

# Money, Goods, and Trade in Colonial America

Teaching American History  
Lecture

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# I. What are Colonies For?

- A. Why Did European Kingdoms Want Them?
- B. Why Did Anyone Want to Go There?
- C. How Did Colonists Hope to Live in the New World?

## II. Trade: The Essence of Colonial Economic Life

### A. Goods for European Markets

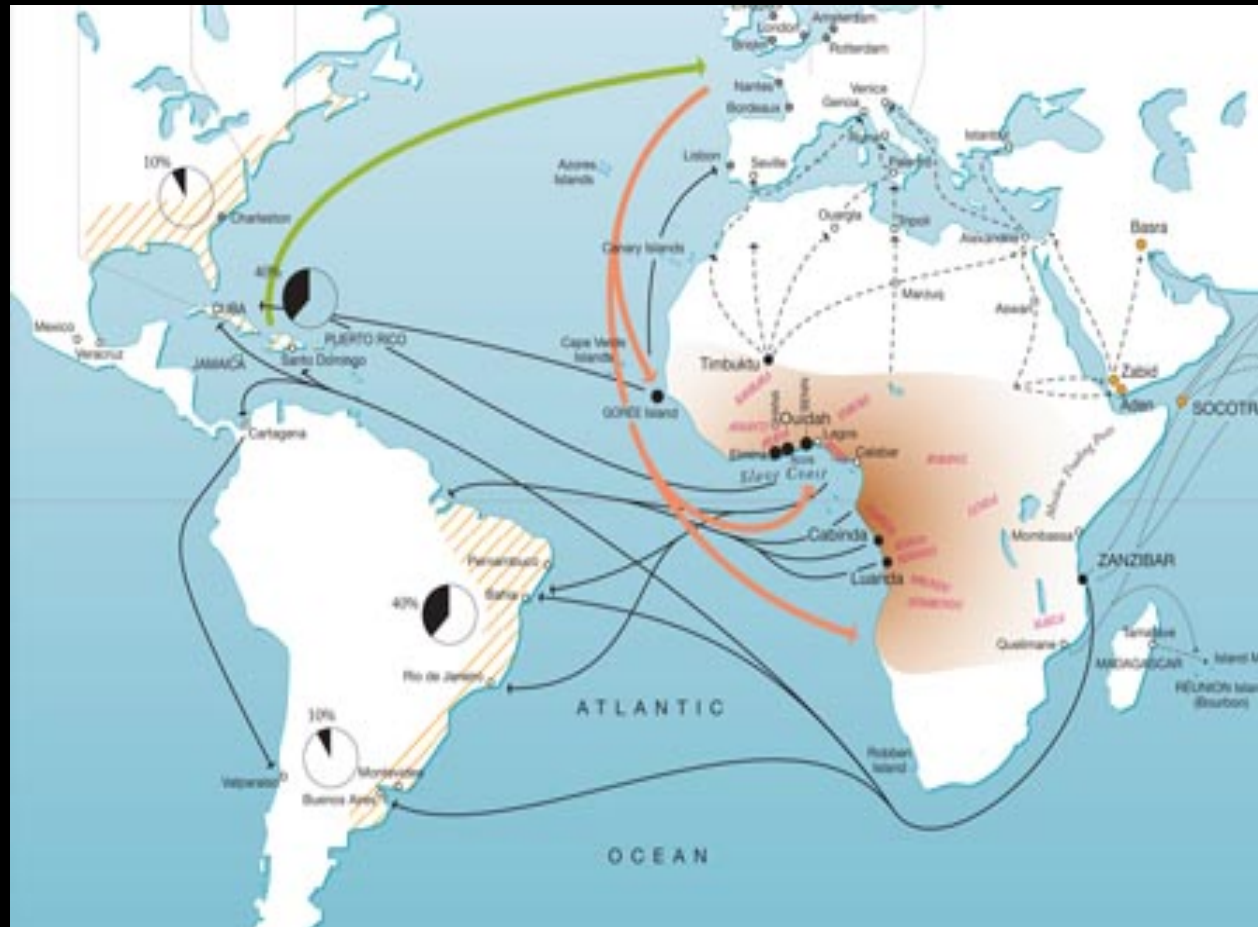
1. “Exotic” Goods
2. Luxuries/Expensive Goods

### B. Goods for Colonial Markets

1. Indigenous Peoples
2. Immigrants/Colonists

### C. Why “Triangles”?

# African Slave Trade, Atlantic Routes



# III. Colonies with Economic Problems

- A. The West Indies (Barbados, Jamaica).
  - 1. Plentiful Exotic/Luxury Goods (sugar)
  - 2. Lots of People (Africans and English)
  - 3. Scarce Ordinary Goods (food, timber)
  
- B. New England
  - 1. Scarce Exotic/Luxury Goods (furs)
  - 2. Lots of People (Mostly English)
  - 3. Plentiful Ordinary Goods (food, timber)
  
- C. An Obvious Solution?



# IV. The Money Problem in Colonial America

- A. What is Money?
- B. What is Money Good For?
- C. Why was Money Scarce in Colonial America?
- D. New England's Particular Problems Caused by Scarce Money:
  - 1. How to Get European Imports?
  - 2. How to Get New Englanders to Produce Goods?

# V. How Massachusetts Solved the Problem by Making their Own Money

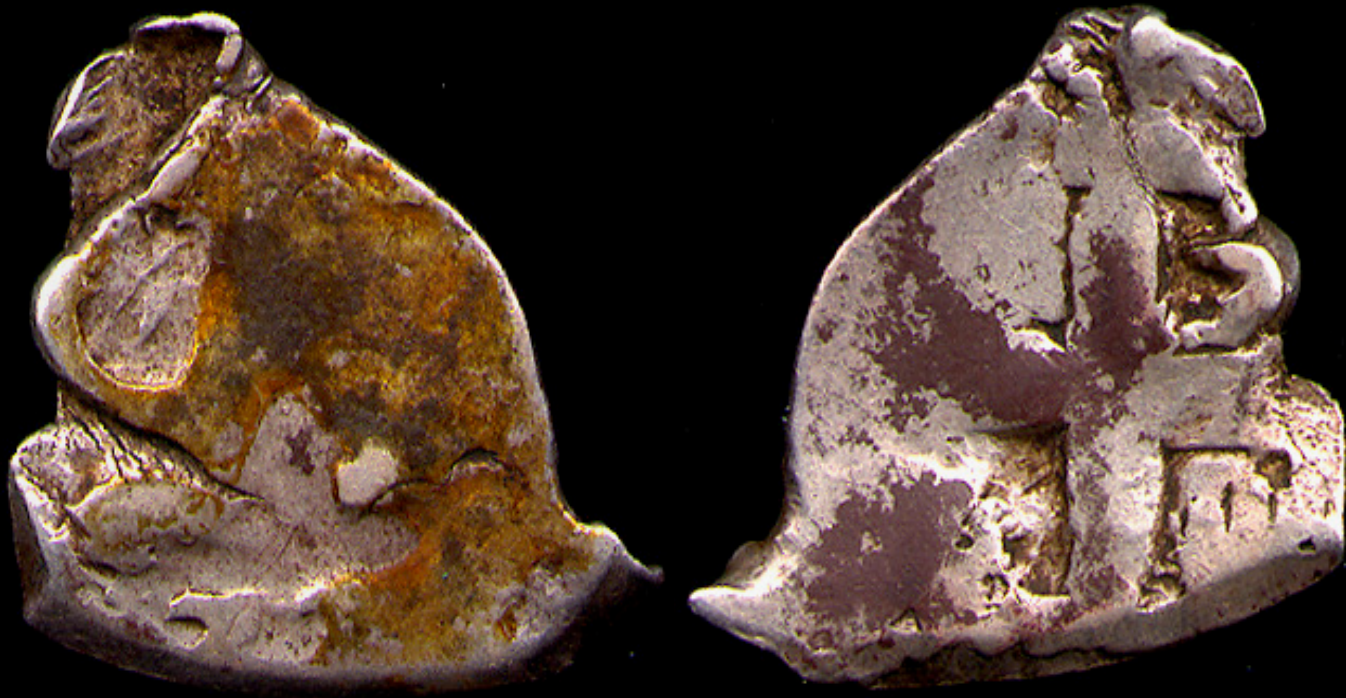
- A. The Wampum Experiment, and its Failure
- B. Spanish Silver, and its Shortcomings
- C. Massachusetts Makes Money
  - 1. John Hull and the “Pine Tree Shilling”
  - 2. Advantages for Production in New England
  - 3. Advantages for Atlantic Trade
  - 4. Linking the “Commonwealth” to the Wider World



8 Reales silver cob coin, Philip IV, Potosi, 1630



# Clipped Spanish Cob Coin



John Hull, Master of the Mint and Silver Entrepreneur,  
Boston, Massachusetts



# Massachusetts “Pine Tree” Shilling, 1652



# VI. The Wider World of Atlantic Trade

- A. The Ubiquity of Slavery: Forced Labor as Key to the System
- B. The Navigation Acts: Regulating a Complex System among Competing Empires (Britain, Netherlands, France, Spain, Portugal)
- C. Duties, not Taxes
- D. Was this a “Free Market” Economy?
  1. John Hull and the Commonwealth Ideal
  2. John Hull as “Entrepreneur”
  3. The “state” and “political economy”