

THE  
NEW ENGLAND  
MERCHANTS  
IN THE SEVENTEENTH  
CENTURY  
BERNARD BAILYN



*The New England Merchants*  
*in the Seventeenth Century*

BERNARD BAILYN

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## *Illustrations*

*Following page 130*

Saugus Ironworks. (Photograph courtesy of Saugus Ironworks National Historic Site)

Boston's First Town House (Reproduced courtesy of The Bostonian Society)

A contemporary view of the Cheapside-Cornhill district of London (Two sections of William Faithorne and Richard Newcourt's *An Exact Delination of the Cities of London and Westminster and the Suburbs*. 1658)

New England in 1620-1644 (Reproduced from John Gorham Palfrey, *History of New England*. Boston, 1859)

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A Partial Reconstruction of the Tyng-Usher Connections in the Second Generation

## *Preface*

THROUGHOUT THE colonial period the merchants — those who dealt for personal profit in the wholesale import, export, and distribution of goods — were the dynamic economic force in the northern colonies, and they occupied a strategic position in society. By the middle of the eighteenth century the leading merchants were towering figures, and an important part of our Revolutionary history is written in terms of their group interests. But, though united by the demands of a common occupation, they did not form a socially homogeneous unit. Their social differences, in fact, were important elements in the determination of events. The roots of these differences lie entwined in the circumstances of the formative period, when colonial society was emerging from the confusions and dislocations of settlement, receiving its character from the impress of New World circumstances upon uprooted Europeans. The story of this development — the crystallization of the interests and social character of the merchant group in New England — is the theme of the chapters that follow.

In such a study, based upon a reconstruction from scattered and fragmentary records of the lives of several generations of individuals, completeness is an elusive goal. But an attempt has been made to give a realistic account of the interdependence of the merchants' activities. The merchants were first of all businessmen, and consequently their business lives must be related to their social and political concerns. How did their social position and political role affect their entrepreneurial activities? Conversely, in what way did their commercial ventures affect their position in colonial society? Linking the Old World and the New, the New England merchants from the beginning were involved in European affairs. What bearing did events in the Old World have on their undertakings? Of what importance were their personal relationships with Europeans?



In seeking answers to such questions I have had the invaluable guidance of Oscar Handlin. His wise counsel and the example of his remarkable scholarship have helped me over innumerable difficulties. Not only did he read and criticize this book at every stage of its preparation, but in his commentary he conveyed something of his own inspiration which makes of history a subtle, penetrating analysis of society.

Others have also helped in important ways. Arthur H. Cole, Leland H. Jenks, and John E. Sawyer gave me the benefit of their full and careful criticism. The views of John L. Clive and Robert E. Kuenne resulted in a number of improvements. Clifford K. Shipton made readily available to me the typescript of John Hull's Letter Book. Ruth Crandall put at my disposal the results of her own research in the fourteen volumes of the *Suffolk Deeds*. The consideration of Dean Francis Keppel of the Harvard Graduate School of Education made it possible for me to complete the manuscript with a minimum of delay. Margaret F. Fouhy and her willing assistants attended to the final typing with unusual promptness and accuracy. The manuscript was prepared for the press with the skillful assistance of Ann Louise Coffin.

The publication of this book has been made possible by a subsidy from the Research Center in Entrepreneurial History, Harvard University, for which I am most grateful. Sections that have appeared in the *Journal of Economic History* and in *Explorations in Entrepreneurial History* are reprinted with permission.

I am particularly indebted to Lotte Lazarsfeld Bailyn for her criticism, her help on countless details, and her wonderful forbearance.

BERNARD BAILYN

Cambridge, Massachusetts

*Preface to the paperback edition*

SINCE THE original publication of this book in 1955 a number of writings have appeared that deal with one or another aspect of the merchants' lives. If I were to rewrite the book now I would want to enlarge or compress sections to take account of them; but I have found no reason to reconsider the general interpretation of the book or the treatment of significant details in it. The book is therefore reissued with only a few corrections of technical errors that slipped by in proofreading.

I have myself, with Lotte Bailyn, accepted the invitation to statistical analysis mentioned on page 229; the results are published in *Massachusetts Shipping, 1697-1714: A Statistical Study* (Cambridge, 1959).

The full text of Robert Keayne's Last Will and Testament, discussed on pages 41-44, has been edited and published in volume 42 of the *Proceedings of the Colonial Society of Massachusetts (Transactions, 1952-1956)*, and as a separate volume entitled *The Apologia of Robert Keayne: The Self-Portrait of a Puritan Merchant* (New York, Harper and Row, 1965).

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# I

## *Origins of Trade*

IN 1630, along the coast of New England, from the island-fringed fiords of Maine to the beaches of Connecticut, were scattered isolated groups of Europeans, part of the vanguard of six generations of Englishmen who laid the foundation of American society. In the spring of that year on the coast of Maine the crews of a small fleet of fishing vessels were cleaning and packing their catch, trucking with the natives, loafing, or brawling. Farther inland at a few trading posts Indians gathered to exchange furs for cloth, hardware, liquor, or firearms. Salem and the Massachusetts Bay region, hitherto the homes of a few dozen people living in almost total solitude, were now the scenes of frantic bustle as several hundred newly arrived settlers threw up tents, lean-tos, and cabins in an effort to prepare for the rigors of a New England winter. At Plymouth, the Pilgrim community, numbering now a little over three hundred souls, lived in primitive comfort within small frame houses built along two intersecting streets. On the shores of Long Island Sound three or four trading houses indicated that Europeans were opening North America to the civilization of the Old World.

This condition of New England society in 1630 was the result not of the will and intentions of successful colonizers but of a series of failures that stemmed from misconceptions of the economic possibilities of the region. New England had caught the attention of a variety of Englishmen interested in settlement, men as different in purpose as Sir Ferdinando Gorges, who had dreamed of a feudal Nova Britannia complete with gentry and *bourgeoisie* and divided into counties, baronies, and hundreds, and the Reverend John White, who had tried to organize a community of pious fishermen whose labor and righteousness would glorify God and who would bring the Gospel to the savages. For three decades English merchants, presumably cautious men, who built fortunes on their ability to judge investments

shrewdly, had thrown away thousands of pounds in futile efforts to exploit New England's resources.

The plans of these men failed. Yet their efforts form the background of later, successful undertakings. Out of the frustration of their thwarted ambitions emerged accurate knowledge of New England; and in the wake of their broken enterprises came the scattered settlers of 1630, among whom were the first New Englanders to engage in commerce.

## 1

New England might have developed like Virginia, as the preserve of a powerful English business corporation, the monopolist of trade, and the source of public authority. The Plymouth Company, created by the Virginia Company charter of 1606, had received the exclusive right to start settlements anywhere between the Potomac River and the present site of Bangor, Maine. It had responded by establishing in 1607 the ill-fated settlement of Sagadahoc near the mouth of the Kennebec River. Its colonists erected a fort, planted crops, built a "pretty pinnace," and prepared to trade with the natives and to begin exploration. But disaster followed disaster until, by the end of 1608, the last of the settlers, as disillusioned with the prospects of the venture as was the company at home, returned to England. "And this," wrote a contemporary, "was the end of that northerne colony uppon the river Sachadehoc."<sup>1</sup>

Behind this first important failure lay the accidents, if such they were, of the economic geography of England and of a mistaken picture of New England and its native population. The Plymouth Company was financed mainly by men from England's west country. For half a century the inhabitants of Bristol and the port towns of Devonshire and Dorsetshire had led England in exploring the continent discovered by John Cabot and in exploiting the rich fisheries of Newfoundland. Bitterly jealous of "the Engrossing and Restraint of Trade by the rich Merchants of *London*," the westerners were a separate interest in New World settlement, and by 1606 demanded a position at least equal to that of the Londoners in the projected settlement of "Virginia."<sup>2</sup>

Bridging these two groups was that "huge, heavie, ugly man," the Lord Chief Justice.<sup>3</sup> Sir John Popham was at the same time a native of the west country, an important royal officer, and a believer in the

social benefits to England of colonizing. He became the link of the west-country merchants to the crown, and his influence on the framing of the Virginia Company charter was decisive.

What was needed in this competitive situation was a scheme for colonization that would allow both Londoners and westerners to participate equally in the colonization of America and that would prevent them from clashing so that their combined efforts might contribute to the national good. The famous document issued on April 10, 1606, satisfied these requirements. The charter of the Virginia Company created two separate companies, one located in London and the other in Plymouth, and opened to them separate though overlapping portions of the North American coast. It specifically forbade the two groups to settle within one hundred miles of each other. Each company was to be directed by a council of thirteen, and over both of these boards was to be a royal council to "have the superior managing and direction . . . of . . . matters that . . . concern the government" of the colonies established in the two precincts.<sup>4</sup>

As an enterprise backed mainly by west-country merchants, Sagadahoc suffered a number of disadvantages. The west-countrymen commanded less capital than the Londoners for ventures promising delayed dividends. The sums subscribed to the Plymouth Company could not have approached the £52,624 12s. 9d. pledged to the London Company by 1619. The City Council of Bristol refused to venture anything unless the undertaking was subsidized by the king, and only thirteen merchants in that town subscribed to the company's joint-stock. Moreover, the governmental structure of the Virginia Company, which had been designed to satisfy the west-country demands for independent action, succeeded in doing exactly the opposite. It weakened the enthusiasm of the very men upon whom success depended. The Deputy Mayor of Plymouth protested the overriding "Councell of dyvers," and Sir Ferdinando Gorges, the leader of western colonization plans, made it clear that the westerners resented the presence of Londoners on the council. For the west-country members, said Gorges, "to be tyed upon all occacions to Poste yt to London, is a matter soe tedious and chargeable as they are wholie distasted with the ymagination thereof, and . . . they utterlie refuse to proceede any farther." When it was learned how many mere citizens and tradesmen were to have a hand in the direction of the company, "all the gentlemen that before weare willing to be lardge

adventurers presentlie withdrew themsealves and by noe meanes will have to doe therein.”<sup>5</sup>

Finally, it was as west-countrymen that the Plymouth representatives had accepted, at some critical point in the negotiations for the charter, the northern part of “Virginia” as their portion. It probably seemed more native to them, closer to their old haunts at Newfoundland, an extension of their private colonial world. But it had serious shortcomings. For even with these initial disadvantages flowing from west-country membership, the company might have succeeded eventually if, during the first year, the project had given some signs of returning a reasonable profit. Instead, the merchants learned at great cost that the glowing reports of three exploratory voyages had ignored certain basic conditions affecting the commercial possibilities of New England.<sup>6</sup>

The western merchants proceeded on the assumption that North America, abounding in natural wealth, could be exploited by establishing trading factories to which the natives would bring the local products. Such commerce as the merchants had in mind demanded commodities with high value in proportion to bulk and weight, to be furnished by a native population organized economically and politically. The agents and employees they sent over were not expected to raise products to be exported or to search out native goods deep in the interior. Though these men proved contentious and unruly they accomplished their main task. They built a trading fort not different in kind from those established in Asia.<sup>7</sup> But no goods flowed in to match those of the East India Company; there was, Gorges ruefully reported, “no returne, to satisfy the expectation of the Adventurers.” The Indians, instead of coming peacefully to the fort to trade, “shew themselves exceeding subtill and conninge, concealing from us the places, wheare they have the commodities wee seeke for.” The men at Sagadahoc waited in vain for throngs of natives to haul precious piles of goods into the fort to exchange for tinkling bells and snippets of bright cloth.<sup>8</sup>

This fundamental miscalculation in the planning of the settlement as a commercial enterprise doomed it to failure. A series of accidents — Popham’s death, the resident leader’s inheritance in England, a fire in the fort, and a severe winter — provided the immediate causes of its collapse. There was no possible justification for supplying and repopulating a trading post that promised no profits. The financial

backing necessary for setting up colonies in New England would not be forthcoming until it was clearly demonstrated that such investments were profitable.<sup>9</sup>

The Plymouth Company never recovered from this disastrous conclusion to its grand enterprise. Its assets fell to Sir Francis Popham, son of the Chief Justice, who used the ships and equipment in the only way likely to yield a return. From 1609 to 1614 he sent yearly fishing expeditions to the Maine shores. His men set up crude habitations near their stages on Monhegan Island and may have used the old Sagadahoc Fort as a trading center. By 1614 Popham's frequent visits to those parts had given him a high claim to whatever the Indians had to trade, but his main purpose was to fish, for which neither trade nor permanent settlements were necessary. These trips undoubtedly paid their expenses, but by no means could they recoup the Pophams' losses in the Plymouth Company. Sir Francis found the attempt "fruitlesse," Gorges wrote, "and was necessitated at last to sit down with the losse he had already undergone." But others followed where he led and, by 1614, Damariscove Island, Pemaquid Point, and Matinicus Island had become with Monhegan Island the yearly rendezvous for a few English fishermen.<sup>10</sup>

## 2

In the years that followed it seemed likely that New England would become another Newfoundland, frequented by the crews of fishing vessels but unsettled and undeveloped. Captain John Smith visited New England in 1614 and in his influential *Description of New England* stressed that the region's main staple "to bee extracted for the present to produce the rest, is fish." In this widely read pamphlet he explained in detail how the proper management of New England's fisheries could become the basis of a thriving colonial economy.

To this industry Ferdinando Gorges turned when, in 1619, he organized the Council for New England. This group of forty nobles and gentlemen was responsible for the second and most extravagant attempt to colonize east of the Hudson River. The "Councill established at Plymouth, in the County of Devon, for the planting, ruling, ordering, and governing of New England, in America" was invested with possession, under the crown, of America between the fortieth and forty-eighth parallels, that is, from the site of Philadelphia to the Gaspé Peninsula, and from sea to sea. It was not organized as a joint-

stock company and, unlike most other colonization projects of the period, was not commercial in nature. The patentees were given the power to establish and govern a population of Englishmen in America. Political authority was to be centered in a governor, assisted by a resident council and appointed officers of state. Two-thirds of all the land was to be divided into counties for the patentees and subdivided into baronies and hundreds. Representatives of these units as well as of the incorporated cities were to meet in an assembly to draw up the laws, but it was the president and council in England "who are to give life to the Lawes so to be made." The minor lords were to hold separate courts to adjudicate "petty matters" among tenants. The merchants were to be organized in their own "government" for economic purposes, as were the tradesmen in the cities. The remaining one-third of the land was to be reserved for public uses, "to be belonging to the State, as their revenew for defraying of publique charge."<sup>11</sup>

These ideas had been shaped to the pattern of Gorges' personality. They were, like that Elizabethan knight, bold, patriotic, old-fashioned, and impractical. If his plans had succeeded, New England would have become a feudal principality, dominated by a new colonial nobility. In such a society the merchants would have formed a carefully circumscribed class, their economic activities channeled into medieval institutional forms.

The impracticality of Gorges' scheme immediately became apparent when the Council considered "how to raise the meanes to advance the plantation." Two plans were suggested. "The one was the voluntary contribution of the *Patentees*; The other, by an easie ransoming of the freedomes of those that had a will to partake onely of the present profits, arising by the trade, and fishing upon the coast."<sup>12</sup> Though there were wealthy and energetic men among the original councilors, their interest was such as to force Gorges to rely mainly upon the "easie ransoming" of the west-country merchants.<sup>13</sup> It was primarily for this purpose that the charter granted the monopoly of the trade and fishing in the area to the Council, thus guaranteeing to it control of what it assumed would be a continuing flow of private commerce into New England. This economic energy Gorges and his friends proposed to harness to the purposes of the new colony.

How this was to be accomplished became clear to the Bristol merchants in September 1621 when Gorges sent them a copy of the Council's "Articles and Orders . . . for the better Government of



the Trade and [for the] Advancement of the Plantacion in those parts.”<sup>14</sup> This document announced that all trade to New England was to be placed by the Council in the hands of joint-stock companies formed in the five leading west-country ports. These five companies, whose stocks were to be liquidated after each expedition, were to meet in yearly conferences at Tiverton, “to resolve uppon their Mutuall proceedings,” which might include the determination of one grand joint-stock for all five companies. Since it had become the task of the Council to maintain the peace and safety of the settlements, forts, warships, and military officers would have to be provided. To pay for this expense one-tenth of the “first Capitall adventure” of these companies was to be sent to the Council. For the salaries of the administrative officers, “one in the hundred of all goods” exported or imported was to be reserved for the Council’s treasury. The companies were to assist also in the populating of the country. They were to attempt to furnish New England towns with “all kinds of necessary tradesmen” and to insure that shipmasters left in New England one-fifth of their complement of fishermen, well equipped and provisioned for continuing in their trade. Article 24 reads: “And it is further ordered that every shipp of three score tons shall carry with them twoe Piggs, two Calves, twoe couple of tame Rabbetts, two couple of Hens, and a cocke, which they shall deliver at the Iland of *Menethiggen* [Monhegan].” The directors of the five companies were to set prices for goods bought from the settlers and to send detailed information to the Council concerning all men and ships engaged in New England trade. Disputes within or among the companies were to be settled, the forty nobles and gentlemen decreed, “by us.”

Such was the plan by which the Council for New England intended to put its trade monopoly to work. But even before the western merchants discovered what was expected of them, the Council’s franchise came under attack. The Virginia Company protested the Council’s monopoly of the New England fishery and succeeded in obtaining from the Privy Council an exemption for its fishermen. Moreover, the Virginia Company’s treasurer, Sir Edwin Sandys, introduced the subject of the Council’s monopoly to Parliament. His arguments in behalf of a free fishing bill, though mainly concerned with the Newfoundland fisheries, opened a long battle that formed part of the Commons’ campaign against the royal prerogative.<sup>15</sup>

In his stand against the Council’s monopoly, Sandys was soon joined

by others more directly concerned in the matter. Warding off Gorges' importunity with the complaint that the "Articles" were "difficult," the Bristol merchants quickly got in touch with their representatives in Parliament. The Merchant Venturers Company, the Bristol men wrote, "in no sorte doe like of the said Articles, being they concerne the establishing and making of a Jointe Company Stocke throughout all the Western parts to be ordered and governed by the said President and Counsell." But they wanted to continue in the New England fisheries, and some were even willing to pay the license fees, which Gorges had set at £10 per thirty tons of shipping.<sup>16</sup> Before they did so, however, they wanted to be sure that the Council's monopoly was legal. With this encouragement the Members from the west country continued the agitation started by Sandys' group. By 1624 these forces, combined with others in opposition to the crown, succeeded in listing the Council's monopoly as a major grievance of the realm. The dismissal of Parliament, however, eased the pressure to void the charter, which remained in effect until it was surrendered in 1635.

If the merchants could not destroy the monopoly, they could ignore it; and this they did from the start. The issuance of the Council's charter by no means ended the annual voyages to New England. By September 1621 "interloping" in the reserved province was so flagrant that the Privy Council issued an order against such activity. A year later the "outrages" committed by "sundrie irregular persons" in the reserved territory were considered serious enough for the Council to ask for a royal proclamation in its behalf. But though the proclamation was soon issued and though the Council commanded printed copies of the order in council to be "fixed . . . upon the mayne Mast of every Shipp," the monopoly could not be enforced.<sup>17</sup>

In the fragmentary records of the Council for New England there is mention of only one important offer of financial support. In 1622 some merchants considered investing £100,000, perhaps for a sub-monopoly of the fisheries. But the arrangement was "respired in regard of the Difficulty of findeing security,"<sup>18</sup> and the business of the Council meetings became a continuous search for money. Again and again the patentees were dunned for their promised contributions of £110, but even the threat of dropping their names from the list of applicants for a renewal of the charter had no effect. Some of the members undertook a private venture, but it was so poorly supported that they had to mortgage their ship in order to buy needed provisions

and equipment. Finally, in a move that contradicted a major premise of Gorges' rationalization of his purposes, the Council decided to add several merchants to the list of patentees. This innovation, understood at the time to be a significant change, is less important for the money it produced than for the light it throws on the fundamental miscalculations in the elaborate plans of Gorges and his friends.<sup>19</sup>

What would have happened to their scheme of government once large numbers of immigrants had settled in New England can only be surmised; that stage was never reached. The Council hoped to achieve that goal by yoking the activities of the west-country merchants to their own purposes of colonization. There was a sharp distinction from the beginning between the function of the Council and that of the merchants. Unlike the forty patentees who had nothing to lose and everything to gain, the merchants were confronted with an organization empowered to take percentages of their profits, to burden them with regulations, and even to clutter their vessels with animals. They were ordered to contribute heavily but were offered little authority. Instead, as in 1606, they found themselves controlled by men whose interests conflicted with their own. Not only were they asked to order their affairs along lines laid down by courtiers and gentlemen, but they were expected to subordinate their private interests to an unwieldy central apparatus which violated their deeply local loyalties. Moreover, bitter experience in Newfoundland had taught them that colonies along the fishing shores were a threat to the success of their expeditions. Colonists would eventually control the wood and salt supplies and meddle in the management of harbors.

The merchants were able to frustrate the Council's aims because of a simple contradiction in the machinery of control. The Council's monopoly depended upon the coöperation of the merchants themselves. The coastal cruisers, harbor forts, and colonial courts of law necessary to put the monopoly into effect were to be paid for by taxing the fishermen and the five companies. When called upon to help enforce regulations against their own interests, the merchants' strongest weapon was not legislation or violence, but indifference. Deprived of financial vitality the Council exhausted itself in futile search for other sources of capital. In 1623, and again in 1635, it liquidated its only real assets by dividing up its land in America among the patentees.