

REPORT OF THE COUNCIL.

THE members of the Antiquarian Society are thinking to-day about their late revered President, Stephen Salisbury. The first thought is that we have lost a friend and valued counsellor; the second, that a beautiful memory is left to us.

The Council has given expression to its sense of the loss which this Society and the community have met with in the death of Mr. Salisbury in resolutions passed at a meeting held in the forenoon of the day of his funeral.

It would gladly pay another tribute to his memory to-day, but has thought it best to intrust this duty to his old friend, our esteemed associate, Dr. Peabody.

The reports of the Treasurer and Librarian are herewith submitted as a portion of the report of the Council. They call for no comment. The Council, however, is unwilling to pass over the statement of the Treasurer that Mr. Salisbury left to the society bequests of the amount of twenty thousand dollars, without recording the fact that it is profoundly sensible of the kindness and generosity which prompted this and the many other gifts of our deceased President.

The Council has recently made new arrangements for heating this building. Instead of buying steam from the County of Worcester, the Society will hereafter make its own steam.

Five members of the Antiquarian Society have died since the last meeting, six months ago, and the death of a sixth associate, who died several years since, has just come to our notice.

William Adee Whitehead, A.M., was born February 19, 1810, in Newark, New Jersey. His father, William Whitehead, was the first cashier of the Newark Banking and Insurance Company, the first bank chartered in New Jersey. His mother was Abby Coe, a member of a family identified with the history of Newark. As a boy he attended several schools, among them the Newark Academy. In his fourteenth year he removed with his father to Perth Amboy. In 1828 he went to Key West, Florida, to become an assistant to his brother, John Whitehead, one of the four original proprietors of the island on which that town is situated. He surveyed the island and laid out the town. Returning to Perth Amboy for a few months in 1829, he went back to Key West in the autumn of the same year. In 1830 he was appointed collector of the port of Key West, entering upon the duties of this office before he was twenty-one years of age. In August, 1834, he married, at Perth Amboy, Margaret Elizabeth Parker, daughter of James Parker of that place, and soon returned to Key West. There he was a member of the town council and afterwards mayor. He assisted in the organization of the first church in the place and interested himself greatly in educational matters, in gathering statistics relating to health and mortality, and in the establishment of a newspaper. There, too, he began to make meteorological observations, continuing them throughout his life. A point of the island and one of the streets of the town perpetuate his name. Mr. Whitehead resigned the office of collector July 1, 1838, to engage in business in New York. For several years we find him in Wall street, then with the Astor Insurance Company, afterwards Treasurer of the New York and Harlem railroad, then, for many years, an officer of the New Jersey railroad and, finally, Secretary of the American Trust Company. After 1843 his residence was at Newark, where he was closely identified with all the best interests of the city. He filled several important trusts in connection

with educational institutions, and the establishment of the Newark Library Association is largely due to his efforts. He was President of this organization for thirty-three years. His leisure hours were spent in studying and illustrating the history of his native State. He was an authority in regard to the colonial and revolutionary history of New Jersey, and was associated with the Historical Society of that State from its beginning. It would be impossible to overstate the value of his services to that society. He edited the volumes of its Proceedings from the commencement, and published in them several valuable works on the history of New Jersey. For a list of his contributions to this subject reference is made to Allibone's Dictionary of Authors. It was through the efforts and under the direction of Mr. Whitehead that the State of New Jersey undertook the publication of its Colonial Documents.

Mr. Whitehead made systematic observations and records of meteorological phenomena, and published monthly accounts of these for forty years in the Newark Daily Advertiser, also furnishing the results of his observations to the Smithsonian Institution at Washington. Mr. Whitehead was much interested in geology. He wrote, too, not unfrequently on theological subjects and about ritual matters, and contributed multitudinous articles to newspapers.

His correspondence with men of learning and students of history was very large. It is needless to add that Mr. Whitehead was, emphatically, a busy man. He died at his summer residence at Perth Amboy, August 8, 1884, leaving a wife, daughter and son. The last named is Bishop Cortlandt Whitehead of the diocese of Pittsburg, Pennsylvania. Mr. Whitehead was himself a leading member of Trinity Church, Newark. He was a public spirited, Christian gentleman, and was respected and beloved by all. A man of commanding figure and dignified bearing, he was uniformly courteous and of a high toned sense of honor. In a notice in the North American Review (written, it is

stated, by our associate, Rev. Dr. Peabody), of his "Contributions to the early history of Perth Amboy and adjoining country," are the following words regarding him: "He is a zealous antiquary, an indefatigable seeker in his department of inquiry and an accomplished writer; and it matters little what spot of earth such a man chooses to write about, — if it is not interesting, he will make it so."¹

Mr. Whitehead was elected a member of this Society at the meeting in October, 1855.

Robert J. Farquharson, M.D., was the son of a Scotch Highland gentleman who took part in the rising in favor of Prince Charles, and after the defeat of that unfortunate aspirant for regal position emigrated to this country. Dr. Farquharson was born in Nashville, Tennessee, where his father had settled, and was a successful merchant for fifty years. He received a preliminary education in that city and then went to Philadelphia to study medicine. He served as surgeon in the United States navy for ten years. On the breaking out of the civil war he adhered to the Union, and in consequence lost a large portion of his property, recovering something, however, after peace was declared. "He owned," says the Davenport Daily Gazette of September 7, 1884, "a large home in the suburbs of Nashville, and at the time of Morgan's raid the Doctor had to leave his house, and with his faithful black servant had to hide in the woods, and for a week lay hidden in a cornfield while Morgan's men were hunting high and low for the outspoken Union army doctor. But he had successfully escaped to Cincinnati where he was safe. He then went as house surgeon in several of the Union hospitals." Dr. Farquharson moved to Davenport, Iowa, in 1868, and there entered on the practice of medicine, devoting much of his time to scientific pursuits also, and in particular, to the study of archæology, in which department of knowledge,

¹ N. A. Review, vol. 84, pp. 278-279.

says the Gazette, he was considered an authority. He contributed several papers on local archæological and on other subjects to the proceedings of the Davenport Academy of Science. It is stated that much of this society's reputation is due to his labors. He was its president in 1878, and later on President of the Scott County Medical Association. Three years ago, having accepted the position of Secretary of the Board of Health of the State of Iowa, he removed to the capital of the State, Des Moines, where he resided until his death, performing the duties of his office in such a manner as to receive marked commendation, and to be appealed to from all sections of the country to give opinions upon hygienic subjects.

Dr. Farquharson had a great amount of knowledge, and in imparting information expressed himself clearly and with scientific accuracy. He was thorough and patient in making investigations. Extremely modest and unassuming he yet had the courage to stand firmly by his convictions. He had a sincere love for his home, friends and country. The loss of this venerable man is felt by his associates in the medical profession, by men of science and by the State. William Stevens Perry, Bishop of Iowa, writes of Dr. Farquharson that he was "as devout as he was learned; as gentle as he was brave and manly. The whole community is bereaved in his death, and, quiet and reserved as he was, few men are more widely mourned." He died at Des Moines, September 6, 1884. Dr. Farquharson was chosen a member of the American Antiquarian Society in October, 1876.

Samuel Stockwell Early, was elected a member of this Society at the meeting held at Boston in April of the present year. He did not accept the position until September 8th, writing under that date that he had delayed replying to the invitation to become a member of the Society in the hope that he might be able to accompany his acceptance of the honor conferred upon him with something in the way of

a contribution to the work of the Society: "a sort of thesis, so to speak." He did not find leisure, however, to complete the paper, and wrote that he must defer transmitting it to some later date. Ten days after, September 18, he died. Attacked with the disease of paralysis of the heart while sitting in a barber's chair, he passed away instantly.

Mr. Early was born at Flemingsburg, Kentucky, in July, 1827, and was fifty-seven years old when he died. Losing his mother while very young, he was placed under the charge of his grandparents, Mr. and Mrs. Stockwell. In 1838 or 1839 he was brought to Terre Haute, Indiana, whither his father had moved in 1835. He graduated at Asbury College, an institution which now bears the name of De Pauw University, in 1844, and soon went to Europe for a visit. Returning, he engaged in business with his father and continued in it after his father's death, January 6, 1869, until 1872. In this year he removed to Baltimore and began the publication of the *Baltimore Bulletin*, but after remaining there for several years returned to Terre Haute, having disposed of his newspaper property. He was successful in Baltimore, but was not contented away from Terre Haute. He again went into business, remaining in it until four or five years ago.

In 1856 he married a daughter of Colonel Timothy Andrews, Assistant Paymaster in the United States army, and soon after his marriage accompanied by his family made a second trip abroad.

During the last few years he led a quiet and studious life. Terre Haute lost in Mr. Early, it has been stated, one of its most intellectual and refined residents as well as a thorough man of business, and the State of Indiana one of its most highly cultivated citizens.

A writer in the *Terre Haute Express* of September 19, 1884, under the signature R. W. T., presumably the initials of Hon. R. W. Thompson, a distinguished citizen of Terre

Haute, and a late Secretary of the Navy, states that while Mr. Early "took deep interest in the extensive business operations of his father and became a most thorough and competent business man, he acquired very early in life a thirst for literary and scientific pursuits, which he always sedulously cultivated." Mr. Early was also, writes Mr. Thompson, "a careful student of history and made himself a thorough master not only of its most instructive and interesting facts but of its philosophy also." He was an enthusiast on the subject of education. As secretary of the board of trustees of the Rose Polytechnic School, now presided over by our associate, Dr. Charles O. Thompson, he worked earnestly and thoroughly, and made a minute, and it may be added, exhaustive examination into the details of industrial education.

Mr. Early was an interested student of the fine arts, sketched himself, and became a good art critic. He was emphatically industrious and thorough, and his tastes led him to accumulate a library and many works of art. November 16, 1857, Mr. Early became president of the Prairie City Bank.

Alexander S. Taylor was born in Charleston, South Carolina, in the year 1817. Under date of July 22, 1866, he wrote to our late Librarian, Dr. Haven, from Santa Barbara, California, "I left my native city of Charleston, So. Carolina, in 1837 (only returning for a few days in 1839), when in my 21st year, and since that time have wandered over the West Indies, England, India, the Red Sea, China, Singapore and Ceylon." He adds that since 1848 he had been an inhabitant of California, and at last had "come to an anchor" by marrying in the part of the State in which Santa Barbara is situated. From 1848-60 Mr. Taylor resided at Monterey, going subsequently to Santa Barbara. When the civil war broke out his relatives wished him to take part with the South. He refused to do

so, however, and characterized the attempt to secede as an "outrageous piece of crazy folly." Mr. Taylor was elected a member of this Society in April, 1864. He died in July, 1876, as appears from a letter bearing date of May 2, 1884, written to us by his widow, from Goleta, a post hamlet in Santa Barbara county, situated a few miles distant from the town of Santa Barbara. According to Allibone he was the author of the following articles: "The Indianology of California in four series of 150 numbers, in the *California Farmer*, 1860-64; *The Bibliografia Californica*, in the *Sacramento Daily Union*, June 25, 1863, and March, 1866; a history of Grasshoppers and Locusts of America, in the *Smithsonian Report* of 1858; and of many articles on California history, Indian ethnology, natural history, &c., in the *Herald and Bulletin of San Francisco*, *Sacramento Union*, *Monterey Sentinel*, *Hutchings's California Magazine*, *Bancroft's Hand Book*, &c." In his *History of the Pacific States of North America*, Mr. Hubert Howe Bancroft states in a volume recently published, namely, the first of the California division of his extensive work, that the list of authorities he has himself cited regarding California is more complete than any other within his knowledge "relating to any State or Territory of our Union or indeed to any other country in the world." He describes Mr. Taylor's *Bibliografia Californica* in the following words: "So far as works on California are concerned, the only previous attempt at anything approaching a complete list is Alexander S. Taylor's *Bibliografia Californica* published in the *Sacramento Union* of June 25, 1863, with additions in the same paper of March, 13, 1866. In a copy preserved in the Library of the California Pioneers in San Francisco, there are manuscript additions of still later date. This work contained over a thousand titles, but its field was the whole territory from Baja California to the Arctic Ocean, west of the Rocky Mountains, only about one-half the works relating to Alta California proper. Dr. Taylor's zeal in this

direction was most commendable, and his success, considering his extremely limited facilities, was wonderful."¹

It is but just to add that although Mr. Bancroft awards this praise he does not consider the bibliography of Mr. Taylor as of much practical value.

Sir Frederick Palgrave Barlee, K. C. M. G., was born February 6, 1827. He was the third son of the Rev. Edward Barlee, M. A., rector of Worlingworth-cum-Southott, in the County of Suffolk, England. From 1844 to 1855 Mr. Barlee served in the Ordnance Department, and for nearly four years between those dates was barrack-master and storekeeper at Sierra Leone. Then he was appointed colonial secretary of Western Australia and a member of the executive and legislative councils, remaining in the colony twenty-one years, and resigning his seat in council in November, 1875. While in Australia he took an active part in the encouragement of explorations there, and had his name given to the great Lake Barlee, situated in about 29° S. lat. and 119°-120° E. long. In 1877 he was appointed Lieutenant-Governor of British Honduras. There his official position enabled him to render efficient aid to persons engaged in making explorations. His attention while in British Honduras was mainly devoted to opening up a fruit trade between that place and the West India Islands, and to developing in other ways a somewhat neglected colony, which, at the time of his appointment was subject to danger from the Ycaiche and Santa Cruz Indians, whom his firmness subdued and conciliated. Still, he found time to encourage and assist Dr. Le Plongeon in carrying on his examination of ruins in Yucatan.

In 1883 he resigned his appointment and returned to England. June 2, 1884, he started for Trinidad, whither he went to administer the government of the island during

¹ History of the Pacific States of North America, by Hubert Howe Bancroft, vol. XIII., p. 35.

the illness of Sir Sanford Freeling. There he died at St. Ann's on the seventh day of the following August. He married, in 1855, Jane, daughter of Edward John Oseland, Esq., of Coleraine. She survives him, but he left no children.

Sir Frederick Barlee was elected a Fellow of the Royal Geographical Society in 1862, and a member of the American Antiquarian Society in October, 1878.

In the Report of the Council presented in April, 1866, our associate, Nathaniel Paine, Esq., made—in connection with his account of the specimens of early paper money then in the Society's possession—a valuable and very interesting contribution to the history of paper currency in Massachusetts. Within the last few years some new material for the earlier pages of that history has been brought to light, and facts concerning the first essays at banking in New England have been obtained from sources not known or not accessible at the date of Mr. Paine's report. It has seemed to the writer worth while to present these facts, by way of supplement to that report, and to add to them some account of three or four anonymous pamphlets relating to banking and the currency.

A report made to the Massachusetts General Court in 1652 alludes to "what hath bin thought of by any for raiseing a *Banke*." The draught of an address to Charles II., in 1684, mentions the fact that before the establishment of a mint, in 1652, "for some yeares, *paper-bills* passed for payment of debts." In 1686, under the brief presidency of Joseph Dudley, liberty was granted to John Blackwell, Esq., of Boston, and his associates, to erect and manage a bank of credit and to issue bills on the security of real and personal estate. These isolated facts, brought together by Dr. Felt in his "Historical Account of Massachusetts Currency," and by Mr. Paine, in the Report of the Council, April, 1866, were all that was

known of the first banks and bank-projectors in New England, or of the use of paper-money prior to the emission of colonial bills of credit in 1690.

To these scanty materials the discovery of a tract printed in Boston early in 1682, makes a considerable addition; and it also throws some light on the project (more particularly mentioned hereafter) of an "anonymous friend" of the second John Winthrop, Governor of Connecticut, for a "Bank of Lands & Commodities," which Winthrop communicated to Samuel Hartlib in 1660 or 1661, and on allusions to similar projects in his correspondence with the founders of the Royal Society.

This tract is so rare that it apparently has escaped the observation of every Massachusetts historian or antiquary since the time of Thomas Prince. Perhaps no perfect copy of it is extant. The one consulted by the writer, was formerly in the library of the late Mr. George Brinley,¹ and is now in the Watkinson Library at Hartford. It contains, on a single sheet in pot-quarto, the first eight pages of the tract, and is without a separate title-leaf or imprint. The title, which occupies the upper half of page 1, is:

"Severals relating to the | FUND | Printed for divers Reasons, as may appear." |

At the head of this page are three lines in the well-known handwriting of Prince:

"By page 6, this was written in 1681. Mr. B. Green senr. says this was Print'd at Boston by his Br. Samuel's Letter" [*i. e.* type.]

We may fix the date more exactly. On page 6 the writer mentions what was done in *September* of "this year 1681;" but on the next page he tells the result "in 6 moneths" thereafter. This brings the publication to March, 1681-2.

¹ It must once have belonged to the Prince Library; but probably was thrown aside as worthless, and was rescued from a parcel of waste paper.

In this tract, the author explains and defends his "proposal for erecting a Fund of Land, by Authority, or private Persons, in the Nature of a *Money-Bank* or *Merchandise-Lumber*;"¹ tells how and with whom the project originated; and gives an account of his own agency in establishing such a bank in Massachusetts. His name does not appear; but, possibly, it was subscribed at the end of the pamphlet—the last sheet or half-sheet of which is wanting in the copy to which reference has been made. Fortunately, allusions to the personal history of the author are sufficiently definite to enable us to supply the omission and, with much confidence, assign the authorship to the Rev. JOHN WOODBRIDGE, of Newbury.

Mr. Woodbridge came to New England in 1634, at the age of twenty-one, with his uncle, the Rev. Thomas Parker, and his cousin, the Rev. James Noyes. In 1637 he was a representative of Newbury in the General Court, and again in 1638. About 1639, he married a daughter of Gov. Thomas Dudley. Having decided to enter the ministry, he was ordained in 1645, pastor of the church in Andover; but his pastorate was a brief one. In 1647, he sailed for England, and remained there more than fifteen years. Shortly after his return, in the summer of 1663, he became the assistant of his uncle (Thomas Parker) in the ministry at Newbury. A controversy in that church led to his dismissal in 1670. He was empowered to act as a magistrate at Newbury, in 1677, '78 and '79, and in October, 1681, the town petitioned the General Court to grant Mr. Woodbridge "magistratical power," regarding him as "the fittest and most able for such a work in this place." He was chosen an Assistant in 1683, and again in 1684. His connexions with the principal families in the colony, and, particularly, with the leaders of the "moderate"

¹ "The *Lombar* [*Lombarde, Lumbar, Lumbarde,*] or Banck for usurie or pawnes."—Minsheu, 1617. From the Lombards or Italian bankers who loaned money or sold bills, on pledge of merchandise or personal property.

party, assured him consideration in the Council and influence in public affairs. He was the brother-in-law of Joseph Dudley and of Governor Bradstreet. His daughter Lucy was the wife of the Governor's son, Simon Bradstreet. He was connected with the Winthrops, by the marriage of the Rev. Samuel Dudley, with Mary, daughter of (the first) Governor Winthrop.

In "Severals relating to the Fund," the author tells us "that he had as little skill in, as inclination to, or need of concerning himself in *mercantile Affairs*: nor came he into New-England with a thought to meddle therewith: as is well known to many." That he, "being better acquainted with *caelestial Dealings*, than with the politics of *mundane affairs*," "should concern himself to promote *Trade* for others, and that in this Land, a place not designed by the first Planters, for *Commerce*;" "that he should amongst such a People essay to promote a *Designe* not known in the day thereof (if yet) to be [essayed]¹ in any part of the world (although since in agitation [in England]), and then surely strange here, where the name of [the thing, or the] benefit thereby, was hardly heard of;" and "that he should, notwithstanding the reproaches cast upon him, & untruths raised & reported of this Thing, stil appear to justifie & promote the same, and encourage those who are satisfied thereof, and join with him in this undertaking" — are proofs "that the way of man is not in himself."

He goes on to give an account of the origin and progress of his scheme. "About the latter end of the year 1649, an intimate friend of the Author's in London, *Mr. William Potter*, who was likewise [*i. e.* like the Author] no Trader, imparted to him a *Designe* for the accommodation of Commerce, in the nature of a *Bank of money*; but to be founded upon *personal Credit*, by a considerable number of able Men Ingaging, as the *Found* thereof, to pass forth Credit; as a medium to enlarge the *Measure of money*;"

¹ A few words, lost from a corner of the page, are supplied here in brackets.

“ or, by *depositing* of *Goods*, in the nature of a *Lumber* of Merchandise, to pass out Credit thereon, untill sold,” etc. (p. 2). The plan was often discussed by the author and his friend. “ Mr. Potter had about that time printed a Book in folio, relating to his designe, one whereof he bestowed on the Author,” who — “ upon the report that was given him of the Labyrinth New-England was in, for want of a *Conveniency to mete their Trade with*” — gave it, with good acceptance, to a kinsman¹ of his that was a merchant of this place.

This “ book in folio ” was entitled: “ The Key of Wealth, or A new way for Improving of Trade.” (London, 1650.) An abstract of it was published the same year, by the author, under the title of

“ The Trades-man’s Jewel: or A safe, easie, speedy and effectual Means, for the incredible advancement of Trade, And Multiplication of Riches; shewing How men of Indifferent Estates, may abundantly increase both their own and other Mens Trading and Riches, Without parting with Money, or any Stock out of their own hands: By making their Bills to become current instead of Money, and frequently to revolve through their Hands, with as much in Money as the Sums therein mentioned do amount unto. . . London, Edwin Husband and John Field, Printers to the Parliament of England, 1650.”

A copy of this abstract, a quarto pamphlet of sixteen pages, is in the Massachusetts Historical Society’s library. The preparatory address “ To the Judicious Reader,” is signed by W. Potter, and refers to his “ late Treatise, called *The Key of Wealth*,” &c. McCulloch (Lit. of Political Economy, 159,) named “ The Tradesman’s Jewel,” first in a list of “ works introductory to and having reference to ” the Bank of England, but gave 1659, instead of 1650, as the date of its publication. The earlier and larger work of Potter’s seems not to have been known to

¹ Possibly, Capt. Robert Keayne, whose son Benjamin had married Sarah Dudley, Mr. Woodbridge’s wife’s sister.

McCulloch, and is not mentioned by any recent writer on banking in England.

In May, 1652, the General Court of Massachusetts appointed a council "to consider of all sorts of trading, and to consult about the best ways of improving the same," &c. (Mass. Records, III., 267: IV. [1], 86.) The same year, we find the allusion, before-mentioned, to "what hath bin thought of by any for raiseing a *Banke*" (Felt's Mass. Currency, 33), and we learn that about this time some sort of "paper bills passed for payment of debts." (Ibid.) Under what association or on what security these bills were issued, does not appear. The establishment of a mint, May, 1652, probably put a stop, for a time, to any movement towards "raising a bank." The author of "Severals relating to the Fund" alludes to some such movement, but "before anything was brought to effect," he "was called to Ireland," and discontinued his endeavors to promote the banking project.

Gov. John Winthrop of Connecticut went to England in the summer of 1661. Before leaving home, he had "hinted," in one of his letters to Samuel Hartlib, at "some proposalls concerning a way of trade and banke wthout money." In reply (the first letter of the "Correspondence of several of the Founders of The Royal Society with Governor John Winthrop of Connecticut," communicated to the Massachusetts Historical Society in 1878, by the President,¹) Hartlib, after mentioning the death of Dr. Robert Child ("in Ireland, about 3 yeares agoe,") continues:

"If your other Friend come into England, I pray doe not faile to address him to my acquaintance. For if the Lord should yet spare my health, I may perhaps not bee unuseful to him, both for his Improvement of that Talent of y^e. *Bank of Lands & Comodities*, as likewise for his skil in Iron Works, discovery of Minerals, & y^e Singularities about Salt-Works & y^e. Separating the fresh Water from the Salt in a speedy easy way. I wish his occasions would draw him over."

¹ Proceedings of the Mass. Hist. Society, 1878, pp. 213, 214.

Further on, he recurs to the subject :

“ I passionately long for your Anonymous Friend’s (whom also before you have named) Method to raise such vast Profits without such engagement of Lands as the said Bank of Lands requireth.”

And again :

“ If G. spare my life & health, I shal acquaint you more largely with the Banke of Lands. . . *Mr. Potter* hath very much elaborated y^o whole Designe, but is not so willing to act for y^e present. *Mr. Benjamin Worsley*, our Special Friend, is much dealing with his Maj. and some of his Privy Council, to bee sent over as an Agent or Resident of all the Plantations.¹ If it bee granted, great numbers of honest People will replenish all English Plantations, and then *Mr. Potter’s Contrivances will bee best set on foot amongst, them.* . . I pray again let mee heare largely of your *Anonymous Friend.*”

When this was written (Sept. 3, 1661,) Winthrop was already in England. Four months afterwards (Jan. 1, 1661-2) he was admitted a Fellow of the Royal Society. We hear nothing more of the “anonymous friend,” but, it is clear that the project which Winthrop submitted to the Council of the Society — and which may have been a modification of Potter’s scheme — was understood to be his own. After Governor Winthrop’s return to Connecticut, Oldenburg wrote to him from London, Aug. 5, 1663 :

“ Your conceptions about a bank are now in y^e hands of *Mr. Brereton*,” &c. “ When I shall have received y^e sentiment of understanding men concerning y^e same, I shall not faile, God permitting, to signify it unto you.”

And in November, 1663, Winthrop, in a letter on this subject, to the Hon. Wm. Brereton, mentions a communication to the Council of the Royal Society, when he “ declared some proposalls concerning a way of trade & banke without money,” a copy of which he left with the

¹ “Some differences” between Gov. Winthrop and Mr. John Clarke, agent for Rhode Island, as to the construction of the Connecticut charter, were referred for arbitration to William Brereton, Esq., Major Robert Thomson, Dr. Benjamin Worsley, and others. Their agreement was dated April 7th, 1663; and the assent of Winthrop and Clarke to this agreement was witnessed by Robert Thomson, B. Worsley, and *William Potter*. See Conn. Col. Rec. ii., 528-9; Winthrop Papers, iv. (5 Mass. Hist. Coll., viii.), 83.

Council for their perusal. He had "given out no copies of it, nor made it known to any other." He appears to have had confidence that his proposed bank would "answer all those ends that are attained in other parts of the world by banks of ready money."¹

In 1664, the author of "Severals relating to the Fund" had returned to New England [Mr. Woodbridge reached Boston in July, 1663,] and "his lot being here cast," he "imparted to a publick-spirited Merchant, with what ease and safety their *Measure* might be enlarged." At the request of this merchant, the author gave him the plan in writing, and this, having been communicated to divers others, they were of opinion "that something might be done about it in due season." (p. 3.)

"About three years after this, — that foregoing being wholly buried," — the author again brought the matter to the notice of "divers Country Gentlemen, Yeomen, and others," and the notion "spread abroad, to the occasioning of several debates among those who were Considerable, both in *Parts & Purse*: and stopped not until the honoured Council heard thereof." Soon after this, the author received notice that "the Council would send speedily for him, about this Concern;" and "he set upon drawing a second Draught, in the dress of a *Proposal*." This was presented to the Council, and — with some additions and explanations, but "the same for substance with that on file in the Records of the General Court" — is embodied in the pamphlet under consideration. It is entitled, "A Proposal for erecting a FUND of *Land*, by Authority, or Private Persons, in the nature of a *Money-Bank*; or *Merchandise-Lumber*, to pass Credit upon, by *Book-Entries*; or *Bills of Exchange*, for great Payments; and *Change-bills* for running Cash. Wherein is demonstrated, First, the necessity of having a *Bank*, to enlarge the *Measure* of Dealings in this Land, by shewing the benefit of *Money*, if enough

¹ See Note A.

to mete Trade with; and the disadvantages, when it is otherwise;" and, "Secondly, That Credit pass'd in *Fund*, by Book, and Bills, (as afore) will fully supply the defect of *Money*. Wherein is related, of how little value *Coin*, as the Measure of Trade, need be, in itself; what Inconveniences subject to. The worth a *Fund*-Bill, or Payment therein, is of: & not of that Hazard."

"Although *Cash* be so useful; yet it is but a ready conveniency"—argues the author: "Intrinsic value is not essential to a thing meerly good for Exchange; and serving barely to procure what one wants, that another abounds with;" and "this (except here were *Mines*, to transport *bullion*, for foreign Trade) *Bank*-bills, or payments therein, will effect, to all intents, as well as plenty of *Coin*; which, as *money*, doth neither feed nor cloath:" etc.

The plan, and the arguments by which it is supported, do not widely differ from those of the Land Banks projected by Dr. Chamberlen, John Briscoe, and others, in England, between 1685 and 1695, or from that of the Massachusetts Land Bank of 1714.

In 1674, and again in 1678, the author was requested, "by divers well-wishers to the Fund," to print a "narrative of it," with "the proceedings thereon, to that time:" but as the *theory* had been sufficiently discussed, and the "*practic* part" could not well be taught in print, he determined to test the project by the issue of bills.

"Having by accident, some respite time this year, 1681, and accomodated with *Spirit*, *Purse*, and *Hand*, the ingredients that must center, as in one, for any considerable undertaking, he did, in September, begin to pass forth *Bills*, to make an experiment of that which had passed the Scrutiny of above 30 years, with approbation. . . In 6 moneths a considerable number espoused the designe; besides those that were concerned in the years '71 and '72. Whereupon, it became as a Galley floating upon the stream

of opinion, into which He and He would thrust an oar." Opposers of the design, "wanting weighty objections, let fly broad-sides of pot-gun-pellets, chained with fallacies and buffoonry." His friends urged him to hasten the publication of an account of the design, and this was endeavored in his present pamphlet.

He proceeds to give, first, "some Rules most needful to be known, for the directing those in Company;" the style of entries, and forms of pass-bills, etc., and then passes to a narrative of "the manner of erecting the *Fund*, which was March 30, 1671, and the carrying it on in private, for many moneths, and the reasons for putting a stop to it, when *bills* where just to be issued forth," etc.

This narrative, and a statement which followed it, of "the debates that are carried on concerning Commerce," are wanting in the imperfect copy of the pamphlet which has come down to us. These, with some other matters were "passed over to the second sheet" — the first ending (on page 8) with the "rules relating to the Fund." Enough remains, however, to establish the facts, that a "Fund of Land" or bank of credit was started in Massachusetts in March, 1671, and was "carried on in private for many months" — though without issue of bills, and that, ten years later, a private bank of credit was established and began to issue bills in September, 1681. Of the result of this enterprise, we have no information — except in the assurance that it did not ruin its projector. Cotton Mather (*Magnalia*, b. 3, p. 4, ch. 5) tells us that after Mr. Woodbridge's suspension from his ministry at Newbury (1672?), "the remarkable blessing of God upon his own *private estate* abundantly made up to him the *publick stipend* which he had parted withal."

In the summer of 1686, a few weeks after Joseph Dudley had received his commission as president, a proposal was made to him and his council, "by John Blackwell of Boston,

Esqr., on behalf of himselfe and divers others, his participants, as well in England as in this country; as also, a Constitution, Modell or Frame of Rules and Orders requisit, and to be observed, in the erecting and maintaining of a Bank of Credit Lumbard and Exchange of Moneys by Persons of approved Integrity, prudence & estates in this Country, wherein such a foundation is layd for delivering out Bills, or giving Credit, on such Real Estates of Lands, as also personal Estates of goods and Merchandizes not subject to perishing or decay," etc. This proposal, with the annexed Constitution, was referred by the Council, by an order of July 3d, 1686, "to the Grand and Standing Committee, consisting of divers eminent & worthy persons, Merchants and others, to consider thereof, and report," etc.: and this committee having reported favorably, the President and Council, Sept. 27, 1686, "judge the said undertaking is not only lawfull to be managed by any of his Majesties subjects, as any other calling, but will tend much to his Majesties service, and the benefitt of these parts:" and "do therefore . . . own the sayd proposall as a publique and useful invention for this Countrey," and "thinke fitt in his Majesties name to declare our Approbation, Allowance, and Recomendation thereof," etc.¹

Capt. John Blackwell had been a member of parliament, for Surrey, in 1656, and treasurer of the army, under Cromwell. In 1657, the parliament by a special act settled on him and his heirs certain lands in the counties of Dublin and Kildare, in Ireland. At the restoration of Charles II., he was excepted from the general pardon, and probably retired to his estates in Ireland. In 1672, he had returned to England, "from Ireland, being a widower," and was about "to marry my Lord [Major-general John]

¹ The original draught is in the Massachusetts Archives, 'Usurpation,' vol. I., pp. 104-107, and underwritten is the order for engrossing it and affixing the Seal of the President and Council. Dr. Felt (p. 46) gives the preamble of this bill, and it is noticed by Mr. Paine (p. 38).

Lambert's second daughter."¹ He came to Boston in 1684, commissioned by "divers persons in England and Ireland, gentlemen, citizens, and others, being inclined to remove themselves into foreign parts."² In January, 1685, he obtained from Massachusetts a grant of land in the "Nipmug country," for himself "and several other worthy gentlemen and others in England that are desirous to remove hither."³ He was in nomination for an Assistant in May, 1686, but was not chosen. After Dudley became President, his relations with Captain Blackwell were very friendly, and Edward Randolph made it a special ground of complaint to the Lord's Committee, that this "son-in-law of Lambert," "a violent Commonwealth's man," was "made a justice of the peace by Governor Dudley and his Council, and consulted with in all public affairs."⁴

All that is known of the history of this association — the first *chartered* bank in Massachusetts — is found in a brief reference to it made by the anonymous author of a pamphlet printed in 1714: ⁵

"Our Fathers about Twenty-eight years ago, entered into a Partnership to circulate their Notes founded on Land Security, stamped on Paper, as our Province Bills, which gave no offence to the Government then," &c.

"How long or how far the preceding Corporation continued their operations, we are unable to tell," wrote Mr. Felt. "This much, however, is certain, that if it existed, as it very probably did, till the Revolution of 1689, it did not survive any longer." It is more probable that it did

¹ Conn. Col. Records, III., 246, note: Hutchinson Papers, in 3 Mass. Hist. Collections, I., 61.

² Letter from D. Coxe to Gov. Bradstreet, in Hutchinson, I., 345, note. And see Palfrey, III., 498, note.

³ Mass. Records, V., 467.

⁴ 3 Mass. Hist. Collections, VII., 154.

⁵ "Letter from one in Boston to his Friend in the Country, in answer to a Letter to John Burrill Esq. Speaker to the House of Representatives, for the Province of Massachusetts Bay in New-England." Boston, 1714. (p. 37). The passage was quoted by Mr. Felt (p. 47) and in Mr. Paine's Report. (*Proceedings*, April, 1866, p. 38.)

not survive the presidency of Dudley, for in November, 1688, Capt. Blackwell left Boston with a commission from William Penn, as governor of Pennsylvania, and did not return to Boston until 1690.¹ Before the end of that year the Colony of Massachusetts took to itself the office and obligations of a 'bank of credit,' and for the next twenty years we hear no more of private banking.

Dec. 10, 1690, to provide for the payment of the soldiers who had returned from the disastrous expedition to Canada and to meet other charges incurred in that expedition, "the government had recourse to an expedient which proved fruitful of mischief to the Colony through two generations."² The General Court ordered the emission of a paper currency — "the first bills of public credit known in the American colonies;" and these bills were declared to "be in value equal to money, and [were to] be accordingly accepted by the Treasurer and Receivers subordinate to him in all publick payments and for any Stock at any time in the Treasury."

The first issue of these bills was limited to £7000. A second emission was ordered, Feb. 3, 1690-91. In May, 1691, the General Court ordered that the bills out and to be emitted shall not exceed £40,000, "which is supposed will amount to the full of what the country is indebted," etc.³ Some time afterwards, before the end of the year, a noteworthy — but, hitherto, nearly unnoticed — pamphlet was printed in Boston, in support of the action of the government in the issue of bills of credit and to advocate the substitution of 'paper money' for 'stamp silver.' It had no separate title-page, but page 1 is headed with the title: "Some Considerations on the BILLS of CREDIT now passing in New-England. Addressed unto the Worshipful, John

¹ His commission was dated July 12, 1688. He arrived in Philadelphia, Dec. 17. His last speech to the Provincial Council, after the resignation of his office, was made Jan. 1, 1690.—*Minutes of Prov. Council of Penn.*, I., 184, 270, 271.

² Palfrey, IV., 58.

³ Felt, 51.

Phillips Esqr. Published for the Information of the Inhabitants." These 'Considerations' end on p. 9; and pp. 11-23 are occupied with "Some Additional Considerations Addressed unto the Worshipful Elisha Hutchinson, Esq. By a Gentleman that had not seen the foregoing Letter." The imprint (in colophon) is: "Boston, Printed by Benjamin Harris, and John Allen: And are to be Sold at the London Coffee-House. 1691." (12mo. pp. 23.)

The authorship of the first part of this pamphlet must, in the opinion of the present writer, be attributed to the Rev. COTTON MATHER — a son-in-law¹ of "the worshipful John Phillips Esqr." to whom the "Considerations" were addressed. Col. Phillips was treasurer of the Colony, from the revolution in 1689 until May, 1692, and was one of the committee appointed to issue (and sign) the bills of credit. "You know, Sir," says the author of the "Considerations" (p. 3), "you and *I* have had some former Discourse about the *Nature of Money*. That (as such) it is but a *Counter* or *Measure* of mens Proprieties, and Instituted *mean* of permutation," etc. The letter begins, in the style of familiar address, as follows: "*Mr.*

Treasurer:

I am told, and am apt to believe it, That the Exchequer in *Silver* Runs very Low; Nor can *I* think that the Country in General is much better furnished. 'Twas an honest and good method you took, to pay by *Bonds* what you could not by *Ready Cash*. I therefore cannot a little wonder at the great indiscretion of our Countrymen who Refuse to accept that, which they call *Paper-money*, as pay of equal value with the best *Spanish Silver*. What? is the word *Paper* a scandal to them? Is a *Bond* or *Bill-of-Exchange* for 1000 *l*, other than *Paper?*" etc. (pp. 1, 2).

On page 4, a reference to the currency of private bills as a "current pay" in "the Western Parts" deserves notice:

"'Tis strange that one Gentleman's Bills at *Port-Royal* for divers years, and that among *Forreigners*, or another

¹ He married Abigail, daughter of Col. John Phillips, May 4, 1686.

Gentleman's Bills in the Western Parts for as many or more years should gain so much Credit as to be current pay, among the Traders in those places; yea, that the Bill (as I have heard of any *one Magistrate* in the *Western English Plantation* [New York? or Connecticut?] shall buy any Commodities of any of the Planters; and yet our people (in this pure air) be so sottish as to deny Credit to the Government when 'tis of their own *chusing*: Had the *single Gentlemen* (above named) a good bottom for their Credit in their *Ware-houses*, and are not the whole *Estates* of the *Massachusetts* as good? Is the Security of one *Plantation-Magistrate*, better than that of *All the Massachusetts Representatives*? can that one *Magistrate* give force to the Contracts, and cannot *All our Government* do the same?

Certainly, Sir, were not peoples Heads Idly bewhizzled with Conceits that we have no *Magistrates*, no *Government*, And by Consequence that we have no *Security* for any thing which we call our own (a *Consequence* they will be Loth to allow, though they cannot help it, If once we are Reduced to *Hobs* his state of *Nature*, which (says he) is a *state of War*, and then the *strongest* must *take all*) I say if such foolish conceits were not Entertained, there would not be the least Scruple in accepting your Bills as Currant Pay."

After pointing out the impossibility of collecting the taxes in *silver*, and inconvenience and loss of receiving them in *corn* "at overvalue," the writer asks,—

"If neither *Silver* can be had, nor *Corn* brought in without loss both to the Government and People, what remains but *Accounts*, *Bills*, or such like *Paper-pay*? and certainly this necessity may (if I mistake not) bring to the whole Country no small advantage; for

1. Is there not hereby 40,000 *l. Running Cash* in the Country more than *ever was*, if mens folly hinder not its Currency? yea and more than they are *ever like* to have, so long as they cannot keep *Silver* in the Country, which they will never do while the *European Trade* continues, and that is like to be as long as we are a people. *Silver* in New-England is like the water of a *swift Running River*, always coming, and as fast going away; one (in its passage) dips a *Bucket-full*, another a *Dish or Cup-full* for

his occasions; but if the *Influx* of plate from the *West-Indies* be stopt for a little while, and the *Efflux* in Returne for England continue, shall not the Mill-pond be quickly drained, so as neither Bucket nor Cup can dip its fill? Whereas on the contrary,

2. This our *Running Cash* is an *abiding Cash*: for no man will carry it to another Country, where it will not pass; but rather use it here, where it will (or at least, *ought*):" etc.—pp. 6, 7.

His final appeal is made to the pride as well as to the patriotism of the colonists:

"To Conclude (*Fas est et ab Hoste doceri*) The *French* (I hear) at *Canada* pass such *Paper mony* without the least scruple; whereby the Government is greatly Fortified, since they can at all times make what they need. Now if we account ourselves to Transcend the *French* in *Courage*, 'tis a shame for us to come so far short of them in *Wit* and *Understanding*."

The writer of the "Additional Considerations," addressed to Elisha Hutchinson¹ in answer to his "desire of seeing some thoughts upon the Subject we have had before us," describes himself as "one who counts and loves *New-England* as his Country, tho' he was not Born and Bred in it." This description suggests the name of Capt. John Blackwell, projector of the private bank authorized in 1686. In these few pages, the emission of bills of credit is defended and the advantages of a resort to paper as a substitute for silver are set forth, with considerable ability and address.

"The Country" — says the writer — "is plunged into Circumstances that require *heavy Taxes* to preserve us from ruines, that would be thousands of thousands of pounds *heavier* than our most heavy *Taxes*:" the public charges for the payment of the soldiers employed in public service and for the defence of New England against the expected

¹ Major Elisha Hutchinson was one (and the first named) of the committee to "print and grant forth" the bills of credit of 1690.

incursions of the enemy must be defrayed; and this must necessarily be done either by taxation, or by voluntary contribution of the inhabitants — which “would not do the *tenth part* of what must be done to prevent our perishing; & besides, would lay the burden upon those that are the most *willing*, but not the most *able* to provide for the common safety.” “It is to be remembered, that nothing is levied on this People but by their *own Consent* in a General Assembly. And they deserve not the name of *Englishmen*, that are not more *ready*, and count it not more *easy*, to part with a *pound* in this way than a penny in the former Arbitrary Mode” [under the government of Andros]. “All the taxes hitherto raised have been most advantageously employed. . . The great complaint [now] is, that our venturesome Expedition to *Canada* hath run us into Debt:” but “it should be considered that the *voice of the people* every where called for it,” and “our Neighbors in the *West* [New York and Connecticut] made us believe they would lay all the mischief that should be done by the *French* at our doors, if we did not attempt it. . . Had the *West* not failed us we had certainly bin Masters of *Canada*.” Though in the main unsuccessful, the expedition had done much to secure the safety of New England; for “had they not gone with the Fleet to Canada, a thousand *Boss-Lopers*¹ had been upon our Country Towns and laid them waste.”

“Upon the *Difficulties* and *Necessities* which the Country hath been brought into, a better way could not well be thought upon than the BILLS of CREDIT now passing (or

¹ Dutch *Bosch-looper* or *Bos-looper* was the equivalent of French *Coureur de bois*. It was semi-anglicized as “bushloper.” Mr. John Nelson of Boston in a Memorial to the Commissions for Trade, etc., in 1696, mentioned “our hunters, or *bushlopers* as they are called about Albanie.” *Docs. rel. to Col. Hist. of New York*, IV., 208. “Bush-lopers or Indian traders.” Colden’s *Hist. of the Five Nations*, ch. iv. Cotton Mather caught the name, and in his *Life of Sir William Phips* (London, 1697, p. 41), repeats the statement that the “voyage to *Canada* diverted from his Country an *Horrible Tempest* from an Army of *Boss-Lopers*, which had prepar’d themselves, as ’tis affirmed, that Winter, to fall upon the *New-English Colonies*,” etc.

that should be so) among us. *Silver* we have not enough in the Country to do what *must be done*, more being usually *Exported* than is *Improved*. And why may we not do as well without it as other Plantations of *America*? What is the use of *Coyned Silver*, but to furnish a man with *Credit*, that he may obtain from his Neighbours those Commodities, which he hath occasion for?"

By these bills, "the Country in the General Court have *recognized* and *acknowledged* a debt" to servants of the public: and "the Credit conveyed by these bills now *circulates* from one hand to another, as mens dealings are, until the *Publick Taxes* call for it."

"It is strange to think that *New-Englanders*, who dwell in such a *keen air*, should not have sharpness enough to perceive the *prudence*, *justice* and universal *benefit*, of paying and saving publick Charges, by these *Bills of Credit*. . . It is a common thing for the Government at *Quebeck* to pay their men in such ways, & the Inhabitants there are not so dishonest as to cheat the needy persons to whom the *Bills* were first given, of half the worth of them. . . And shall not the Government of this Colony, have much Credit with a people that *choose* all, and *make* part of it?"

"The more sensible part of mankind" — in the judgment of the writer — "have thought *Banks of Credit* on many Accounts preferable to *silver in their Pockets*; it is so in *Venice*, *Paris*, *Leghorn* & *Amsterdam*, and other such trading places:" and, "if we as well understood our interest, these Bills would in a little time be so valuable, that men would cheerfully give *Silver* to purchase them at their full Credit." They "have some advantages which *stampd Silver* will never have; they are so well contrived, that it is harder to Counterfeit any of them, than to counterfeit any *Coyn* in the World. And though they are more *Portable* than *Coyn*, yet they will not be *Exported* out of the Land," etc.

"It is not worth to take notice of the foolish Flout of some, in the Name they put upon these Bills, calling them

Paper-mony; when all know that a *Paper* signed and sealed may be worth many Pounds of Silver. And why may not *Paper-mony* be as good as *Tobacco-mony*, *Potato-mony* and *Sugar-mony*? yea, do not our Brethren at *Connecticut* find *Corn-mony*¹ will do their business for them. All the difference is, that some *English-People* in *America* know how to make a Bargain with what they *Have*, for what they *Have not*; which it is time for *New-England* to Learn.”

But “the debasing of [these bills], so that *twenty shillings* in a *Bill* can scarce find *Credit* for fourteen or fifteen shillings of *stamped silver*,” naturally “clogs the passing” of them. Many proposals for establishing their Credit had been made to the Government. In the opinion of the writer, “they need only do this: Let the *Publick Rates* be vigorously raised;” in one year, the rates will bring back all the bills into the treasury, where they will be cancelled; and “common sense will teach the people to furnish themselves with these bills; though they give *ready Silver* for them, they will find they thereby save a Shilling in a Pound,” in payments to the treasurer.

In fact, the credit of the bills was re-established, as the time of payment of the tax approached: “and the government allowing five per cent. to those who paid their taxes in notes, they became better than money. This,” remarks Hutchinson,² “was gain to the possessor, but it did not restore to the poor soldier what he had lost by the discount.”

If there is any doubt of Cotton Mather’s authorship of the first part of this pamphlet (“Some Considerations,” &c.) of 1691, there is none as to his approval of the issue of Bills of Credit, or of his belief in the excellence of a paper-currency. The substance of the “Considerations” of 1691 is incorporated in his “Life of His Excellency Sir William Phips, Knt.,” first published, anonymously, in

¹ See Note B.

² Vol. I., p. 402.

London, in 1697,¹ and reprinted in the *Magnalia* (Book II., App.) After giving an account of the expedition against Canada, and the consequences to New-England, of its disastrous failure, — “there being *Forty Thousand* pounds, more or less, now to be paid, and not a Penny in the Treasury to pay it withal” — he says :

“In this *Extremity*, they presently found out an *Expedient*, which may serve as an *Example*, for any People, in other parts of the World, whose Distresses may call for a sudden supply of *Money* to carry them through any Important *Expedition*.”

How Mather must have enjoyed the construction of that sentence, in which the alliteration is emphasized by capitals and italics.

“The *General Assembly* first pass'd an Act, for the Levying of such a sum of *Money* as was wanted . . . and this *Act* was a *Fund*, on which the *Credit* of such a Sum, should be rendered *passable* among the people. Hereupon, there was appointed an Able and Faithful *Committee* of Gentlemen, who printed from *Copper-Plates*,² a just Number of *Bills*, and Florished, Indented, and Contrived them, in such a manner as to make it Impossible to Counterfeit any of them, without a Speedy Discovery of the *Counterfeit*: besides which, they were all Signed by the Hands of *three* belonging to that *Committee*.” . . . “The *publick Debts* to the *Sailors* and *Souldiers*, now upon the point of *Mutiny* (for, *Arma Tenenti, Omnia dat, qui Justa negat!*) were in these *Bills* paid immediately:” etc.

But, “many people being afraid that the Government would in half a year be so overturned as to convert their *Bills of Credit* altogether into *Wast-paper*, the *Credit* of them was thereby very much impaired.” The first receivers could get for them no more than fourteen or fifteen shillings in the pound; “from whence there arose Idle *Suspicious* in the Heads of many more Ignorant and Unthinking Folks

¹ “*Pietas in Patriam*,” &c. . . “Written by one intimately acquainted with Him.” Sect. 12, pp. 43-45.

² See Note C.

concerning the Use thereof, which to the Incredible Detriment of the Province, are not wholly laid aside unto this Day." So far, Mather in 1697: and we, nearly two centuries later, may add that similar "suspicions" of the value of irredeemable paper-money as a substitute for coin, are even now occasionally manifested.

In a resort to the issue of bills of public credit, "Barbadoes was the first which followed the example" of Massachusetts, says Hutchinson (I., 402, note): "Mr. Woodbridge, a New-England man, was the projector." From Poyer's History of Barbadoes (pp. 193, 194,) we learn that, in 1704, "to supply the want of cash, a Mr. Dudley Woodbridge suggested a scheme for the establishment of a Bank, proposing himself to be sole manager. The project was sustained by the governor [Sir Bevill Granville], who laid the plan before the Assembly for their consideration." It was not favorably received; but the *plan* "was soon revived, with a few trifling alterations, to give it the appearance of originality." A law was passed authorizing the Treasurer to issue £65,000. This "Paper-credit act" was repealed, October, 1706, by Her Majesty in Council. "Their bills had sank so low that the Island was in confusion and they soon abolished them." (Hutchinson, I., 402, note.)

We may hazard the conjecture that the "scheme for a Bank" in Barbadoes, proposed by Mr. Dudley Woodbridge, was borrowed, wholly or in part, from that of the "Fund of Land" or "Money-Bank" started in Massachusetts in 1671, and again in 1681,—of which the Rev. John Woodbridge appears to have been the projector.¹

¹ "If I am not misinformed, one of the principal Islands in the West Indies took their measures of making Bills of Credit, from a Gentleman brought up in New-England, who advised them of the great benefit they were to this Country." "As for Barbadoes, . . . a certain Gentleman going out of this Country about the year 1702, and being received into favour with the Government in Barbadoes, advised them of the great benefit that Paper-Bills are to this Government," etc.—*The Second Part of South-Sea Stock, &c.* (Boston, 1721), pp. 7, 13.

Only brief allusion to the history of Massachusetts currency from 1691 to 1714 is permitted here. A few sentences from Hutchinson may bridge the interval between the first emission of bills of public credit and the projection of a private "land bank."

"So many bills had been issued for the charges of the war, particularly the large sum of forty thousand pounds, issued for the Canada expedition, that they were become the sole instrument and measure of commerce, and silver and gold were entirely banished. Of two instruments, one in use in a particular State only, the other with the whole commercial world, it is easy to determine which must leave that particular State and which remain. The currency of silver and gold entirely ceasing, the price of every thing bought or sold was no longer compared therewith, but with the paper bills, or rather with mere ideal pounds, shillings and pence. . . . It was thought that increasing the paper bills would enliven and reform the trade."—*History of Mass.*, II., 187, 188.

In 1709, Connecticut and New Hampshire followed the example of Massachusetts. To meet the public debts and charges of the government, "especially in the intended expedition to Canada," the General Court at Hartford, in June, ordered bills of credit on the Colony to the amount of 8000 pounds to be imprinted, "indented and stamped with such stamps as the Governour and Council shall direct:"¹ one half the amount to be signed and delivered to the Treasurer "as soon as may be." The remaining 4000 pounds were ordered to be signed and issued, in October, of the same year and, by an additional act, bills of the value of 11,000 pounds were printed, "of the same tenor and date" (July 12, 1709,) as the former.² Another issue of 4000 pounds, still "of the same tenor and date" was ordered in May, 1711.³ Mr. Hoadly has inserted in his

¹ Col. Records of Connecticut, 1706-16, p. 111.

² Id., 127, 128.

³ Id., 228.

publication of the Colony Records, 1706-16 (p. 111), a fac-simile of one of the first bills issued by Connecticut. In this, as in all other bills of the same tenor and date, the colony seal is engraved in the lower left-hand corner. The scroll-work, or other embellishment of the seal, was different for the different denominations. As an additional precaution against counterfeiting and alteration of the bills, after the earliest issue of the plates, paper was obtained from England, having special water-marks, and A. R. [for Anna Regina] in an elaborate cipher was printed in *red* on the face of each bill.

In February, 1705, Massachusetts had directed the Treasurer to procure forty reams of paper from London, every ten of which should have a different stamp, so that an impression may be visible in the centre of each bill; and "that the Company of Stationers who have the sole making of paper in England, be prayed not to use those stamps on any other occasion."¹ Connecticut adopted the same expedient. The paper was procured of "Mr. Philips" [Samuel Phillips of Boston?] and the printing was done through Mr. Jeremiah Dummer. In February, 1711-12, the Governor and Council ordered payment of Mr. Dummer's "charge of printing 6550 sheets, to the value of ten thousand pounds,"—and that what "is left of the paper, be returned to Mr. Philips of whom it was taken."²

The Massachusetts bills of the issue of May 31st, 1710, and the New Hampshire bills of the issue of December 6th, 1709, were printed on the same kind of paper; and the interlaced cipher, A. R., on the face of these bills seems to have been impressed from the same plate. On both, the arms of England (not, as in Connecticut, the colonial seal,) stand in the lower left-hand corner. The three plates were

¹ Felt, *Mass. Currency*, 60; from *Mass. Archives*, 'Pecuniary,' vol. II.

² *Conn. Col. Records*, 1706-1716, p. 300. In 1713, "our plates for printing bills of credit," were "put into Mr. Dummer's hands to be altered." *Id.*, 387.

probably made by the same engraver; but on the Connecticut bills the Queen's cipher is somewhat more elaborately fashioned and is printed in livelier red than on the Massachusetts and New Hampshire bills.¹

Early in February, 1714, a movement was made by a number of gentlemen in Boston for the establishment of a private bank, founded on land security. Meetings to procure subscriptions to the stock were held at the Exchange Tavern,² and rules were adopted, for submission to the General Court. Their "scheme" was substantially the same that was proposed in a pamphlet printed in London in 1688,³ and which was now re-printed in Boston, with a prefatory note or advertisement dated Feb. 26, 1713-14, announcing that a "scheme for a Bank of Credit founded upon a Land Security has been accordingly projected, and will be humbly offered to the consideration of the General Assembly at the next Session."

Governor Hutchinson, whose father was one of the leaders of the anti-bank party, and who was himself a declared enemy of "paper-money emissions" of all descriptions—reviewing after the lapse of half a century the controversy of 1714-16, says, that the private bank party "generally, consisted of persons in difficult or involved circumstances in trade, or such as were possessed of real estates, but had little or no ready money at command, or men of no substance at all; and we may well enough suppose the party to be very numerous. Some, no doubt, joined them from mistaken principles, and an apprehension that it was a scheme beneficial to the public, and some for party sake and popular applause. THREE of the representatives of Boston, Mr. [Elisha] Cooke, son to the agent, we have so often mentioned, Mr. [Oliver] Noyes, a gentleman, in great esteem with the inhabitants in general, and Mr. [William] Payne, were the supporters of the party. Mr. [Thomas] Hutchinson, the other (an attempt to leave him out of the House not succeeding) was sent from the

¹ See Note D.

² Felt, 66; from the *Boston News-Letter*, No. 512.

³ See Note E.

House to the Council, where his opposition would be of less consequence. The Governor [Joseph Dudley] was no favorer of the scheme, but the Lieutenant Governor [William Tailer], a gentleman of no great fortune, and whose stipend from the government was trifling, engaged in this cause with great zeal."¹

As regard the "involved circumstances" and want of "substance" of the projectors, "generally," Hutchinson's statement must be received with some allowance for bias.² In Boston, as he admits, three of the four representatives were in favor of the private bank. In fact, they were subscribers to its stock, and associated with them were some of the leading merchants and most influential citizens of the Province. "A Vindication of the Bank of Credit," etc., published in December, 1714,³ was subscribed, "at the desire and in behalf of the Partnership," by Samuel Lynde, E[dward] Lyde, John Colman, Elisha Cooke, jun., J[ohn] Oulton, Timothy Thornton, Oliver Noyes, William Pain, and Nathaniel Oliver,—certainly a fair representation of the business-men of Boston at that time.

In October, Paul Dudley published his "Objections to the Bank of Credit lately Projected at Boston, being a Letter upon that Occasion, to John Burril, Esq.; Speaker of the House of Representatives," etc.⁴ The "Objections" to a *private* bank of credit—a "partnership bank," "set up and carried on without a *charter* from the Crown" and "without the knowledge and leave of his Majesty's Govern-

¹ History of Massachusetts, II., 207, 208.

² "I think I may be allowed"—he wrote to a correspondent in England,— "to call myself the father of the present fixed medium, and perhaps, have a natural bias in favour of it."—Felt, 132; from Mass. Archives.

³ In answer to Paul Dudley's "Objections" etc.

⁴ This pamphlet is the first named in the List appended to the Report of the Council, April, 1866, of Books and Pamphlets in the Society's Library which refer to Colonial or Continental Paper-Currency. The name of the author is not on the title-page, but was *subscribed* to the Letter (p. 31), with the date of Oct. 22, 1714. A "Postscript" was added, after the writer was informed that "the Bankers had new modelled their Projection, and Reformed it, as they reckon, in two Articles."

ment of this Province" — were clearly presented and forcibly urged. Of their soundness there can be no question. To "a Bank of Credit in general, were it well-founded, well limited and regulated by the Government, and equal to our own Current-Money, as such a Bank ought to be," his objections did not apply; nor was he opposed — "considering the demand of the Government as to their Taxes, and the great occasions of the People as to their Trade" — to another emission of provincial bills of credit: though, he admits (p.24) that

"had not the absolute Necessity of the Government and People required it, it had been better (in the Opinion of many Wise Men) for the Province, they had never made any *Bills* or *Paper-Money* at all."

Of nearly thirty pamphlets and tracts printed from 1714 to 1721, inclusive, for and against a private bank or a public bank, the emission of bills of credit, and paper-currency in general, this of Mr. Dudley's was the first, and is in some respects the ablest. Two or three sentences may be quoted here:

"Now Money is of the greatest Importance, and last Consequence to a *Common-Wealth*; for as 'tis the Sinews of *War*, so 'tis the Strength of *Peace*: For which Reason, we can't have too much of that which really is Money, but we may very easily have too much of that which is not so." (p. 21.) On a preceding page he had shown, that "bank bills are not Money; for indeed nothing can be Money properly, and in the Law of *England*, but *Silver* or *Gold* (both which are of an Intrinsic and Universal Value) that has the Impress of the Prince, and made Current at a Rate or Value set by Act of *Parliament*, or Proclamation of the *Crown*." (p. 11.)

"The poorest Country-man in the Province is not convinced to this Day, but that *Silver*, tho' never so rough and unpolished, is preferable to the finest *Paper-Money* that ever was seen." (p.21.)

"If I am not mistaken, tho' I am no Merchant, the greatness of the Credit given in Trade has in a great Measure brought this want of Money upon us. I confess,

as to the Encouraging the Produce of our own Country, and our own Manufactures, the Exporting of our own Commodities we cannot well exceed; but if we Import from abroad, more than we can Pay for, by what we Produce ourselves, or Purchase from others with our own Commodities, we shall unavoidably grow Poor, and a Million of *Paper-Money* won't help the matter at all:" etc. (p. 23.)

The private-bank project was for the time defeated by a measure adopted by the General Court, virtually establishing a *public* bank. A new emission of bills of credit was authorized, to the amount of 50,000 pounds, to be loaned for five years to inhabitants of the Province, on mortgages of land, at five per cent. interest,¹ one fifth of the principal to be repaid annually. This measure was carried through the House of Representatives by the anti-private-bank party, with the help of the "very small" party "which was for drawing in the paper-bills and depending upon a silver and gold currency." It gave temporary relief to the merchants and to landed proprietors, but, says Hutchinson,² "it increased the zeal and raised a strong resentment, in those which remained."³ In December, 1715, a special town-meeting was called in Boston, "to debate and declare whether they are for a Publick or Private Bank," and (Dec. 12th) the meeting having by vote adjourned from the Town House to "the Brick meeting House in Corn hill, for the conveniency of more room there"—"after about two hours debate in order to know the minds of the Inhabitants"—"it being put to Vote, whether it be the opinion of the Inhabitants, that it is best for the said Town to endeavour that a Publick Bank be promoted, Voted in the affirmative:" and, "It being put to Vote, whether it

¹ The projectors of the private bank proposed to loan their bills at *four* per cent. interest: but in their amended scheme, they raised the rate of interest to five per cent., and required security by mortgage of real estate to the full amount of the bills issued. At this time, borrowers "willingly gave *six* per cent." for the loan of Province bills of credit. — Paul Dudley's "Objections to the Bank of Credit," etc., 1714, pp. 18, 32.

² Hutchinson, II., p. 207.

³ *Id.*, II., 209.

be the Opinion of the Inhabitants, that it is best for the said Town to endeavour a Private Bank be promoted, Voted in the Negative." (*Town Records.*)

Another emission of "loan money," as it was called, was made in 1716.¹ Yet a writer in 1719 states that "notwithstanding the promptness with which government had resisted the late projected bank of individuals, its notes or bills are still in circulation."²

Of the many anonymous pamphlets relating to the currency that were printed in the next decade, one (a copy of which is in the library of our Society) deserves special notice, as the work of one of the most remarkable men of his generation—who "for talents, piety, and learning, shone as a star of the first magnitude." It is entitled:—

"A Word of Comfort to a Melancholy Country. Or the Bank of Credit Erected in the Massachusetts-Bay, Fairly Defended by a Discovery of the Great Benefit, accruing by it to the whole Province; With a Remedy for Recovering a Civil State when Sinking under Desperation by a Defeat on their *Bank of Credit*. By AMICUS PATRIÆ Boston: Printed in the Year, 1721." 16mo. pp. (4), 58.

That this "Word of Comfort" was spoken by the wise and witty minister of Chebacco (now Essex), the Rev. John Wise, there can be no reasonable doubt. It was recognized as his by his contemporaries, and he did not disavow the authorship: though it is not included in any published list of his writings.³ John Wise (said our associate, the Rev. Dr. Dexter, in his eloquent address at Essex,⁴ last year,) "was the first logical and clear-headed American democrat. Half a century before Thomas Jefferson, with irresistible logic and almost unmatched magnificence of style, he laid down the everlasting principles of democracy

¹ Hutchinson, II., 217; Felt, p. 70.

² Felt, p. 71.

³ See Note F.

⁴ "Celebration of the Two Hundredth Anniversary of the Organization of the Congregational Church and Parish in Essex." (Salem, 1884), p. 133.

for both civil and ecclesiastical affairs." In 1721, under the administration of Governor Shute, the paper-money party was identified with the popular or "liberal" party, and John Wise was, emphatically, the advocate of the rights and privileges of the people. But "non omnia possumus omnes;" and in the mysteries of finance, the good minister of Chebacco groped as darkly as others of his generation. His arguments in favor of fiat paper-money—whether in the shape of bills of credit or bills of a private bank—may not seem of great force: but they were urged with such fulness of conviction, and with so much of the "racy and dainty humor" that characterized the author of "The Churches' Quarrel Espoused," that they will amply repay perusal, and warrant a few extracts in this place.

In his dedication of the pamphlet "to the Merchants in Boston"—whom he "considered as holding the Helm, or as being Principal Steers-men in the Common Affairs of Temporal Interest and Profit"—he tells them that "if the present Tender finds Acceptance with [them] selves, then [their] Colleague and Brother, in Great and Profitable Effects, the Farmer, will (I doubt' not) receive it as Merchantable Ware," etc.

"I do imagine; that as Merchants & Farmers, are the Grand Pillars of the Flourishing State of this Common Wealth, so being joynd together are the *Atlas* which bears up the Great Globe of our Temporal Business: But without a *Medium* you place your feet on a Vacuum; or your Standing is but upon fluid Air. Therefore I must needs think our Legislators will, by their powerful *Fiat*, upon your joynt Intercessions, form a sufficient Basis for you; that you may stand Strong, Steady & Firm, with the Stupendous Load on your Shoulders; for if you Slump and Plunge, we all sink with you."

The safeguard, he believes, "must be a Sufficient *Bank of Credit*, under their own [the General Assembly's] immediate management; or resigned to your selves" [*i. e.*

a private bank] “in hands of particular Gentlemen of known Integrity and Estates.” (p. 3).

A “sufficient Medium of Trade” must be had to support trade and commerce: “without a *Medium*, all things will Jumble, Run Retrograde, and Tumble into Chaos:” but— he argues (under his third Proposition, p. 5):—

1. A Medium of Trade need not be Costly, if it be but Convenient and Safe.

2. The more Cost and Intrinsick Worth a Medium carries with it, or the more Valuable it is in itself, the less useful it will be in supporting an Universal Trade and Commerce. . . . 1. The *Money* Medium from its costly and valuable nature, is very inconstant, unfixt and volatile.

. . . . 2. The Money Medium is not only Good Merchandize; but being of so durable and rich a nature, it is a very fine Estate for the Wise and Fortunate to secure amongst their intended Bequestments for the next Age. To lay up Gold as the Dust, and the Gold of Ophir as the Stones of the Brook, seems a Promise annexed to that Rule of Duty whereby Parents are obliged to lay up for their Children. . . . Men are very loth to part with this charming Specie. And tho’ it may go from them with less pain than when their Skin is stript from their Fingers, yet it comes away with much aversion. For of this Specie it may be said, *Sui Nimum Tenax.*” (p. 6.)

Carefully distinguishing, throughout, a “*paper* medium” from a “*money* medium,” he asserts,

“Prop. IV. This Province can create for themselves a Sufficient Medium, that shall answer all Points of Business and Profit, better than Money: and that by a Publick or Private Bank of Credit; and either of them will do under the Influence, Patronage, Sanctions, & Awe of the Government.”

“As to the *Money* Medium, it seems altogether in vain for us to expect it, or make any Projections concerning it. Were it a better Medium of Trade than really it is, we have not the matter of it in our own Country, and our present Capacity denies us of it. . . . And as for what we had, it was rather the means of our Oppression,

than of our Prosperity, when it was in use and fashion : But however, and finally, when we have been Masters of a small Stock, not near a sufficiency to supply our Trade, &c. as has been said ; yet then, the Trading Part of Men have made it Merchandize and Shipt it off: And we find it like the Animals going into the Lyon's Den, *Vestigia nulla retrorsum*; there's none comes back, &c." (p. 8.)

"The Paper Medium is the Medium which we must depend upon;" and he goes on to show "what it has done [for us] since it has been Projected by the Wisdom of our Legislature." It has enabled us to "support and maintain a chargeable Government in Church and State, without grumbling:" and

"I would speak of one particular Example further, in our carryings on, and that is with respect to our *College*. Oh what Begging, and Contributing was there; even from every poor Girl and Boy that had but a Penny to part with to a Beggar, to bring Venerable *Harvard* into its first Brick! But now Alas! at a word's speaking up goes another¹ Parallel with that, and we hear nothing of Begging, or of any Groans in its Birth: Oh Dear Country! These Bills are of a very impregnable Nature, they will beget and bring forth whatsoever you shall please to fancy. For do 'but fancy or wish a Noble Fort in any of your frontiers; set the Bills to work, and up it goes in a Trice. Or if you have a Mind to Cultivate your Vast Woods to the North, or North-West, the Bills will do it as effectually as ever King of England subdued the Old *Britains* by chopping down theirs.

But in one word more, as to our *College*, Do but compute the Classes of that Famous Society, for the last Thirty Years, which is the run of our Bills [since the first issue, in 1690]; And our *Alma Mater*, (if we infer from her fair and numerous Offspring) seems apparently to have renewed her Youth, and grown Younger and Younger. Sometimes we were wont to have One, and sometimes Two, or Three, at a birth, with abundance of groans to bring them forth; and in some Years nothing but Dead Embrios, or Abortions; so poor and insufficient was the Seminal

¹ Stoughton Hall, erected by Lieut. Governor William Stoughton, 1699.

Matter and Flames of our State, viz. Our *Medium*. . . .
 But of late our Dear Mother brings forth Thirty or Forty at a Birth; and escapes not a Season, but makes a great Addition Yearly to her Numbers; That if you crush our Medium, you will Abate her strength, and thereby suppress her fertile and noble Conception; for apparently this is the means that has awakened her Genial Powers."

He calls attention to "the flourishing State that our Country is now in," "notwithstanding all our Grand expences, vast Consumptions, horrid Wastes and Depredations:"

"Now Gentlemen! These things in an eminent degree, are all under God and Nature, owing to our Bills. Nay! Look but into *Boston*, (if you knew it but Twenty Years ago) you will find an invincible Plea under this Head. Pray now! How came that Famous Emporium, the Mistress of our Towns, to rise as a Phœnix, out of her own Ashes,¹ so suddenly, and in greater Glory than ever? And Rear up such an *Exchange*² for the Seat of Government and Congress of Merchants; so costly and so fair, as it need not blush to shew its face with most in *Europe* of that kind? These things with a Thousand others of Moment, are peculiarly owing to our Bills. For again, was it our *Gold* and *Silver* that has created such a stupendous Appearance of useful and costly *Store-Houses* on the *Long-Wharffe* in *Boston*? Consider the Foundation and Superstructure; and also how stocked with all valuable and useful Commodities, from all parts of the World, from Year to Year! Why as to Means, next to the Wisdom, good Husbandry, Courage, Brave and Prudent Conduct of our venturesome Merchants, all is to be attributed to our *Bills of Credit*." (pp. 15, 16.)

His answer to the "puzling Question," "How shall we keep up the value of our Bills of Publick Credit?" is characteristic:³

"Gentlemen! You must do by your Bills, as all Wise Men do by their Wives; Make the best of them. It is an

¹ The "Great Fire" of (Oct. 2) 1711.

² The new Town-House was completed in 1714.

³ This paragraph was quoted by Mr. Paine, in the Report of the Council, April, 1866.

acknowledged Theorem, that there is no doing without Wives. The Lonesome and sower Phylosopher would frankly confess that Women were necessary Evils. . . . The great Skill is to cultivate the necessity and make it a Happiness; for that end, Wise Men Love their Wives; and what ill-conveniences they find in them they bury; and what Vertues they are inrich't with they Admire and Magnifie. And thus you must do by your Bills for there is no doing without them; if you Divorce or Disseize yourselves of them you are undone; Therefore you must set them high in your Estimation; and be no ways Prodigal of their Reputation, so as to vilify or run them down; as tho' they had more mischief than Good in them." (pp. 29, 30.)

He suggests that the Bills "might be instrumental for the Increase of the Numbers of our Towns and People,"—that the settlement of new towns "will invite our good Brethren out of *North-Britain* and *Ireland*, who will bring with them equal Religion with us; but a Superior Ingenuity and Skill in *Manufactures*;" and as a consequence,

"We may expect that *Manufactures* will go on amain in our Country . . . To pretend to *Manufactures*, without a great Overplus (to our Husbandry) in our Number of People, is but to talk Chymæras. And tho' now in our present Capacity, all good Householders do what they can, for Ordinary wear for a Family, to rub along with thro' much hard Labour, and Cold Winters; and so in the run of the Year we, after a Fashion, make up our Produce of Wool, &c., But this is nothing like Manufacturing the Effects of a large Country for a Foreign Vend." &c. (p. 27.)

That the country was drained of silver by the excessive importations of English goods, so that "there is not a Shilling to be seen or heard of in ordinary Commerce or Conversation," did not trouble him. He accepted the fact that "we have no Money at all; and if we get it we can't keep it, in our present Capacity." He had no sympathy with those who urged diminished expenditures, stricter economy in the household, and non-importation of "fineries" and superfluities. We were "not only a dependent

Government in our Civil relation to the Crown of England ; but also, in some degree, a dependent *Merchandize* on the same Kingdom :

“ Therefore Men may talk of shortening our *British* trade, whilst they are weary ; and upbraid us with our Finery, &c., which are theams more proper for Pulpits than Statesmen to talk of [for what were Ingenious Mysteries & Inventions dignified for with Lawrels? For working wood, iron, brass, leather, &c. into fine Coaches and Chariots, and Horses as fine and proud as they, suited to them ; why were these made, &c. ? and turning glittering earth, and glutinous matter of worms, into Embroideries, &c. but to furnish a Generous People, that would banish sordiness, and live bright and civil, with fine Accomplishments about them?] Therefore, I say, if we will live upon Ground-Nuts and Clans, and cloath our backs with the Exuvia, or Pelts of Wild Beasts, we may then lower our Expences a great pace, and renounce this branch of our *Merchandize* ; but if we intend to live in any garb, or port, as becomes a people of Religion, Civility, Trade, and Industry, then we must still supply ourselves from the Great Fountain.” (pp. 37, 38.)

In conclusion, he discusses, very impartially, the comparative advantages of public and private banks : finally giving preference to the latter (“ under the inspection of the Government ”) as the most certain “ cure of all diseases relating to Trade and Commerce which we groan under.”

These desultory notes on the first chapters of the history of banking and paper-money in New-England must be suspended here. The subsequent chapters have been largely written by Dr. Felt, and clearly outlined by our associate, Mr. Paine, in the Report of the Council for April, 1866, to which so frequent reference has been made in these pages.

In behalf of the Council,

J. HAMMOND TRUMBULL.
SAMUEL S. GREEN.

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