sup>27</sup> This boycott was duly put into force, and lasted for two whole years (1769-1770). John fell into line with the movement, supporting it loyally. His letters to London became fewer and fewer, and his imports shrank till they were a mere £2,000 stg. in 1770; even these consisted chiefly of shot, coal, hemp, and other permitted materials.

Since his exports of oil were still large (say, £8,000 stg. per annum), John was able to build up a satisfactory balance with his new agent, and with it he paid off his debt to the displaced Harrison & Company. This was not the only benefit from non-

<sup>26</sup> The bill rendered to Hancock by a Portsmouth innkeeper (after the Revolution) runs:

Nine days board for Hancock and his wife	£5. 8. --
Drinks: 20 bowls punch, 9 bottles madeira, and 5 bottles of wine	5. 8. --
An entertainment for ladies and gentlemen	4. 10. --
Nine days board of four servants	7. 4. --
Servants' liquor	17. 6.
Six horses' stabling and oats	5. 9. --
Sundries for visitors	14. 7.

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£29. 11. 1.

H. MSS. (22) 1, June 29, 1791, Brewster's account. See also Mrs. Ellet, *Queens of American Society*, pp. 119-126.

<sup>27</sup> Schlesinger, *op. cit.*, pp. 111-122.

importation. His home sales seem to have taken a marked turn for the better during the early months (see Chart II on page 238); doubtless his customers were scurrying to line their store-rooms while goods were still to be had, and his trial may have acted as an advertisement. Thereafter sales dropped headlong, and 1770 was very black indeed. Naturally, coal and other legitimate imports came at this time to take a bigger place among the sales; but, in spite of the movement against luxuries, customers continued to buy plenty of shoe-buckles, ribbons, and other finery. Even tea was still sold, though so very rarely that to accuse John of violating the spirit of the agreement would be unreasonable. The prices charged for tea were:

April, 1769	3/4 per lb.
August, 1769	4/- " "
January, 1770	5/- " "

These figures suggest that the price level rose fairly steeply as foreign goods grew scarce.<sup>28</sup>

While his business was thus becalmed, John devoted himself to affairs of state. He served on the innumerable committees that were needed to manage the boycott. He continued to build up his reputation as a generous benefactor to public causes; thus he purchased a concert hall (the collector of customs wryly noting that officers of the revenue, army, or navy were not to be admitted on any terms to its assemblies). When the governor moved the legislature away from Boston to the calmer air of Cambridge, John had to desert his business and entrust it to his clerk, Palfrey. Twice he went on longer journeys, probably to press the cause of non-importation in Philadelphia and other backward cities.<sup>29</sup>

At last, in the spring of 1770, news came that the Colonists'

<sup>28</sup> Boston Pub. Lib., G. 41. 8. IV 7, Dec. 31, 1770, Hayley's account; Journal, 1769-70. John was charged with breaking the agreement, but he issued a public denial in a New York paper (Schlesinger, *op. cit.*, p. 168). He was also accused of angling for the supply of the soldiers posted to Boston, and denied this (Brown, *op. cit.*, p. 163); his records contain no hint that the allegation was true, and the fact that he was awaiting a criminal prosecution at the time makes the story sound improbable.

<sup>29</sup> Brit. Mus. Addl. MSS., 38,206, Nov. 15, 1769, Hallowell to Harrison; Letter book, Nov. 4, 1769, June 13, Nov. 5, 1770.

passive resistance had again won the day. The victory, though not complete, was notable; Parliament had repealed all the Townshend duties save that on tea. The Colonists at first spoke of continuing non-importation until even this duty was swept away, but such extremism was more than most of the trade-hungry merchants could maintain for long, and soon the boycott was crumbling. In the fall, Boston agreed to resume trade in everything except tea. John had for months been sending orders that were conditional upon the reestablishment of general importation, and in the spring of 1771 the long-awaited wares arrived.<sup>30</sup>

#### 6. SHIPPING, 1765-1775

The boycott gave John fresh cause to worry about the wisdom of keeping up his costly shipping service.

Ever since he had taken control of the business in 1764, he had been blowing hot and cold on this matter. He repeatedly suggested to his London partners that ships should be sold; then, after a month or two, he would tell them that he had bought more vessels. When these were meant for whaling, his motive is understandable; but several ships were bought for ordinary trade, were sent for a few voyages, and were then sold at poor prices. In the period 1764-70, he owned the whole or part of at least nine vessels (not counting those which were chiefly for whaling). Records of their dates and movements are in certain cases remarkably vague. Indeed, it is just conceivable that John sometimes sent these ships on illicit errands, and, fearing that the customs officials might get wind of his doings, kept no copies of the relevant letters; however, my only evidence for this suspicion is an unexplained payment of £500 to an Amsterdam merchant.<sup>31</sup>

Despite John's vagueness about his fleet, many facts are clear. The ships may be divided into two groups. One contained such favorites as the *Boston Packet* and *Lydia*, which were

<sup>30</sup> Letter book, Jan. 1, 1770; Schlesinger, *op. cit.*, pp. 212-233.

<sup>31</sup> The ships were the *Boston Packet*, *Harrison*, *Last Attempt*, *Liberty* (probably two vessels of this name), *Lydia*, *John*, *Paoli*, and *Thames*. The Amsterdam merchant was J. Hodson (Letter book, Feb. 12, 1768).

kept steadily plying in the Boston-London service. The others had short lives, during which they perhaps made one or two trips to London, from thence were sent on desultory voyages to Newcastle or foreign ports, and then were sold. The government's new policy had put a stop to peddling trips among the French islands, and thus trade with the West Indies was very cramped. What there was of it took the form of triangular runs on a Boston-Nevis-London route, and depended for success largely on the freight of sugar to Britain.<sup>32</sup> One of these ventures was planned with some care. Harrison & Barnard during the 1766 depression bought a large ship and divided the ownership into sixteen shares. They induced half-a-dozen Nevis planters and a few Londoners each to buy one share, while John took three, and they kept the rest themselves; they also chose a captain who was popular in Nevis. Having thus made sure of cargoes at each corner of the triangle, they rubbed their hands over "a good Prospect, at least your self and us will stand a pretty good Chance as we shall be gainers by the Commissions we shall draw." Their optimism seems to have been well founded, if we may judge from the long series of annual runs that followed.<sup>33</sup>

It will be noted that freight was the chief source of revenue on these West Indian trips, whereas Thomas in the prewar era had used his ships mainly to carry his own goods in search of markets. The same change was taking place on the Boston-London route. Especially after the oil scheme had been abandoned, John was hard put to it to fill his vessels with his own wares. Yet, since sale prices for ships were not tempting, he shrank from the idea of scrapping his fleet; and so there was nothing else for him to do but try hard to establish himself as

<sup>32</sup> The captain's account for such a trip (on the *John*) shows that he sold his cargo at Nevis, and invested the proceeds in rum and remittances of sugar to Hayley; he then earned £547 stg. of freight between Nevis and London, plus £26 of fares from five passengers; his wages and expenses for this part of the trip seem to have been under £200. — H. MSS. (22) 2, Jan. 2, 1771.

<sup>33</sup> This was the *Thames*, of 270 tons. John bought a 36-ton schooner as her tender, and this boat ran back and forth to Boston with rum — Boston Pub. Lib., Ch. M. 3. 5. II, 203, Aug. 5, 1766, Harrison to Hancock; Letter book, 1766, and Nov. 14, 1783; Journal, Jan., and Feb., 1767, Apr., 1768.

a common carrier. He was careful to stipulate with Hayley that great efforts must be made to get freight at London, and he himself took pains to win custom at the Boston end of the service, for example by putting advertisements in the press:<sup>34</sup>

for LONDON

The Ship *Boston Packet*, James Scott, Commander;

A prime Sailor, with good Accommodation for Passengers, lying at *Hancock's* wharf,  
and sails with all convenient Speed.

Freighters or Passengers may apply to

*John Hancock* Esq: at his Store, or the Master on Board.

The captain mentioned in the above notice, James Scott, was a capable seaman whose good passages established him high in the esteem of Bostonians, so that<sup>35</sup>

if he is a going Ship they will order their Goods on board him . . . I must beg of you that the Stated Time of Scott's Departure may be fix'd to the 10th of August and full or not full to sail at that Time, and by being punctual to that I flatter myself we shall always Command Freight, and the Ship have a good Character.

Non-importation gave a hard knock to this struggling freight service. At the start of the boycott, John told his agent to keep the ships at London so long as there was any prospect of a little freight; if this prospect faded completely, they were to be sent back in ballast, since they "will lay at a much easier expence here than in London." Once again he talked morosely of selling out.<sup>36</sup>

The boycott proved worse than John had feared; to stop leakages of British goods into Boston, the merchants went a step beyond their original agreement and resolved not to suffer forbidden goods even to be taken as freight on their vessels. Yet John did not sell his fleet, nor even keep it lying on the Boston mud. His oil exports, plus freight from Rotch and others, were big enough to make up occasional outward cargoes,

<sup>34</sup> *Massachusetts Gazette*, Mar. 2, 1769; Letter book, Nov. 2, 1767, etc.

<sup>35</sup> Letter book, Apr. 29, 1771, Hayley.

<sup>36</sup> Letter book, Aug. 24, Oct. 4, 1768, Hayley.

while hemp, coal, and other "licensed" wares provided a certain amount for the return voyages.<sup>37</sup>

Jones (the Bristol trader who earlier had broken faith with John, but by now had wriggled back into favor) was at this stage a source of more irritation. He supervised the loading of one of John's ships, and proudly wrote that he had succeeded in getting her a full freight. On her arrival at Boston, the cargo proved to contain not only hemp for John, but also nails, pewter, and other forbidden goods for blackleg merchants. It was impossible to stop the Sons of Liberty from smelling out this breach of the agreement. The news became public property. John, who had been taking the lead in dragooning defaulters, found himself in an exceedingly awkward position. The mob was in an ugly mood, and might turn on its favorite; even fellow merchants, if they were not importing, felt resentful at seeing "a few persons catch the whole trade to the Ruin of Many." There had been several other instances of violation about this date, and unfortunately the London agent chiefly concerned in these cases was Hayley, whose connection with John doubtless caused further suspicion to light on the latter. Long were the town's discussions, and strenuously did John labor to "accommodate" the affair. In the end, it was decided that nothing would atone for the importations except the immediate return of the goods to England. The owners were induced to consent, and John tried to win back popular favor by providing shipping space free of charge. The same boat carried peremptory orders to his agents that there were to be no more breaches of the agreement; Hayley replied that even so he would be able to get quite a good return freight for the ship, and that she could have been full if her captain "had done as all the rest of the Ships now here do, except yours, — but after the clear orders given us in yours rec<sup>d</sup> by him, We did not dare let him take on board any but licens'd [goods]." <sup>38</sup>

<sup>37</sup> *Ibid.*, Sept. 6, 1769; H. MSS. (23) 2, Oct. 30, 1770, Paoli's freight account.

<sup>38</sup> Bancroft, *op. cit.*, vol. V, p. 214; Letter book, May 18, and Dec. 27, 1770, Hayley; H. MSS. (28) 4, Apr. 1, 1770, Jones' freight list; Boston Pub. Lib., G. 41. 8. IV, 6, Apr. 14, 1770, Jones to Hancock; Ch. M. 3. 5. II, 237, July 24, 1770, Hayley to Hancock.

After importation had been resumed, John continued to take a wavering interest in shipping. He kept four or five boats running from 1771 to 1775. But, since they were engaged on the same sort of errands as before, we need not devote further time to them.

#### APPENDIX TO CHAPTER XIV

##### A. *Life on a Cargo Boat.*

The Hancock records fortunately include a few of Captain Scott's logs. From these we can learn something about life aboard one of John's vessels.<sup>1</sup> He gives us fullest details of a voyage that he made from London to Boston in 1766, as captain of the *Lydia*. To gain time, he sent her downstream before he himself had finished his business at London. He set out after her on 22nd October, driving "in the Machine" [a coach?] as far as Canterbury, and caught up with his vessel near the mouth of the river. He lists his subsequent doings as follows:

- 2 November. Saw Isle of Wight.
- 3 " Landed for water etc. at Cowes Road.
- 4 " Landed again at South Yarmouth.
- 6 " Passing Scilly.
- 7 " 177 miles from Scilly. ;

Thereafter his notes are chiefly on the badness of the weather, e.g.:

- 5 December. . . . the first part squally with a Strong wind and High sea. at 3 Shipt a sea, stove in the cabin Windows, and a quantity of water came in. Lay by 14 hours with a Balanid M<sup>s</sup> [= Balanced Mainsail?], blows very Hard, attented with dark gloomy Winds and a high Sea. Labourd hard and ship<sup>t</sup> a good deal of water Strong gales. Sa<sup>t</sup> F<sup>s</sup> [set foresail?] Ends with a Strong gale and Cloudy Winds.

At the end of this day, the *Lydia* had made only four miles. On

<sup>1</sup> Logs, 1755-57 and 1766-69.

other bad days, she might be driven back as much as seventeen miles.

Scott reached Boston on Christmas eve, "and at 3 in the afternoon brought up, abreast of Mr. Hancock's wharfe . . . dressed myself and went on Shore . . . Welcome Capt Scott What passage have you had etc."

This voyage took two months. With luck, the time could be cut down to five weeks or less. Such trips must have seemed short to Scott when he looked back upon his younger days, during which it had been necessary to sail in convoy because of the French privateers. A voyage of 1757 (probably before he entered the Hancocks' service) is recorded as follows:

- 18 March. At Gravesend, with some 400 half-barrels of gunpowder aboard.
- 20 " A "Gentlewoman passenger and child came on Board." A transport fell foul of the vessel, and carried away the jib-boom.
- 26 " Discharged the pilot at the Downs.
- 6 April. Went aboard escorting man-o'-war for orders.
- 14 " Went ashore for coal.
- 3 May Passenger went ashore.
- 7 " Passenger came back; i.e., after nearly two months, the boat was still waiting in the Downs.
- 8 " The real voyage began.
- 10 " Off Torbay. The Captain went ashore daily, but the crew scraped the masts.
- 17 " Weighed anchor again.
- 22 " Off Scilly. "Man of war in chace of a ship."
- 27 " Anchored off Cork.
- 28 " Lady and child went ashore.
- 30 June Started again.
- 2 July "Lay too for the Leewardmost ships to come up."
- 3 " "Saw a Fleet of Vessels to the Eastward supposed to be a french fleet."
- 12 " "Parted with the Fleet Bound to Carolina."
- 22 " "Catchd 4 Turtles the Island of St. Michaels middle part bore SSE dist. about 10 Leagues."
- 30 " Parted with ships bound for Newfoundland.

- 22 Aug. "Lost sight of the Comodore . . . Only 3 of the fleet in Company Bound to Boston."
- 23 " "Got the Boat out & Capt. Robson & Capt. Farr came on Board to dinner."
- 26 " "Spoke with a Brig from Operto Bound to Boston got the Boat out and went on Board of Her and got a Cask of Wine."
- 29 " This is the last day recorded, and presumably marks the end of a voyage that had dragged on for five and one-half months.

We may conclude with a letter from Scott to John Hancock, describing events on his arrival at London on the *Hayley* in 1774.<sup>2</sup> The reader should, to form a fair estimate of John's character, pay note to the affectionate ending; though John's relations with other merchants were all too often marred by spleen and squabbles, he seems to have treated his captains with consideration and to have known how to win their whole-hearted loyalty.<sup>3</sup>

I had a tolerable passage from Boston and arrived in the Downs 28 days and 7 days before the Dolphin. I had some very Bad Weather on the Passage and a few days after I left you all the Tarr between decks Under the Cables got Loose and there was no Chance of securing them for the weather Continuing bad we had no opportunity to open the Hatches till the 4 of January to haul the cables upon deck, When I found many of the Casks got Bung down and run entirely Out and several stove that the Deck was all over in such a Condition that what Casks remaned full we could not possibly Secure and I was Oblig'd to throw over Board full and Empty 73 Barrells and afterwards took up not less than a dozen Barrells of Tarr off the Deck. If the ship had happened to have been leaky It would have been very bad for us for the pump Well got full of Tarr and the pumps would not work.

I am very sorry to inform you that there is no Chance of freight for the Hayley this spring all the first ships were taking in Goods when I arrived and are now full Ships. Its a great Loss for the Hayley

<sup>2</sup> The *Hayley* was a ship of 200 tons, built by John in the mood of optimism prevailing in 1771. She needed a dozen men to run her, and proved too big by 50 tons. Despite John's instructions to sell her, Hayley kept her plying till 1775, when the future of the trade was clearly hopeless. Letter book, Apr. 29, 1771, Nov. 4, 1772, Feb. 20, 1775; H. MSS. (22) 2, May 11, 1772, Scott's account.

<sup>3</sup> H. MSS. (27) 2, Feb. 21, 1774.

being so out of time Mr. Hayley has ordered me to lay the Ship up and says we must lose a voyage if Ever we intend getting in Again — I have discharged my people Severall by advancing them 6 weeks pay, I could no ways Make any better bargain with them and the rest must keep In pay till they Arrive in Boston . . . I have nobody on board now But the Mate Carpenter and 2 boys. I shall Send George home in the Same manner in Callahan. I would willingly keep the Carpenter If he would stay on half-pay as there is work enough for him to do But if he dont like that I shall send him home in Lyde. If a price would come for the Ship I am inclined to Think Mr Hayley would let her go. If not I hope to be the first Ship in the Fall. We are now lying on the mud . . . pray Sir write to me for my Government and how I shall Act if the Ship should be sold. I hope you wont Give up all your Navigation and for my own part I am determined Never to leave you while you please to employ me.

B. *List of John's More Important Vessels.*

<i>Boston Packet.</i>	1763-78.	A ship. Built specially. Owned jointly with Barnard, etc.
<i>Lydia.</i>	1764-76.	A brigantine. Bought ready-made. Owned jointly. A vessel with this name, probably a different boat used as a whaler, was lost in 1772.
<i>Harrison.</i>	1765-68.	A brig. Built. Owned jointly.
<i>Liberty.</i>	1765-66.	A ship. Built. Owned by John alone. Apparently the <i>Liberty</i> of the seizure was a second vessel, a sloop, 1767-79.
<i>Industry.</i>	1765-68.	A brigantine. Half-share (later whole) bought from Bunker of Nantucket.
<i>Thames.</i>	1766-83+.	A ship. Built by Barnard for London-Boston-Nevis route. John owned 3/16. The <i>Lucy</i> (schooner) was her tender.
<i>John.</i>	1767-70.	A ship. Bought for partnership with Jones, but left on John's hands. Chiefly on West Indies-London service.
<i>Hayley.</i>	1770-75.	Ship of 200 tons. Built for John.
<i>Paoli.</i>	1769-71.	Brigantine belonging to John.

Unless otherwise stated, the boats were chiefly on the Boston-London route. John had also shares in half-a-dozen or more whalers.

## CHAPTER XV

# The Death of the Business

1771-1775

### I. RECOVERY FROM NON-IMPORTATION

THERE IS NOT much left to tell about the House of Hancock. For, though it was to last for another five years, it was already moribund and moving only on momentum. Non-importation and John's neglect had bled all the life from it. No new plans were henceforth to be tried out, nor was any struggle made to keep abreast with changing times; and a business history seems hardly worth the telling or the reading if it does not trace some vital — though not necessarily successful — thread of endeavor.

It must not be imagined, however, that the firm's remaining years were entirely dull. On the contrary, 1771 had moments of high promise, when John's home trade showed signs of climbing back to somewhere near its old level. Fearing that the general rush of orders from the famished Boston market would end in glut and low prices, he had been nervous about importing when the boycott ended. Nevertheless he told Hayley to send a moderate amount of goods from London. His sales had sunk almost to zero just before the new wares reached him; then in April, 1771, he advertised that he once again had imports, and his sales rose steeply to their wonted level. To some extent, he now relaxed his caution. His orders for fall goods were fairly big, and he became as free as ever in selling bills on his agents and recommending young beginners to them.<sup>1</sup>

But, after this brief spurt, John's position speedily grew as bad as it had been just before non-importation. The surge of

<sup>1</sup> *Mass. Hist. Soc. Proc.*, vol. LXI, p. 228; Letter book, Nov. 5, 1770, Nov. 14, 1771, Harrison.

American orders tended to push up English suppliers' prices, while the Boston market on the other hand was soon saturated. John thus found that there was little profit on his imports, which he was sometimes forced to sell at cost or under; moreover, his credit balance in London had by the close of 1771 been transmuted into a debt of over £7,000 stg. As American demand slackened, freight for his "navigation" grew harder to obtain, and his letters to England became humble and apologetic over his frequent entreaties for return cargoes. All his enthusiasm for business evaporated. "Trade here is on such a miserable footing," he told his agents, "that I have Resolv'd at least for the Spring Season not to Import any Goods;" he even wrote that he was on the brink of quitting Boston and sailing to see all his friends in London.<sup>2</sup>

There can be no doubt that the period following the boycott found John in a thoroughly disgruntled mood. He was ill for months on end. In politics, too, his path seemed less sure and successful than hitherto. Perhaps the unfortunate shipments of forbidden goods had caused him to forfeit public favor; he complains: "In the matter of non-importation I individually have been most fully, freely and cruelly used," but gives no details. Also, Tory gibes that he was an ape led round by Sam Adams may have reached his ears. Whatever the cause, John became notably cooler to the radicals, and (as the governor marked with pleasure) correspondingly more civil to the royal officials.<sup>3</sup>

In veering away from the extremists at this time, John was acting like many another well-to-do American merchant. Most members of this class had by now grown heartily sick of schisms and boycotts, and wished only to enjoy the period of peace that seemed at long last to be dawning. Further, as men of substance they naturally felt alarmed at the rising power of the people and the equalitarian ring that was creeping into radical propaganda. The rabble had been all very well as tools when Parlia-

<sup>2</sup> Letter book, Oct. 11, 1771, Hayley; H. MSS. (22) 2, Hayley's account for 1771; (27) 2, Feb. 14, 1771, Harrison to Hancock.

<sup>3</sup> Letter book, Dec. 27, 1770, Hayley; *Mass. Hist. Soc. Proc.*, vol. XIX, pp. 138-139; James K. Hosmer, *Life of Thomas Hutchinson* (Boston, 1896), p. 213.

ment was interfering with business; now a touch of firmness would do no harm.<sup>4</sup> So conservatives felt once more drawn towards the party of law and order. A discreet government would have welcomed these natural allies back to the fold, and would henceforth have been at the utmost pains to avoid all acts that might harm business. And there were signs that the government meant to be discreet. No fresh restrictions were for a time put on trade, and efforts were made to win the friendship of leading Colonists. Thus the king himself sent word that John was to be shown marks of favor. In 1772, we find the governor offering him the colonelcy of the company of cadets; and this honor was not spurned. One outward sign of Boston's reconciliation was that society no longer withstood the appeal of tea. Report said that it was being drunk again at Hancock House. John was in fact importing it in bulk, aboard a vessel which he owned to the extent of a quarter and which was doing a quiet and doubtless illicit trade with Holland.<sup>5</sup>

But unhappily the British ministry was too poor in statecraft to follow its liberal policy for long. It did not stand up for American trade when this clashed with home interests. It did not sweep away the futile and irritating tariffs. It did not even take the inexpensive step of conferring titles on outstanding Americans like John. We should of course be grossly unfair to the latter if we assumed that he would, as Lord Hancock, have been false to his principles. Still, a more astute government would have put him to the test.<sup>6</sup>

## 2. THE TEA PARTY

The House of Hancock did not recover during this time of peace. If 1771 was a bad year for its trade, 1772 was much worse. Probably the fault lay with John rather than general conditions. He was spending less and less time in the counting-

<sup>4</sup> Schlesinger, *Col. Merchants and Amer. Revolution*, pp. 240 ff.

<sup>5</sup> Bancroft, *Hist. of U. S.*, vol. V, p. 284; Brit. Mus., Egerton 2, 670, May 8, 1772, Oliver to Gambier; Schlesinger, *op. cit.*, p. 246. The boat was the *Neptune*—H. MSS. (22) 3, Oct. 8, 1783, Walley's account; (28) 3, Dec. 31, 1773, Hodson's account.

<sup>6</sup> Malicious stories were later spread that he and Adams were offered peerages. But they lack adequate backing. Sears, *John Hancock*, p. 124.

house, and more and more in bed or the general assembly. Letters from London lay unanswered for months, and customers grew mortified by his neglect. Increasingly work was thrust on his painstaking but uninspired lieutenants, Palfrey and Bant, who wrote many of his letters, paid his bills, and in his name obtained imports for retail.<sup>7</sup> The result was that John's sales collapsed to almost nothing in 1773, and his debt to London crept ever higher; Hayley grew worried, and suggested that no more bills should be drawn till matters had mended.<sup>8</sup>

The year 1773 saw the end of the brief spell of goodwill between Britain and her Colonies. From the standpoint of the American merchants, the chief cause of the quarrel was Parliament's renewed interference with trade. An Act was passed enabling the East India Company to sell its tea in America, through agents of its own choosing; further, the duty of a shilling per pound paid by British consumers was "drawn back." As its agents the Company appointed men who had been notorious for their hostility to the boycott. There was accordingly every likelihood that cheap tea would pour in through a few privileged dealers, while importers like John, who had stood staunchly by the boycott, faced competition that they would be quite unable to meet no matter how hard they smuggled. Thus the merchants were thrown back into the arms of the radicals.<sup>9</sup>

The breach between John and the radicals had for some time been healing, and the new crisis served to make him one of the leaders of the popular cause. He was elected chairman of the town meeting at which the Bostonians protested — somewhat paradoxically — at the coming of cheap tea; and his clerk, Palfrey, took the resolutions of this meeting posthaste to Philadelphia.<sup>10</sup>

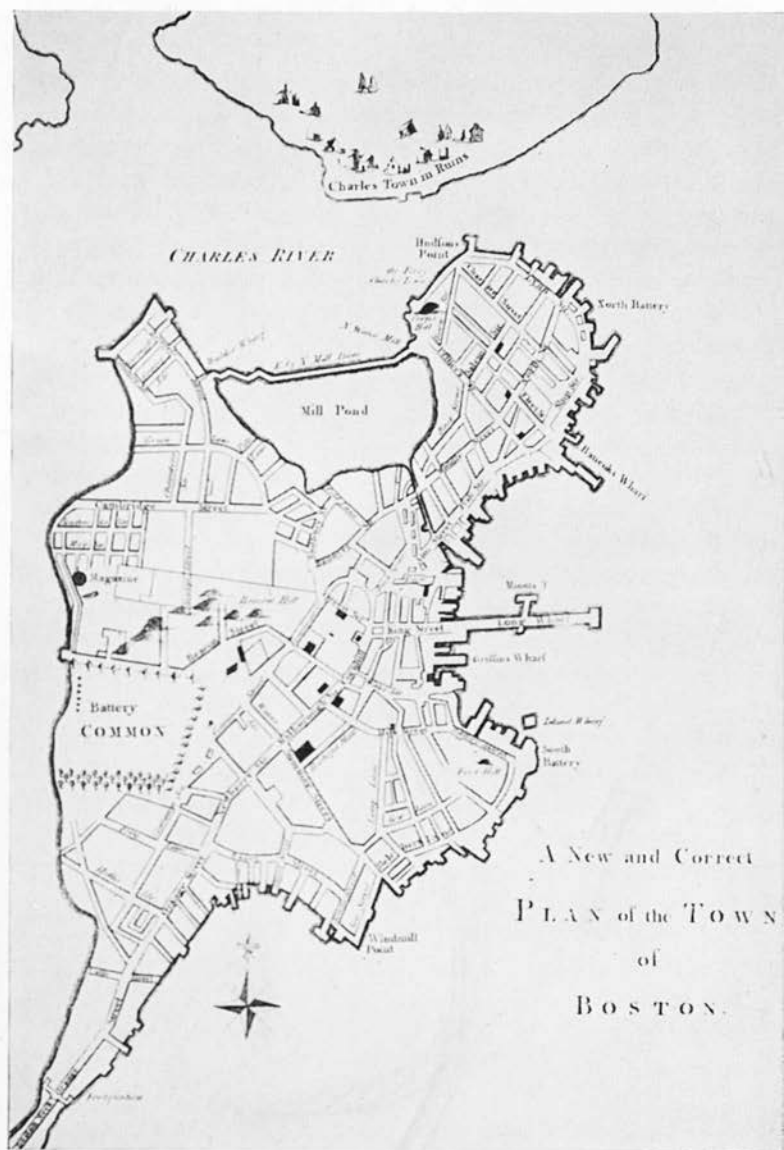
One of John's country customers narrates how he happened

<sup>7</sup> Letter book, Oct. 6, Nov. 14, 1771, Jan. 16, 1773, etc.

<sup>8</sup> Boston Pub. Lib., Ch. M. 3. 5. II, 253, Feb. 20, 1773, Hayley to Hancock.

<sup>9</sup> *Cambridge History of the British Empire*, vol. I, p. 674.

<sup>10</sup> Schlesinger, *op. cit.*, p. 284; Brown, *John Hancock*, p. 178. The main reason for the outcry against cheap tea seems to have been the threat of monopoly; true, the tax of 3d. was still in force, but apparently this did not rouse the same degree of feeling. *Camb. Hist. of Brit. Emp.*, vol. I, p. 674; G. M. Stephenson, *American History* (New York, 1940), p. 106.



PLAN OF THE TOWN OF BOSTON, 1775

on December 16 to take his team to Boston for goods. When he was at the store, John asked him to drive up to Hancock House, and there told him what the "Mohawks" meant to do with the tea that night. "I went accordingly [to the wharf], joined the band under one Captain Hewes; we mounted the ships, and made Tea in a trice. This done I took my team and went home, as an honest man should." Another Mohawk tells of seeing John at the tea party, and of having "exchanged with him an Indian grunt." But John himself disclaims any intimate knowledge of the affair.<sup>11</sup>

The few months that followed proved decisive in shaping John's life. The coup de grâce was given to his business, and his future political course was settled beyond all possibility of change. Ever since the Stamp Act troubles, as we have seen, his views and conduct had been much the same as those of merchants in general. But now he was to part company with his fellows. Most well-to-do Bostonians were thoroughly shocked at the wanton destruction of £12,000 worth of tea, and, in the constitutional struggle that followed, found that their sympathies lay with the government. John was one of the very few rich traders to move leftward into the radical camp.<sup>12</sup>

Why did John thus cut adrift from his own class and join the party that was denouncing wealth and privilege? A hundred different answers are possible, and he himself gives us few hints of where the truth lies. Memories of his own troubles as a child may have made him feel far more keenly about inequality and oppression than did most men of his class; although denunciations of riches by the rich are apt to ring false, I do not think that John was necessarily insincere when he declaimed: "Despise the glare of wealth. The people who pay greater respect

<sup>11</sup> *NEHGS Reg.*, vol. XXII, p. 57, and vol. XLV, p. 274; *Mass. Hist. Soc. Proc.*, vol. X (1895-96), p. 478. John's own account runs: "We have been much agitated in consequence of the arrival of the Tea Ships by the East India Comp., and after every effort was made to Induce the consignees to return it from whence it came & all proving ineffectual, in a very few Hours the whole of the Tea on Board Bruce, Coffin & Hall was thrown into the salt water. The particulars I must refer you to Capt. Scott for indeed I am not as acquainted with them myself, so as to give a Detail." Letter book, Dec. 21, 1773.

<sup>12</sup> Schlesinger, *op. cit.*, pp. 300-309.

to a wealthy villain than to an honest, upright man in poverty almost deserve to be enslaved." <sup>13</sup> Or, again, he may have found that the path to high state offices was barred to Americans who, like himself, had been prominent in thwarting the governor. He may still have been smoldering with rage at his arrest and trial for smuggling — a matter that had not yet been settled with complete finality. Or he may merely have been jockeyed into an inescapable position by the radicals.

A study of John's business does not throw any conclusive light on his motives. Yet I think that it does suggest one further possibility. He had clearly not been a success as a merchant. Almost every one of his ambitious schemes had proved a humiliating fiasco. The gilt was off the gingerbread so far as business was concerned; he could hope for no spectacular future in that field. And news of his blunders must have leaked out; the English agents at least knew all about them. He can hardly have failed to contrast the poor figure that he was cutting on 'change with the applause that he could evoke so easily at town meetings. He may rightly have guessed that a brilliant political career awaited any leader who could combine, as he did, the glitter of the *ancien régime* with unimpeachable Whig principles. If he was at all undecided, surely here was cause enough to tip the balance towards the radicals.

Once he had shown which way his sympathies lay, John was given no chance to retract. A month or two after the tea party, he was appointed to give the annual oration in memory of the "Boston massacre." The story runs that, to put a stop to his wavering, the Whigs engineered this appointment and wrote his speech for him, taking care to fill it with the defiant rhetoric that many a school child has since had to learn by heart. John delivered it in a manner that exceeded his friends' highest expectations and electrified his crowded audience. "Dark and designing knaves, murderers, parricides!" he thundered at the red-coats. "Not only pray, but act," he exhorted his hearers; "if necessary, fight and even die for the prosperity of our Jerusalem." Thus John became committed beyond hope of pardon. <sup>14</sup>

<sup>13</sup> Sears, *op. cit.*, p. 139.

<sup>14</sup> *Mass. Hist. Soc. Proc.*, vol. XII (1875-76), p. 188; vol. X (1895-96), p. 83; vol. XLIII (1909-10), p. 155; Brown, *op. cit.*, p. 259.

Perhaps indeed he was a marked man before he had made his speech. The ministry was determined to inflict signal punishment on those responsible for the tea party. Soon after the oration, a rumor reached John from London that he would probably be sued by the East India Company for the damage to their tea; and the governor curtly dismissed him from his command of the cadets.<sup>15</sup>

However, the government's major blow proved to be aimed not at individuals but at the whole rebellious town. Parliament resolved to starve Boston into docility by a simple means — shutting the harbor. The Boston Port Act was quickly passed. By it, all shipping was forbidden; and a formidable fleet arrived in mid-1774 to make this blockade effective.<sup>16</sup>

### 3. FINIS

The start of 1774 found John in debt to Hayley for almost £11,000 stg.; his business had practically reached a standstill, and he was selling most of his ships. It is therefore not surprising that unkind rumors about his solvency should have been current in London. The faithful Captain Scott wrote to John from thence:

I assure you sir it has given me much Concern for some time past to see your Credit and Reputation suffering in the manner it has done But it has Not been in my power to say more than I have done.

Hayley became thoroughly frightened about the huge debt, especially when he found that the political crisis was being used by Americans as a general excuse for delaying remittances. In July, he took the extreme step of refusing to honor John's bills;

<sup>15</sup> H. MSS. (27) 2, Feb. 21, 1774; Captain Scott warns Hancock from London: "Mr. Rotch with Hall and all the passengers that have lately come from Boston have been severall times sent for to Lord Dartmouths office and before the privy Council and as I understand have been Strictly Examin'd which is all Committed to Writing and their depositions taken I dont know what Plan the Ministry is going Upon but I believe it generally thought the Depositions will all be sent over to Boston and the India Company sue for damages to be try'd there (a certain number of gentlemen as I hear are pitcht upon as Objects of which number I am given to understand you have the honor to be one) in your own Court;" . . . (29) 8, Aug. 1, 1774, Flucker to Hancock.

<sup>16</sup> *Camb. Hist. of Brit. Emp.*, vol. I, p. 675.

apologetically he wrote: "The unhappy state of the American trade is very alarming . . . and has forced us to the disagreeable Necessity of Suffering some of your Bills to go back protested." This news caused a flutter in the most august dovescots. Hutchinson, the former governor of Massachusetts, reports an interview with George III: <sup>17</sup>

*King:* Pray what does Hancock do now? How will the late affair affect him?

*Hutchinson:* I don't know to what particular affair your Majesty refers.

*King:* Oh! a late affair in the city, — his bills being refused. (*Turning to Lord Dartmouth*) Who is that in the city, my Lord?

(*Lord Dartmouth not recollecting*)

*Hutchinson:* I have heard, sir, that Mr. Hayley, a merchant in the city, is Mr. Hancock's principal correspondent.

*King:* Ay, that's the name.

*Hutchinson:* I heard, may it please your Majesty, before I came from New England, that some small sums were returned, but none of consequence.

*King:* Oh, no! I mean within this month, — large sums.

*Lord Dartmouth:* I have heard such rumors, but don't know the certainty.

*Hutchinson:* Mr. Hancock, sir, had a very large fortune left him by his uncle; and I believe his political engagements have taken off his attention from his private affairs. He was sensible, not long ago, of the damage it was to him; and told me he was determined to quit all public business, but soon altered his mind.

Yet the House of Hancock did not end in bankruptcy. Nor did John take advantage of the political crisis to postpone paying his English creditors. It seems remarkable that the man who had so far seized every excuse for tardiness and delay should now have behaved in exemplary fashion; but such is the

<sup>17</sup> H. MSS. (28) 3, Dec. 31, 1774, Hayley's account (27) 2, Feb. 21, Scott to Hancock, July 20, Hayley to Hancock. Mass. Hist. Soc. MSS., Apr. 9, 1774, Scott to Hancock; *Mass. Hist. Soc. Proc.*, vol. XV (1876-77), Hutchinson's Journal, p. 329.

case. Scarcely had Hayley refused to honor the bills when he found to his astonishment that ship after ship was coming up the Thames with large consignments to his address. John must have rushed these cargoes off just before Boston harbor had been closed. Hayley sold them for good prices, and together they fetched almost £13,000 stg. Since John's imports were now very small, his debt was reduced to a negligible sum; and it actually changed into a credit balance during the Revolution, when various amounts due him were collected. His minor suppliers were also for the most part paid in full. Thus his credit again stood high in England when the Revolution began.<sup>18</sup>

In Boston the winding-up of the business proved a longer and harder task. John himself could spare no time from politics; he was in 1774 elected chairman of the Provincial Congress, which soon became the effective ruler of Massachusetts. Accordingly everything to do with his private affairs was left to his understudy, Bant. The latter took over the remaining goods, tried to collect the debts, and paid large sums to creditors. But he did not avert a disagreeable hitch. On April 6, 1775 (i.e., when it was only a matter of days before fighting broke out) one of John's cousins, William Bowes, who was apparently both a big creditor and a loyalist, took legal action to secure his money. The sheriff thereupon seized English goods valued at over £3,000 from John's store, and even dragged £350 worth of Madeira out of his cellar. Here again, however, there was no danger of ultimate insolvency; Thomas had left far too big a fortune for that.<sup>19</sup>

During the early years of the war, John was chiefly out of town on high matters of state, and the business was still left in the hands of Bant. The latter found his work hard and adventurous. Besides disentangling the firm's affairs, he had to protect Hancock property from the British army and from pilferers. He arranged for the remaining ships to be hidden from the enemy in secluded havens, and then to be sold. He rode forth

<sup>18</sup> H. MSS. (23) 2, Harrison's accounts for 1774; (27) 2 and (28) 3, Hayley's accounts; (27) 2 and 3, Hill and Hyde's letters of 1783; Letter book, Nov. 14, 1783.

<sup>19</sup> Brown, *op. cit.*, p. 186; Journal, Aug.-Sept., 1782; H. MSS. (25) 3, Apr. 6, 1775, Bowes' account.

on long dunning tours, but found that country customers were so loath to pay old debts that he could not raise £100 in 500 miles; to add to his trials, the horse with which John had provided him was recognized as a stolen one, and seized. When the British evacuated Boston, he ousted the "fellows" who took advantage of the disorder to ensconce themselves in Hancock House; he also set about letting John's vacant stores, and found a ready demand, for American privateers were now bringing in well-laden prizes. As he collected money and goods, he used them to pay off creditors. Even this process was not free from bickering, for the new government soon took to issuing paper money, and by the close of 1776 the "continentals" were depreciating so fast that merchants openly put a 25 per cent discount on them, and they were refused by the more astute creditors. Poor Bant died before he had finished straightening out all John's affairs, which then lay in confusion for many years.<sup>20</sup>

Thus the House of Hancock did not end in dramatic collapse, but died gently. There was even some word of its being resurrected after the Revolution, when John for a short time toyed with the notion of withdrawing from the hurly-burly of politics and resuming a merchant's life. But he got no further than the appointment of a clerk, who saw to the winding-up of the "long laboured affairs" that Bant had left unsettled. For John had no need to earn his living. He still owned at least £13,000 of bonds and notes, while his estates had grown broader than ever, thanks to large grants of frontier land from a grateful country. And so, despite both business misfortunes and heavy losses resulting from the war, he was able to live in princely style for the rest of his days.<sup>21</sup>

<sup>20</sup> H. MSS. (24) 1, Dec. 7, 1775, Kendrick; (26) 6, July 2, 1776, Bant's deposition; Journal; Boston Pub. Lib. MSS., H. 5. 11, Bant's 1776 letters; Mass. Hist. Soc. MSS., Bant's 1776 letters.

<sup>21</sup> Letter book, 1783-86. The new lieutenant was Wm. Hoskins — Boston Pub. Lib. MSS., Ch. M. 3. 5. II, p. 227, trial balance. John's biggest war losses probably came from his advertised policy of letting debtors pay in paper instead of silver; this is said to have cost him £18,000 stg., but perhaps won many votes. Letter book, Mar. 28, 1786. Damage to his property by looters and British soldiers was relatively light — H. MSS. (17) 4, Apr. 4, 1776, Cazneau to Hancock; Boston Pub. Lib., Ch. M. 1. 10, p. 147, Bant's list of damages. Two nephews, Thomas and John (sons of the feckless Ebenezer Hancock), set up as merchants

## 4. JOHN'S POLITICAL CAREER

The tale of John Hancock's later life is well known to every good American. Yet, for the sake of non-Americans and any bad Americans, this chapter should perhaps be rounded off with a short account of his doings after his retirement from business.

During the early stages of the Revolution, history was made wherever he was present. The war began when General Gage attempted to seize him and Sam Adams for trial as traitors. Both men were then staying at the Lexington parsonage in which Thomas had been born. On the night of April 18, 1775, a column of soldiers marched out from Boston to make the arrest. But their movement was seen by patriots; warning lanterns were flashed from the belfry of a Boston church, and Paul Revere at this signal galloped off to sound the alarm and rouse the countryside. As if this tale were not dramatic enough, romance was now added: for among those at the parsonage was Miss Dorothy Quincy, to whom John was on the point of becoming betrothed.<sup>22</sup>

John and Adams escaped through the woods, leaving a battle in progress between the line of troops and a swarm of colonial sharpshooters. Some days later, the two men drove to Philadelphia as Massachusetts delegates to the Second Continental Congress, and were fêted as public heroes in every town on the way. They also received the distinction of being the sole persons exempted from an amnesty granted by Gage in a last-minute effort to restore peace.<sup>23</sup>

John now reached the pinnacle of his career. He was elected President of the Congress — the highest political honor that America could at this stage bestow. He held the post for nearly three years, and so was in the forefront on many momentous occasions. His signature, writ large "so that George the Third

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about 1793, and announced to the world that they were carrying on their uncle's business. But there was clearly no real continuity; not only was the time break long, but the nephews switched to cotton and tobacco. Their records are also at the Harvard Business School, and might provide raw materials for an interesting study of a nineteenth-century business.

<sup>22</sup> Sears, *op. cit.*, pp. 161-168.

<sup>23</sup> *Ibid.*, pp. 163, 169-176.

may read without his spectacles," heads all on the Declaration of Independence. Many more state documents bear his name, so that the phrase "John Hancock" has to not a few Americans become a synonym for "signature." In addition, he was given a chance to show his mettle as a military leader, for he was made major-general of the Massachusetts militia, and led an expedition against the enemy in Rhode Island.<sup>24</sup>

With such a magnificently spectacular start, a man of reasonable capacity and character could hardly have failed to become a first-class influence in molding the new nation. The sad thing about John is that he did fail. Placed beside leaders of the caliber of Washington, Franklin, and the other giants, he stood revealed as "The Empty Barrel;" the best that can be said for him is that he made a dignified figurehead. Recognizing the extent of his own eclipse, he soon withdrew from the realm of national statecraft and contented himself thenceforth with local politics.<sup>25</sup>

He could reign supreme in this petty field. Conservative Boston merchants might eye him with distaste, but he was the idol of the crowd, and proved an adroit party boss. He became the first elected governor of the State of Massachusetts by an overwhelming majority, and was reëlected year after year. Conservatives had the somber satisfaction of seeing their worst fears come true. By 1785 the state treasury was empty, and the rural debtor class was obviously going to revolt. John decided that he was too ill to run for reëlection; a rival was permitted to take the governorship, and sternly carried out the tasks of retrenching and suppressing the rebellion. When the skies once more grew clear, John's gout got better, and he again stood for the governorship. Thereafter he was reëlected every year until his death.<sup>26</sup>

Two more episodes deserve note. In 1788, the question of whether or not Massachusetts should ratify the federal constitution was being fiercely discussed by a convention of which

<sup>24</sup> *Ibid.*, pp. 177-227. Brown, *op. cit.*, pp. 196-220.

<sup>25</sup> J. T. Adams, "Portrait of an Empty Barrel," *Harper's Magazine*, Sept., 1930; also his article on Hancock in *Dictionary of American Biography*.

<sup>26</sup> A. Nevins, *American States during and after the Revolution* (New York, 1924), p. 215; Sears, *op. cit.*, pp. 266-302.

John was the chairman. While the debate swayed from side to side, he, by staying in bed, avoided showing his own opinion. Finally the Federalists persuaded him (apparently by promising him all credit for the settlement, besides hinting that he might be the first President of the United States) to arise and support ratification; by proposing a list of amendments, which gave an air of compromise to the matter, he managed to sway the meeting in the desired direction. Again, when President Washington paid his first official visit to Boston, John would not go to welcome him, maintaining that the state governor took precedence over the President of the United States. The President was thus kept waiting at the town's outskirts, in bitter cold. A wave of protest followed. John hurriedly announced that he had been ill when the President arrived; then, swathing himself in red baize, he had himself borne by his servants to the President's apartments, and there expressed his regrets.<sup>27</sup>

As further evidence of John's shortcomings — both as a man of business and as a public official — let me cite one other affair; in this, he combined the two rôles. Harvard College asked him to become its treasurer in 1773, and he accepted. By 1775, he was in arrears with the accounts. When he made his hazardous war-time journey to Philadelphia, he took away the College's money and £16,000 of bonds, leaving the professors without salaries; on being politely asked to return the securities, he showed marked resentment. In 1788, the College appointed another treasurer. John handed over most of the securities, but he could not be persuaded to finish off his accounts and pay a balance of some £800 that lay in his hands. Years and years went by, during which the president and fellows constantly importuned him to repay — without any effect. By this time he was governor, and the worried pedants dared not offend him by bringing an action. He even sat silently on the College's board, in his *ex officio* capacity, when his own delays were under discussion. For twenty years he evaded settlement. Some time

<sup>27</sup> Sears, *op. cit.*, p. 296; S. B. Harding, *The Contest over the Ratification of the Federal Constitution of the State of Massachusetts* (New York, 1896), pp. 45-114; Nevins, *op. cit.*, p. 236; C. R. King, *Life and Correspondence of Rufus King* (New York, 1894), vol. I, p. 319.

after his death, the College managed to get back most of its dues from his heirs.<sup>28</sup>

John died on October 8, 1793. He had not made a will; his widow was in consequence saddled with the burden of splitting up his far-flung estates among the heirs. The task proved too much for her, and proceedings were still dragging on in 1902.<sup>29</sup>

<sup>28</sup> Harvard University Archives, U. A., I. 4, 29; Josiah Quincy, *History of Harvard University* (Boston, 1860), vol. II, pp. 182-209.

<sup>29</sup> His estate was valued at under £40,000 (Suffolk Probate Records, 20,215). Even ignoring the question of monetary depreciation, he had thus dissipated much of Thomas' fortune. He left no direct descendants, since his two children predeceased him. Much domestic gossip about his family, e.g., his widow's remarriage to the gallant Captain Scott, is given in E. C. D. Q. Woodbury, *Dorothy Quincy* (Washington, 1905).

## Conclusions

## I. THE BUSINESS IN REVIEW

WE HAVE NOW traced the story of the House of Hancock from its beginning to the year 1775. We have seen that, when Thomas started in 1724, he had only a petty stationer's shop. Almost at once, however, he took to importing English goods; he probably had no choice but to do so, the local demand being too small to support an adequate wholesale market. Next, the absence of foreign-exchange dealers forced him to look for sterling with which to pay creditors. His quest led him to export oil, to ship flour and rum to Newfoundland, and to send fish to Spain. After a few hitches, he became a past master of his trade and thrived exceedingly; he organized many profitable shipping and exporting projects, besides trying his hand less effectively at manufacturing.

A brief lull followed as the war of 1739 grew near. Then came a triumphant new phase. On the one hand, Thomas coined money hand over fist by privateering and performing the risky task of financing the government; on the other, he snapped his fingers at the government by arranging a triangle of illicit trade between Boston, the Caribbean, and Holland. During the lean years that followed the peace, he still contrived to tap the funds of the British Treasury by supplying the new colony of Halifax. Then the Seven Years' War broke out, and he reached the summit of his exertions; as banker, supplier, and administrator, he proved himself the right hand of the military leaders. Soon after peace and quiet had been restored, he died.

The business had taken Thomas forty years to construct. In the next five, John brought it to a standstill; in five more, it had crumbled away.

To blame John entirely for this abrupt ending would be un-

fair. He was heavily handicapped during his whole term of management. Few things stand out more clearly from the Hancocks' story than the strong rhythms that were imparted to trade by wars, and John was unlucky enough to take over the reins during a long down-swing. At their best, the postwar years seldom offered chances so golden as those which Thomas had enjoyed; at their worst, they were times during which trade was brought to a dead stop by political troubles.

But the depression does not wholly explain John's failure. Nor do his defects of character; though these were many and grave — tardiness, spleen, and unreliability — he also had merits (such as energy and boldness of design) that we might well have expected to offset his faults. Yet his grand schemes always seemed to go wrong. And, if we stop to analyze why this was so, I think that we see one of the main differences between uncle and nephew: Thomas made plans that fitted in with the conditions of the times, whereas John could not perceive what these conditions were, and as a result exhausted himself in swimming against the current.

Let us try to summarize the main features of eighteenth-century business organization, as shown by the Hancocks' experience. We shall first consider the general framework within which the entrepreneur had to work, and then the devices that he evolved to meet his needs.

## 2. GENERAL CONDITIONS OF COLONIAL TRADE

There seem to have been three main respects in which the general framework of colonial trade differed from that of later periods.

First, communications were bad. This theme needs no amplification. And the effects on business procedure were very marked.

Second, the scale of operations was minute. We must bear in mind that the population was not large, and — what is more important — the standard of living was low; cheap goods were not yet pouring out from factories, and so the flow of exchangeable wealth was a mere trickle. The most striking fact shown by the Hancocks' journals (see Chapter IX, item A of appendix)

is the smallness of their trade. Doubtless the figures are incomplete; but, even if we allow a margin of several hundred per cent, they remain wholly insignificant by our measures. Here stands revealed the leading merchant in the leading city of America; and he counts himself lucky if his credit sales reach \$4,000 a month, while any day on which he makes three sales is a rush. From the standpoint of volume, American trade seems to have been nearer to the Middle Ages than to our own times.<sup>1</sup> It follows that any writer who, in describing colonial towns, uses such phrases as "busy markets," or "hustling seaports," or indeed anything that does not suggest a slow and meager traffic, is misleading us.<sup>2</sup> I fear that I, too, have been guilty of this error in my attempts to stress the relatively busy spells in the history of the Hancocks; in reality, the volume of their dealings, the quantities of their wares, and the number of their shipping adventures were always petty as judged by later standards. And this smallness of scale was bound to leave its stamp on their methods.

The third major influence was of course lack of a good currency. We have seen how this hampered the Hancocks' trade at every turn and drove them to all sorts of odd exchange devices. And there does not seem to be any risk in generalizing from their experience and concluding that such practices were common throughout New England. The ledgers of Henchman, Kilby, and other merchants tell the same story, and it is repeated in the many accounts sent to the Hancocks by their customers; together, these must cover a wide cross-section of New England life.

But dare we go a step further and say that such methods of payment were also normal in eighteenth-century Europe? Here we must be very cautious, since scholars do not seem to have paid much attention to the point. Perhaps our best guides are old manuals of bookkeeping, for the authors illustrate their texts with what they regard as typical accounts. In the eighteenth century, their examples lack the barter flavor of the Hancock

<sup>1</sup> For medieval figures, see Weber, *General Ec. Hist.*, p. 207.

<sup>2</sup> Data regarding the size of Boston's trade appear in Nettels' article, "Boston, Philadelphia, and New York."

records.<sup>3</sup> But, if we go farther back, the difference grows less marked. In seventeenth-century works we do come across triangular settlements, though they are more in the nature of bill-of-exchange transactions than barter. Stepping back another century, we find that the oldest surviving textbook in English reproduces the Hancocks' dealings to the life. This work is dated 1547, and it is apparently based on business procedure in Antwerp when that city led all others in trade; the author quotes nine diverse ways in which payments are made, namely cash, "time," barter, assignments of debts, and various combinations of these methods. Again, a modern study of medieval trade also mentions many three-cornered bargains, some designed to evade the Church's ban on usury, but some to take the place of money when the latter was scarce.<sup>4</sup>

From these writings we may reasonably risk two conclusions: (1) by the Hancocks' time, British currency and banking had evolved so far that traders were no longer forced to use complex tricks for debt settlement; but (2) the Hancocks' methods were very like those that had prevailed before the monetary system had been set in order. In other words, we are again led to think that, by studying the trade of the American Colonies, we can glean useful suggestions about the conduct of European business at a far earlier date.

<sup>3</sup> That promises payable in kind did exist in Europe is shown by a description of Scottish banknotes prior to 1765:

James Smiton, seemingly a coffee-house keeper in Edinburgh, obliges himself "to pay the bearer, on demand, in money or drink, two shillings and sixpence sterling," on the backs of which notes, it is stated, are sometimes marked receipts for one or more mugs of porter, or bottles of strong ale, &c., in part (payment). P. Williamson, Edinburgh, under the designation of the Ready-Money Bank, promises "to pay to Sir John Falstaff, or bearer on demand, in books, coffee, or ready money, according to the option of the Director (!), one shilling sterling, value received." A. W. Kerr, *History of Banking in Scotland* (London, 1926), 4th edition, p. 75.

Yet the accounts of Messrs. Waterson (an Edinburgh firm of stationers, whose business dates back to this period) show little or no sign of complex transactions, and thus are in sharp contrast to the Hancock records.

<sup>4</sup> M. Postan, "Credit in Medieval Trade," *Economic History Review*, vol. I. The accounting textbook is Jan Ympyn's *New Instruction* (reprinted in *Economisch-Historisch Jaarboek*, vol. XVIII).

And what, we may perhaps ask, of mercantilism? Was not this another factor influencing methods of trade? The best answer is perhaps that the system was not so much a separate force as an intensifier of the three forces already mentioned. Because each state forbade foreign ships to visit its colonies, improvement of communications was hindered; it is noteworthy that the Hancock records do not mention a single case of participation in colonial trade by a foreign ship. Because nearby areas were fenced off from one another by decrees, small markets were made even smaller. Because Britain checked the financial development of her plantations (e.g., by suppressing the Silver Bank), monetary difficulties were aggravated.

But mercantilism probably did have a direct effect on one aspect of business organization — the credit system. The American market was held in thrall by Britain; yet, if British exporters like Kilby were enabled to extort high prices, they also had to finance colonial trade in the most lavish fashion. We have again and again seen how great were the loans demanded by the Hancocks of their London agents, and how sluggish was payment. In the end, indeed, the monopoly proved unhealthy for everyone concerned. It had a boomerang effect on British merchants; distant debtors are hard to handle, and the creditor often had to make unwise concessions to ensure earlier loans. Further, the whole British economy became somewhat lopsided and overspecialized.<sup>5</sup> And many Colonists must have joined the Sons of Liberty more from debt than from principle; thus the monopoly hastened the Revolution and its own end.

Though the Hancock records strengthen the belief that mercantilism was shortsighted, they also quicken our understanding of what gave birth to the mercantilists' views. To us, who can take currency and banks for granted, there is something absurd in the stress placed by those early economists on the need for husbanding a nation's money. Reasoning from our own happy experience, we lightly accuse them of confusing money with wealth. But the experience of the Colonies shows how real was the risk of the whole currency's being exported, and how serious were the inconveniences that followed. Adam Smith cites the

<sup>5</sup> Smith, *Wealth of Nations* (Cannan edit.), vol. II, p. 105.

Colonies as proof that a community can prosper without precious metal.<sup>6</sup> He was doubtless right; yet the Hancock accounts give me a vivid impression of the many troubles caused by lack of money, and a strong feeling that, at least until sound paper currencies and banks of transfer had been established, the mercantilists' dread of becoming coinless was not unreasonable.

### 3. BUSINESS ORGANIZATION: THE UNSPECIALIZED MERCHANT

To judge from the Hancock records, the most vital figure in New England's economy was the merchant. He provided most of the initiative and drive; he collected the capital and took the risk; he supplied the skill and organizing power. In this respect, the Colonies probably differed no whit from contemporary and earlier Europe. The merchant-capitalist had for centuries been a dominant force. Thomas Hancock's life and methods may well have repeated, with reasonable fidelity, those of countless other merchants from Dick Whittington onwards; perhaps the only big contrast between Thomas and his medieval counterparts was the former's freedom from control by guilds. However, this long-established leadership of the merchant was not to last much longer; progress in manufacturing was already beginning to shift power into the hands of a new class, and the nineteenth century would see the victory of the specialized industrialist.<sup>7</sup>

Thomas Hancock, as we have seen, was no success as an industrialist. Nor did specialization suit him. After his brief spell as a retail bookseller and stationer, he supplemented this trade with side lines; and the side lines soon eclipsed the book-selling. Rigid specialization upon one function was somewhat unusual in the merchant capitalist, who was likely to engage in all manner of diverse enterprises rather than to lavish his whole energy and wealth on the tiny field.<sup>8</sup>

What were the forces that made Thomas deal in so many different wares, besides combining retail with wholesale, banking with whaling, and land ownership with shipping projects?

<sup>6</sup> *Ibid.*, vol. I, p. 462; vol. II, p. 426.

<sup>7</sup> Gras, *Business and Capitalism*, Parts III-V.

<sup>8</sup> *Ibid.*, p. 77.

All the three general factors noted in the preceding section probably worked against specialization, but smallness of scale was perhaps the most important. The demand for any one type of service was too feeble to yield a high income. That there were plenty of specialized trades in Boston is shown by the Hancocks' many references to butchers, sailmakers, distillers, wharfingers, and the like. But such trades do not seem to have offered prizes high enough for the able and ambitious, who found outlets for their powers only through diversification. And, once they had established themselves as leaders in general business, smallness of scale would again show itself as a foe to specialization. For the number of merchants with capacity and capital was so tiny that the successful few enjoyed something of a monopoly when any big task was afoot; Thomas was the only man big enough to handle the government's affairs at Boston during the Seven Years' War, and so new functions were thrust onto him. Again, the smallness of a merchant's investment in fixed plant left him highly mobile as compared with later capitalists; for instance, Thomas could quickly sell off his fleet or his stock of West India goods when he wanted to change from foreign trade to some more paying task. This liquidity was further helped by his lack of the "goodwill" that is nowadays created so expensively by advertising a single brand of wares.

The other general forces — bad currency and communications — strengthened the pull towards diversity. I have already labored shortage of money quite enough; Thomas had to be omnivorous, or else forego payment of the debts due him; similarly, foreign trade was out of the question unless he would play both importer and exporter. Poor communications worked in much the same way. They acted as an unwritten tariff, encouraging each district to be its own maid-of-all-work, and denying it the benefits of specialization. Its handful of merchants enjoyed a natural monopoly. The matter is well illustrated by the Hancocks' sub-contract for supplying the remote garrisons of Nova Scotia. Woodford, the Treasury's main agent in England, was powerless without Thomas; and Thomas was at the mercy of his sub-subagents at the outposts. The man on the spot, whether or not he was competent, had the whip hand of

the far-off specialist, and tended to absorb many functions to himself.

There are, perhaps, two types of unspecialized traders. The first carries on several *parallel* lines of work; the second moves from one kind of work to another *in sequence*. The first is produced by smallness of scale, et cetera, and is the true unspecialized merchant; by the eighteenth century, he was presumably more typical of the Colonies than of the larger European centers. The second is produced by love of speculation; he changes to new trades whenever they promise uncommonly high profits (so that we may almost regard him as being a specialist — in adventure); according to Adam Smith, he can work only in great towns, as he depends on full and accurate news.<sup>9</sup> Thomas belonged to the former group. Though he liked risky ventures, he never abandoned his staple trade in imported manufactures; at a guess, he would have been content to carry on this trade alone if there had been bankers to look after his remittances. But John's oil project was so big and hazardous a diversion that he may perhaps be classed as a speculator; its failure certainly resulted in part from the smallness of Boston as a news center and oil market.

A colonial merchant was probably of most use to his little community when he undertook many tasks. Nevertheless, a high price was paid for inability to adopt the division-of-labor principle. In Chapter XI, I pointed out how incompetent and unreliable were the men with whom the Hancocks dealt. Perhaps we may blame nonspecialization for most of this bungling. The failure of Thomas' schemes for manufacturing and mining points the same moral. Indeed, when the advent of factories made proficiency essential, business leaders were forced for a time to abandon breadth of interest and to concentrate on learning a single technique.<sup>10</sup>

#### 4. BUSINESS ORGANIZATION: AGENCY

The Hancock records pay ample tribute to the importance of the agent in the overseas trade of the eighteenth century. For

<sup>9</sup> *Wealth of Nations*, vol. I, p. 115.

<sup>10</sup> Gras, *Business and Capitalism*, Part V.

that matter, he plays a prominent part even today. But, owing to the nineteenth-century changes in general conditions, he has altered in two respects. First, he now handles few consignments. Second, like everyone else he has become more specialized.

Perhaps we may look on consignment trade as the product of an intermediate stage in the growth of travel and communications. Progress in these brought the consignment agent into being, and more progress killed him. When communications were extremely uncertain and hazardous, an exporter had himself to journey with his stock and arrange for its sale; and so the dark ages were the period of itinerant traders meeting at fairs. When communications grew somewhat better, the trader found that he could work by correspondence; accordingly, by the close of the Middle Ages, the dominant figure was the "sedentary" merchant who did his exporting through consignment agents. When communications were again speeded up in the nineteenth century, the consignment agent was once more superfluous. The reason is not far to seek. If Thomas Hancock were alive today, and had a big stock of oil on his hands, he would have no need to consign it, i.e., send it off to an agent without knowing what it would sell for. He could instead offer it by cable to specialized buyers in all the big markets, and arrange its immediate sale at a firm price. The steamship and cable, and later the airmail and wireless, have all helped to destroy the consignment agent's usefulness. Progress in the arts of grading and sampling hastened his downfall.<sup>11</sup>

Increases in the scale of business have turned the agent into a specialist. The Hancocks — and even big London firms like Barnard & Harrison — were merchants on their own account, as well as agents; and when they were employed as agents, they might act as importers, as exporters, as shippers, and as

<sup>11</sup> My authorities for present conditions are living traders; for the past, Gras, *op. cit.*, Part III, § 1 and 2, and Part V, § 5, and M. Weber, *op. cit.*, pp. 216 and 292. But the Hancocks' methods hardly support Weber's assertion: "A positive prerequisite for trading on consignment is the establishment of regular exchange quotations on the point of destination, since otherwise the risk in consignment would be unbearably high." The two-way agency cut out exchange difficulties (though not risk); the Hancocks' dealings with their main agents were usually based on bookkeeping barter, with values stated in sterling.

clearers, besides handling every sort and make of goods. Nowadays they would have to concentrate on one small field.<sup>12</sup> Perhaps the biggest single step forward has been the division of foreign trade between the men who dealt in goods and the men who dealt in exchange. It was lack of specialists in international banking that forced the Hancocks to do both their buying and selling through one London agent (just as lack of local banks and currency bound down their home trade to a two-way basis).

Despite the merits of the agency system, it involved very weak control by a merchant over his foreign trade. He had perforce to trust his agents blindly. Not only did his messages to them travel at a snail's pace, but skill at bookkeeping and auditing was so rare that he had little check on their transactions. (Significantly enough, when the next generation of New Englanders took to trading with the Far East, a supercargo was sent with these more valuable shipments to control the oriental agents.)<sup>13</sup> An agent who showed reasonable initiative and honesty was something to be thankful for, and he was invested with great discretion. Even the British Government entrusted difficult tasks to such men in preference to its own civil servants. Kilby, it will be remembered, as agent for Nova Scotia was charged with the problems of transporting, settling, and "subsisting" three thousand emigrants, who had also to be furnished with tools; this was in addition to acting as banker for over £330,000 of grants by Parliament.<sup>14</sup> Would the modern state delegate any of these tasks (save the banking) to non-officials? We may perhaps deduce a marked transfer of popular esteem from business men to bureaucrats.

It may be asked: why did not merchants like Thomas or Kilby keep fuller control over their business by replacing their overseas agents with branches? Thomas, for instance, might have sent John to establish a branch in London.

<sup>12</sup> Harrison (of London) stated that as early as 1772 his firm was giving up its American commission trade and concentrating on a domestic linen business. Dare we treat this single case as a straw in the wind? (*Mass. Hist. Soc., H. MSS., Apr. 26, 1784.*)

<sup>13</sup> K. W. Porter, *The Jacksons and the Lees: Two Generations of Massachusetts Merchants, 1765-1844* (Cambridge, 1937), p. 80.

<sup>14</sup> PRO., Audit Office, declared accounts, 1301, Kilby's account, 1749-70.

The most obvious answer is that the scale of business would not have kept the branch busy; an agent, on the other hand, can serve many masters. But I do not think that this is the whole story. Even the large firms of today seem often to prefer agents as their envoys abroad (unless much technical knowledge is essential). The real objection to branches, apart from expense, is probably the immense difficulty of controlling an overgrown and scattered enterprise.

#### 5. BUSINESS ORGANIZATION: PARTNERSHIP

It would be wise for us to remember that, where the many activities of the Hancocks appear to mark a big difference between them and later merchants, the contrast may in some cases be more a question of forms than of fundamentals. For example, we can hardly imagine a bookseller of today being obliged, as an essential part of his work, to take pork from debtors, or to put triangular book-entries through his ledger, or to export whale oil. Here are genuine differences between him and Thomas Hancock. But we should be much less surprised to find that, if he were a man of unusual organizing powers, he was also a director of some quite dissimilar enterprises — say, of a factory and a bank. Here the difference between him and Thomas would be largely a matter of legal form; the one man would be a company director, whereas the other was a partner.

The same type of reasoning is helpful if we consider how Thomas invested idle capital. When he put this into his many partnerships, he was often acting just like our modern bookseller who, having surplus funds, buys shares in companies that have nothing to do with book-selling. In other words, where Thomas' motive was merely to invest unemployed wealth, his partnerships cannot be regarded as proof of anything except the absence of company laws and stock markets; the ventures themselves are in fact less alien to modern ways than his method of subscribing his share of the capital — i.e., in kind.

So, when we come to analyze Thomas Hancock's partnerships, we must beware of reading too much into them. Only in some cases do they emphasize major contrasts in conditions

(e.g., the difficulties of specializing). The test is whether or not they served as necessary props to his main business. His shares in privateers or lottery tickets were mere asides. But his early adventures in oil and shipping were essential complements to his staple trade; and he could hardly have engaged in them without partners, who helped him by sharing the unusually big expenses, risks, and difficulties of management. Here is something far removed from our notions of a bookseller's work. Perhaps our nearest modern parallel to these tangled partnerships is to be found in the ramifications of inter-company and holding-company finance.

In describing the growth of partnership, economic historians often analyze such organizations and classify them in several different types, each tending always to have its own method of control and normal ratio of profit-sharing. Such cut-and-dried forms may well have existed under some legal systems.<sup>15</sup> But I must confess my inability to discern anything like them in the Hancocks' ventures. Their partnerships seem in most cases to have been brief and fluid. I have found nothing like articles of association for any of them, and doubt if the partners had any use for written contracts or for lawyers. Nor is there any reason to think that this free-and-easy attitude bred quarrels among them. Clearly, their standards of honesty and trust were high. Only in the extreme case of the transatlantic partnership between John Hancock and his London agents did the arrangement sometimes prove too lax; thus, when he had casually offered them a share in an oil cargo that was already en route, and they refused it, he wrote acidly, "[I] conclude that money will be lost on that cargo . . . in future I must decline leaving my concerns at such an uncertainty."<sup>16</sup>

#### 6. THE HANCOCKS' CONTRIBUTION TO THE COMMUNITY

If my description of eighteenth-century trade is sound, a colonial merchant had scant hope of success unless he satisfied

<sup>15</sup> Thus Postan (*op. cit.*, p. 251) explains how Italian law distinguished between the *commenda*, the *collegantia*, and the *compagna*, but adds that these stereotyped forms seem over-simplified for England.

<sup>16</sup> Letter book, Aug. 22, 1765, Apr. 17, 1766, Barnard.

certain conditions. He was forced to be content with modest ventures. He had to embrace variety, and keep himself free to slip from one line of trade to another when new needs arose. He must be able to work in harness with many partners and agents, expecting no more from them than was reasonable, and on the other hand cherishing his own credit as a man of trust. Thomas did these things. John did not. So Thomas grew rich, whereas John could not even maintain the wealth that was bequeathed to him.

And I would venture to say that these varying rewards are a fairly true index of the two men's contributions to the welfare of society. (I speak here only of business, and leave out John's work in politics.) Thomas gave the world precisely what it needed. He spent his life in the task of finding wants and allaying them. Thanks to his energy, his love of risk, and his gift for organizing, he built up a machine that for half a century supplied raw materials to London, manufactures to farms on the frontier, and food to Newfoundland fishermen and West Indian slaves. That he won big profits from these trades suggests — since he had often to face strong competition — that he had a shrewder eye for detecting needs, and more skill at avoiding waste, than his many rivals.

This praise does not mean that I am blind to the faults in Thomas. I have quoted his own words often enough to show the bad in him as well as the good. Though his letters reveal many lovable traits — he was forthright, hearty, and courageous — they also prove him to have had a streak that was brassy and gross. He was interested in little save his home and store; in concentrating with all his might on business success, perhaps he came to confuse means with ends and to look on money-getting as the prime test of ethics. For instance, the methods by which he secured his government contracts are indefensible; they may have been typical of the age, but some men remain honest even in a corrupt age.

And no appraisal of the Hancocks as good citizens would ring true if it ignored their smuggling. Here is a difficult problem in right and wrong, and one that it has become hard for us to approach without bias. Across a couple of centuries, smug-

glers look romantic. Also, we are prone to excuse the New Englanders on the grounds that the laws they broke so lightly were made by a remote and despotic power. To reason so, however, is to let our knowledge of subsequent history and ideas color our judgment; "Our own government today," comments an American historian, "would not for a moment consider such a plea on behalf of an Alaskan."<sup>17</sup>

The problem is made all the nicer because many of us now believe that, from the standpoint of material welfare, the New Englanders were serving mankind more faithfully in breaking the customs laws than in observing them. Economic logic, it so happens, has since shown that probably the smugglers' free and natural trade — the sending of goods to wherever they were most wanted, regardless of frontiers — was far more useful to the world than the stilted commerce of the mercantilists. But is this a valid defense of the Hancocks? Dare we suppose that they knew anything about the theory of free trade? The *Wealth of Nations* had not yet been printed. The theories of mercantilism had hardly been challenged so far, and were indeed a great step forward in economic thought; many of the restrictive laws had been made by informed and able men, partly (it is true) under pressure from interested persons, but often in response to patriotic and social ideals. On the other hand, the Hancocks could see very well that these laws were enriching some areas at the expense of others — not least, of the area in which they themselves lived. Thanks to this geographical separation of the favored and hampered groups — unhappily rare where economic legislation is concerned — the New Englanders perhaps needed no great thinker to point out evils in the system.

The problem is also difficult from the ethical standpoint. To smuggle, one had often to sink to bribery, perjury, and other unsavory means; further, the trade helped to breed that disrespect for the law which has since proved such an unfortunate feature in American life. On the other hand, there are surely strong grounds for holding that a law, if it interferes wholesale with a man's way of life, and is not regarded by a large section of those affected as bringing any benefit, is *ipso facto* bad. And

<sup>17</sup> J. T. Adams, "Portrait of an Empty Barrel."

when (as in this instance) no real effort at enforcement has been made for decades, and most citizens have come to take violation for granted, the case against that law seems strong indeed.

The issue is by no means dead yet. Not so long ago, prohibition brought it home to all of us; and even apter parallels still exist. For the twentieth century has seen almost every country create a maze of regulations with the aim of remolding, not merely foreign trade, but every part of the home economy as well. The modern smuggler, I suggest, is the man who violates these new rules and pits himself against the array of control boards that enforce them. Unlike the colonial merchants, he is not regarded as romantic — he may be labeled a reactionary, a scab, or a sweater. Yet he could reasonably argue that many of the laws are attacks on personal freedom and make for the impoverishment of all save privileged groups.

I think that we must sum up the pros and cons thus: (1) In the matter of short-run material welfare, the Hancocks gave more help to the world as smugglers than they could have done as law-abiding citizens. (2) From the standpoint of ethics, the problem seems to hinge on motives. In his heart of hearts, why did Thomas think that he was smuggling? To line his own pocket? To serve humanity? To help his group in a fight against oppressors? If the Hancocks held strong views on the last two questions, to break the law would be almost a duty and a matter of conscience. We cannot be sure which motive was in fact uppermost in their minds (though John obviously felt keenly on the issue of liberty); but, for my own part, I am ready to give both men the benefit of the doubt.

However, even if my readers disagree with me on this issue, I think that they must concede Thomas to have been — on balance — a good citizen of the world, and a person who devoted great talents to useful ends. A just epitaph for his tombstone might have run:

Here lies Thomas Hancock, merchant;  
But for him, countless men  
Would have felt the  
Pangs of want  
More keenly.

When we turn from Thomas to John, and try to appraise the latter's material contributions to society, there are no great feats to record. True, he managed to maintain a flow of imports for several difficult years. But he could perceive no new demands, and his attempts at reorganization were not fruitful. His sole effort to enliven the business was his grandiose scheme for cornering the oil trade. Had he succeeded with this speculation, and extorted monopoly prices from consumers, he would clearly have been thoroughly antisocial. Even though he failed, his scheme made for waste; for example, the high prices at which he bought oil must have tempted more men and capital into whaling, leaving other trades less able to meet the public's needs. A vast inheritance gives great power to misdirected economic effort, and John proved to have neither sound judgment nor administrative gifts. Happily his disappointments soon prompted him to quit trade for a sphere in which, as it turned out, he could make a contribution far bigger than that possible to the most successful business man. The adherence to the liberal cause of a leader with wealth, rank, and political address may well have swung round a multitude of waverers, and so have tipped the scales at a decisive moment. In view of his political contributions, we need not regret that John brought the long and useful life of the House of Hancock to its close.

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