

**Unforeseen Troubles:
Baltimore's Atlantic Trade and the Commercial Frustrations
of the Confederation Period**

Richard S. Chew

Eager to take advantage of the commercial opportunities in Baltimore following the end of the Revolutionary War, hundreds of merchants descended upon the city in early 1783. Among them was Henry Johnson, recently arrived from Massachusetts to establish a branch of his Boston firm, Johnson, Johonnot & Company. Johnson hoped to expand the firm's interests in the West Indies trade, and the Chesapeake's rising port provided the ideal location to accomplish this. An obscure and nearly forgotten village in the backwater of the British Empire in 1745, Baltimore became leading outpost for the Mid-Atlantic grain trade to the Caribbean and southern Europe in the 1750s and 1760s. By 1774, the city exported the equivalent of almost 800,000 bushels of wheat, or 25 percent of the total for all of British America.¹ During the war, the city's fortunes had risen even further. Unlike most major American ports, Baltimore had not been occupied by the British army or directly blockaded by the Royal Navy. Instead, the city served as the chief port of entry after 1781 for the wartime trade with France, as well as a base of

¹ Timothy Pitkin reported that total exports of bulk wheat from British America in 1770 amounted to 851,240 bushels, and bread and flour exports amounted to 45,868 tons. According to David Klingaman, it took 51.4 bushels of wheat to produce one ton of flour, thus the volume of flour and bread exports was equivalent to 2.36 million bushels of wheat, and thus total American exports were equivalent to 3.2 million bushels of wheat. Baltimore's share of the trade is based on the 1779 report to the British made by Robert Alexander, a Maryland Loyalist. Alexander stated that gross exports from Baltimore in 1774 amounted to 120,000 barrels of flour and 250,000 bushels of bulk wheat. These figures are consistent with the data provided by Pitkin. Assuming a conversion ratio of 11.43 barrels per ton (each barrel contained 196 pounds), the equivalent volume of flour exports was 10,499 tons, or approximately 539,633 bushels of wheat using Klingaman's conversion method. Baltimore's total exports of wheat and flour in 1774 were thus equivalent to 789,632 bushels of wheat. See David Klingaman, "The Significance of Grain in the Development of the Tobacco Colonies," *Journal of Economic History*, 29 (1969): 272; Edward Papenfuss, "Economic Analysis and Loyalist Strategy During the American Revolution: Robert Alexander's Remarks on the Economy of the Peninsula or the Eastern Shore of Maryland," *Maryland Historical Magazine*, 68 (1973): 193; and Timothy Pitkin, *A Statistical View of Commerce of the United States* (Woodbridge, CT: Research Publications, 1980; orig. 1835), 21-23.

operations for a small squadron of French warships under Admiral Chevalier de la Villebrune and 500 troops under the command of Brigadier General Chevalier de La Valette. The French presence boosted the city's economy and saturated Baltimore with specie. As the war came to a conclusion, Baltimore was poised to become a leading American port in the Atlantic economy and Johnson knew it. Firmly established in the city by November 1783, he confidently wrote to James Demie, a merchant in Cape François, Santo Domingo, that "I am confident Balt[imore] will have its share of your trade as we are growing very fast here."²

Unfortunately for Johnson and his partners, the promise of prosperity had vanished less than six months after writing his letter to Demie. By Spring 1784, Johnson was disappointed, irritated, and out of patience. He complained to his half-brother Frank that it is "impossible to collect Cash from the [city's] retailers after we have trusted them . . . If we had not two or three friends we should be obliged to hang ourselves." The turn-around was remarkable. When Johnson arrived in Baltimore the previous Spring, the city was flush with specie; now, barely a year after the war had ended, he was unable to collect so much as a shilling or a livre tournaiss

² Henry Johnson to James Demie, November 8, 1783, in Johnson, Johonnot & Co. Letterbook, MS.498, MHS, and J. Thomas Scharf, *The Chronicles of Baltimore: Being a Complete History of "Baltimore Town" and Baltimore City from the Earliest Period to the Present Time* (Baltimore: Turnbull Brothers, 1874), 195-96, 199-203, 206-07. The observation that Baltimore was "flush with specie" is based on the observations of French General François Jean de Beauvoir, Chevalier de Chastellux. The general estimated that wartime spending by British troops had placed more than £10 million Sterling into circulation in the United States by the end of 1782, and that spending by French troops, not including moneys spent by naval forces, added another 35 million livres tournaiss, or the equivalent of more than £1 million Sterling to the American economy. Much of the French spending occurred in the city, and, as historian Richard Buel observed, much of the "French money distributed in Virginia [also] flowed to Baltimore," and had "only a slight effect on the Virginia economy." See François Jean de Beauvoir, Chevalier de Chastellux, *Travels in North America in the Years 1780-1871-1782*, trans. Howard Rice (Chapel Hill: University of North Carolina Press, 1963), II, 572, and Richard Buel, *In Irons: Britain's Naval Supremacy and the American Revolutionary Economy* (New Haven: Yale University Press, 1998), 210.

from anyone.³ The embarrassed state of the American economy came as a surprise to those like Johnson who believed that American independence would usher in a new era of prosperity. Freed from all the mercantile restraints of the British Empire, the new republic was supposed to enjoy an expansive export trade.⁴ When this failed to materialize, most Americans were as bitter as Johnson about their unexpected commercial difficulties, and quickly fixed the blame for their unforeseen troubles on Europeans generally, and the British specifically. According to this popular interpretation, the machinations of British merchants had tricked Americans into accumulating enormous debts. The subsequent revival of mercantilist policies by the British, French and Spanish governments had taken away the only means to repay those debts, thus robbing the new republic of its promised postwar prosperity.⁵

³ Henry Johnson to Francis Jonhnot, April 27, 1784, in Johnson, Jonhnot & Co. Letterbook, MHS. The firm's three members included George and Francis (Frank) Jonhnot, who were brothers, and Henry Johnson, their half-brother. They were likely third generation descendants of Huguenot merchants. See Rhoda Dorsey, "The Conduct of Business in Baltimore, 1783-1785: As seen in the Letterbook of Johnson, Jonhnot, & Co.," *Maryland Historical Magazine*, 55 (1960): 230.

⁴ As late as mid-February 1783, Americans did have reason to expect that an export boom would follow the war. In France, Charles Gravier, Comte de Vergennes, who served as both Foreign Minister and Principal Minister to King Louis XVI, desired to keep French ports open to American ships after the war. In Britain, an unimpeded trade with America was also a preeminent concern of the new prime minister, William Petty Fitzmaurice, Earl of Shelburne. See *Cobbett's Parliamentary History of England: From the Norman Conquest in 1066 to the Year 1803* (London: T.C. Hansard, 1806-1820), XXIII, cols. 409-410; Samuel Flagg Bemis, *The Diplomacy of the American Revolution* (Bloomington: Indiana University Press, 1957), 16-23, 236-48; Jonathan Dull, *A Diplomatic History of the American Revolution* (New Haven: Yale University Press, 1985), 38-39; Gregg Lint, "Preparing for Peace: The Objectives of the United States, France, and Spain in the War of the American Revolution," in *Peace and the Peacemakers: The Treaty of 1784*, ed. Ronald Hoffman and Peter Albert (Charlottesville: University Press of Virginia, 1986), 35-38; Charles Ritcheson, *The Aftermath of Revolution: British Policy Toward the United States, 1783-1795* (Dallas: Southern Methodist University Press, 1969), 5-19; Charles Ritcheson, "The Earl of Shelburne and Peace with America, 1782-1783: Vision and Reality," *International History Review*, 5 (1983): 322-45; Esmond Wright, "British Objectives, 1780-83: 'If Not Dominion Then Trade'," in *Peace and the Peacemakers*, 18, 22, 27-28; and Jonathan Dull, "Vergennes, Rayvenal, and the Diplomacy of Trust," in *Peace and the Peacemakers*, 110-12.

⁵ British Orders in Council of July 2, September 5, and December 26, 1783 excluded American ships from trading directly with the British West Indies; Americans could still transact business with Caribbean planters, but the trade itself, and thus the terms on which that trade was to be conducted, was reserved to British merchants and British ships alone. London, Bristol, Cowes, Liverpool, Whitehaven, and

At first glance there seems to be a strong case for blaming Europe for America's troubles. Immediately following the war, British firms had offered Americans deep discounts up to 25 percent below London prices on manufactured goods, as well as six-month's credit to pay for them. These terms proved irresistible to consumers and may have encouraged the consumer spending binge between 1783 and 1785. The British merchants claimed that they wanted to insure that they recaptured the trade of the former colonies, but many Americans believed that their actions aimed at a more insidious design. In October 1783, Arthur Campbell confided in James Madison that "If my intelligence from a distant Correspondent, is right," British policy since the king's acknowledgement of American independence had aimed at the new nation's

Greenock were opened to the American tobacco trade by Orders in Council of November 5, 1783, and subsequent Orders in Council opened Port Glasgow on November 19, 1783, Falmouth and Portsmouth on April 16, 1784, Hull on July 30, 1784, and Lancaster on November 24, 1784. In France, the Council of State issued two *Arrêts* in May and August 1784 that opened the ports of L'Orient, Bayonne, Dunkirk, and Marseilles to American ships, compelled the Farmers General to show preference for American tobacco, established Isle de France [Mauritius] as an entrepot for American trade in the Far East, and greatly expanded the list of items that might be imported or exported. The *Arrêts* also increased the number of free ports in the French West Indies from two to seven, including Port-du-Cârenage in St. Lucia, St. Pierre on Martinique, Pointe-à-Pitre on Guadeloupe, and Scarborough on Tobago. On Santo Domingo, Cape Môle St. Nicholas was closed, and Cape François, Port-au-Prince, and Aux Cayes were opened to American ships. However, the *Arrêts* also limited American trade in the West Indies to timber, dye-woods, coal, livestock, salt beef, salt fish, rice, legumes, hides, and pitch. Wheat, flour, and corn were prohibited. The only exports allowed were rum and molasses; sugar and coffee were prohibited. Salt fish entering the French West Indies from America was taxed and rendered uncompetitive for the West Indies market, and only ships of more than 60 tons were to be admitted to the free ports. The latter action effectively eliminated most of the sloops and schooners Americans employed for the West Indies trade. Worst of all, a series of further French actions mirroring the British Orders in Council had, by 1787, eroded most of the concessions made in the *Arrêts* of 1784. See Ritcheson, *The Aftermath of Revolution*, 5-19, 39-45; Frederick Nussbaum, "The French Colonial Arrêt of 1784," *South Atlantic Quarterly*, 27 (1928): 69-70; Elizabeth Nuxoll and Mary Gallagher, eds., *The Papers of Robert Morris, 1781-1784* (Pittsburgh: University of Pittsburgh Press, 1995-1999), 8:510-511, 681-685; Kathryn Sullivan, *Maryland and France, 1774-1789* (Philadelphia: University of Pennsylvania Press, 1936), 137-143; Henry Sée, "Commerce between France and the United States," *American Historical Review*, 31 (1926): 734-35; David Ross and other Virginia merchants to Thomas Jefferson, October 18, 1785, in *The Papers of Thomas Jefferson*, ed. Julian Boyd (Princeton: Princeton University Press, 1950-), 8:650-51; Lewis Gray, *History of Agriculture in the Southern United States to 1860* (Washington: The Carnegie Institute, 1933), II, 600; and Jacob Price, *France and the Chesapeake: A History of the French Tobacco Monopoly, 1674-1791, and of Its Relationship to the British and American Tobacco Trades* (Ann Arbor, MI: University of Michigan Press, 1973), II, 732.

destruction by “draining our money, impairing public credit, and destroying public spirit.”

Others agreed that the mounting debt could easily wreck the republic—which seemed to be the British aim. In Charleston, a merchant complained that “British merchants will be . . . the ruin not only of this state, but all America; for every dirty advantage they can take, they eagerly catch at.” The Connecticut delegates to Congress reported to Governor Matthew Griswold that “Our affairs seem to indicate the approach of some great crisis. Our trade [is] in a very distracted situation, [and] Britain [is] watching for some opportune season to revenge her smarts.” In Virginia, Governor Benjamin Harrison condemned the British merchants as “locusts that are crouding us here as so many emissaries” of the British government, “sent to sound out [our] inclinations” and lure and trick Americans into further debt.”⁶

Most Americans would have likely regarded the British discount practices as inconsequential if the much anticipated export boom had occurred. Unfortunately, the boom never happened. Total American exports likely averaged £3.5 million between 1784 and 1789, compared to just £3 million between 1768 and 1772, but the nominal increase was not enough to keep pace with either population growth or the value of the nation’s imports, and it certainly fell short of American expectations. The grim reality was that exports per capita during the Confederation were consistently 20 to 30 percent below the levels recorded for the colonies between 1768 and 1772, and the cumulative U.S. trade deficit with England between 1784 and

⁶ Louis Maganzin, “Economic Depression in Maryland and Virginia, 1783-1787” (Ph.D. Diss., Georgetown University, 1967), 19-22; Lester Cappon, ed., *The Adams-Jefferson Letters: The Complete Correspondence Between Thomas Jefferson and Abigail and John Adams* (Chapel Hill: University of North Carolina Press, 1959), I, 41 n.33; Extract of a letter from Charleston, June 4, 1785, in *Pennsylvania Gazette*, June 29, 1785, quoted in Merrill Jensen, *The New Nation: A History of the United States during the Confederation, 1781-1789* (New York: Vintage Books, 1950), 189; Connecticut Delegates in Congress to Governor Matthew Griswold, April 12, 1786, in *Letters of Members of the Continental Congress*, ed. Edmund Burnett (Washington, DC: The Carnegie Institute of Washington, 1921-36), 8:339; Benjamin Harrison to the Virginia Delegates in Congress, September 26, 1783 and Arthur Campbell to James Madison, October 28, 1783, in *The Papers of James Madison*, ed. William Hutchinson and William Rachal (Chicago: University of Chicago Press, 1962-), 6: 377, 7:359, 383.

1789 amounted to £7.6 million.⁷

Once again, Americans blamed European actions for their troubles. In late 1783, Benjamin Harrison warned that “the determinations of the French and English respecting our trade is really alarming and in the end will prove ruinous to us if not counteracted.” John Adams agreed. If the British and French wished to embarrass American commerce, then Americans should return the favor. As he explained to Jefferson, “the French deserve” punitive actions “as much as the English; for they are as much Enemies to our Ships and Mariners.” Although the French “Navigation Acts are not quite so severe as those of Spain, Portugal and England . . . they are not much less so.” Thomas Jefferson reported in 1784 that several members of Congress believed “our commerce is got & getting into vital agonies by our exclusion from the West Indies.” Richard Henry Lee praised the defiant stand of British and American merchants in London against “all the silly, malign commercial restraints upon our trade with their [Great Britain’s] W. India islands.” Yet these and other efforts were made in vain. James Madison concluded in 1785 that “we have lost by the Revolution our trade with the West Indies, the only one which yielded us a favorable balance without having gained new channels to compensate it.”⁸

Given the number of complaints lodged against the British, it is tempting to simply echo the indictment and conclude that the Confederation’s problems originated in the backrooms of

⁷ U.S. Department of Commerce, Bureau of the Census, *Historical Statistics of the United States: Colonial Times to 1970* (Washington, DC: U.S. Government Printing Office, 1972), II, 1176, 1182-83. For a discussion of the methodology used to estimate total American exports in the 1780s and exports per capita before and after the war, see Appendix A.

⁸ *The Adams-Jefferson Letters*, I, 41 n.33; John Adams to Thomas Jefferson, August 7, 1785, in *The Adams-Jefferson Letters*, I, 51; Benjamin Harrison to Virginia Delegates, October 3, 1783, Thomas Jefferson to James Madison, May 8, 1784, Richard Henry Lee to James Madison, November 20, 1784, and James Madison to Richard Henry Lee, July 7, 1785, in *The Papers of James Madison*, 7:366, 8:29, 145, and 314; and Jensen, *The New Nation*, 295.

London's counting houses and the antechambers of the British Parliament. Despite the impassioned arguments blaming European politicians, however, this explanation of the Confederation's commercial troubles is untenable. Despite the new restrictions, which were daunting on paper, American ships continued to trade freely throughout the West Indies. The Dutch, Danish, and Swedish islands remained open to American ships, and more than a year after the Orders in Council and various *Arrêts* were issued, American ships were able to gain entry to many British, French, and even Spanish islands through a variety of quasi-legal and illegal means. As Jefferson reported to Adams in 1785 when the two friends were serving as the American ministers in Europe, "all the late advices from the French West Indies are that they have now in their ports always three times as many vessels as there were before [the war], and that the increase is principally from our States."⁹ The dramatic gap between the rhetoric and the reality of the Confederation has lead some historians to conclude that contemporaries complained too much and that the early republic's economy may not have been in turmoil.¹⁰ Yet this interpretation must be dismissed as well. Indeed, an American ship captain of the 1780s would have considered such a view to be absurd. The number of clearances from American ports may have risen, but the real problems began when an American ship entered a port and the captain tried in vain to find buyers for the cargo; mercantilist restrictions could be evaded, but there was no escape from the laws of supply and demand.

Instead of the postwar actions of British merchants and politicians being to blame for the commercial frustrations of the Confederation period, the real cause of the crisis was the shift in market conditions within the Atlantic economy that arose from the disruptions caused by the

⁹ Thomas Jefferson to John Adams, August 10, 1785, in *The Adams-Jefferson Letters*, I, 52.

¹⁰ The classic statement of this view is Jensen, *The New Nation*.

American Revolution. Most merchants expected that a fall in commodity prices would follow the cessation of hostilities once the Royal Navy's blockade ended, and that American exports would flood the Atlantic markets. What they did not count on was a significant expansion in the European production of wheat, flour, tobacco and other commodities that began in 1776 (and sometimes before), and which continued into the 1780s. The increased supply meant an effective lack of demand for American grain and tobacco, and where there was a demand, there was almost certainly a plethora of merchant ship captains from all over the Atlantic world competing for the same business. No matter where they turned, American captains discovered that either European captains had already engrossed the market, or that the prices Americans asked exceeded what the market would bear. When unable to find buyers, captains either had to return home with unsold cargoes, or consign their cargoes to a local agent to wait for prices to improve. Either way, American merchants typically experienced a loss, either from the eventual sale of their cargoes at clearance or auction prices, or the wholesale loss of their cargoes because they could not be sold or even consigned. The efforts of even the craftiest captains were confounded by this miserable state of affairs.

In addition to the shift in market conditions in the Atlantic economy, some blame for the Confederation's economic travails must be attributed to the prevalence of the neomercantilist perspective that most Americans clung to in the postwar years. In the face of a sagging export trade, Americans had the choice to abandon overseas commerce and adopt a new proto-nationalist direction for the republic's political economy—one that ended the dependence on overseas trade and the Atlantic economy by embracing the expansion of the domestic market economy as the central feature of American economic development. There was a small minority crying out for such a change in direction, but their voices were ultimately drowned out by a

neomercantilist chorus that continued to see overseas trade as central to the wealth of the nation. The combination of an Atlantic economy in which demand for American products was limited and the neomercantilist insistence that Americans remain dependent on those markets spelled continued hard times for the new republic.

A study of Baltimore's export trade during the Confederation period provides an excellent opportunity to show how the changes in the Atlantic economy played havoc with the commercial prospects of the newly independent United States. Situated on the Patapsco River at the northern end of the Chesapeake bay, Baltimore served as an entrepot for two different economic regions of Early America: the grain-producing farms of the Mid-Atlantic and the tobacco-growing plantations of the Upper South. Together, the exports from these two regions accounted for more than 60 percent of the value of all American exports between 1784 and 1789.¹¹ In addition, the export of grain and tobacco made Baltimore a shipment point to almost every area of the Atlantic World; Americans shipped most of their grain for export to the West Indies or southern Europe, while most of the American tobacco crop was destined for markets in Great Britain and western Europe. Baltimore's merchants thus shared the commercial frustrations felt by farmers and planters from southern New York to northeastern North Carolina, and they faced many of the same disappointments that merchants from Boston to Savannah experienced during the 1780s. A study of Baltimore also affords a window into the neomercantilist mind, as many of the city's merchants demonstrated a startling pertinacity to discover profitable trade routes in the Atlantic and beyond.

¹¹ *Historical Statistics of the United States*, II, 1176. For the early development of Baltimore's Atlantic markets, see Richard Chew, "The Measure of Independence: From the American Revolution to the Market Revolution in the Mid-Atlantic" (Ph.D., The College of William and Mary, 2002), chapter 1.

When news of the peace treaty with Great Britain arrived in Baltimore in early 1783, the sense of commercial optimism was palpable. Emboldened by the promise of a booming export trade, frustrated by wartime austerity, and flush with foreign specie, Baltimoreans confidently went on a spending binge. Between 1783 and 1785, Marylanders and Virginians imported almost £2 million in goods from England alone. While it is unknown what percentage of these imports went directly to Baltimore, the city figured prominently in the trade. Ships jammed the city's waterfront by summer 1783, and the massive number of seamen crowding the wharves caught the attention of Johann Schoepf, a German surgeon who served with the British during the Revolutionary War and remained in America for several years after the end of hostilities. He claimed that on an autumn day in 1783, fifty ships thronged the wharves at Fells Point, creating a forest of masts where pennants fluttered in the breeze like leaves on so many trees. Henry Johnson reported that as many as seventy ships and smaller vessels crowded into the port on one day the following Spring.¹² The speculative fervor was so intense that despite the initial availability of specie, many consumers and retailers went into debt to pay for the torrent of manufactures streaming into American ports.

Baltimoreans plunged into the consumer frenzy based on the assumption that the city's exports would be sufficient to pay back the inevitable debts that would accrue from their profligate spending. When the boom did not happen, they faced a yawning trade deficit. As specie flowed out of the country to pay back the mounting debts owed to foreign merchants, money quickly became scarce. Henry Johnson was among the first to feel the sting when he was

¹² *Historical Statistics of the United States*, II, 1176; Johann David Schoepf, *Travels in the Confederation, 1783-1784*, trans. and ed. A.J. Morrison (Philadelphia: W.J. Campbell, 1911), I, 328; and Henry Johnson to Stephen Higginson, March 25, 1784, in Johnson, Johnson & Co. Letterbook, MHS.

unable to collect on the bills due from the city's retailers. The hard times had followed closely on the heels of the renewal of British and French mercantilist policies, and it seemed that the restrictions were to blame for the commercial frustrations. France's exclusion of American flour exports to the French West Indies, coupled with Britain's restrictions on American trade with the British West Indies threatened the profitability of the grain trade, which was the city's most important export. The prospects for tobacco were no better. The French government instructed the Farmers General to show preference for trading directly with American merchants. Yet the monopoly continued to import most of the American crop through Glasgow and London because Order in Council of December 26, 1783 allowed American tobacco destined for reexport to be admitted and warehoused in Great Britain duty free. By early 1785, a pall shrouded the city's mercantile houses, and one by one, many of them quietly dissolved—including several of its most successful firms. Clement Biddle & Company, whom George Washington had relied on, went bankrupt. Samuel and Robert Purviance, who played such leading roles in the Revolution, soon joined Biddle. Dozens of other houses hovered on the brink of failure, and struggled mightily to stay afloat. Marylanders also continued to owe more than £3 million in various debts throughout the 1780s, and had no way to remit them. Throughout the state, insolvencies mounted, and legal actions against debtors multiplied. As the number of suits doubled and then tripled as the decade wore on, Maryland courts became hopelessly clogged with cases.¹³

American protestations to the contrary notwithstanding, the revival of European mercantilist restrictions was in no way connected to Baltimore's commercial frustrations.

Despite the British Orders in Council, the French *Arrêts*, and the various other limitations on

¹³ Philip Crowl, *Maryland During and After the Revolution: A Political and Economic Study* (Baltimore: The Johns Hopkins University Press, 1943), 83-110, and Maganzin, "Economic Depression in Maryland and Virginia," 177-202. Baltimore Town was not yet independent of the county at that point, thus suits brought against debtors in the city had to be heard in the county court which further delaying matters.

American trade imposed by the other European states, Baltimore's ship captains had little trouble gaining entry into almost any West Indian market at almost any time. The ease with which Americans accomplished this was thanks in large part to the actions of the islanders themselves. During the 1783 debate in the British Parliament over the American Intercourse Bill, merchants and planters from the British West Indies flooded Parliament with petitions imploring the members to support the bill or risk starvation and the collapse of trade in the Caribbean. After the Orders in Council were issued, the freeholders of Antigua complained that their provisions would not last two months without an unlimited trade with the United States. The Baltimore community kept a close watch on the growing dissatisfaction throughout the region.¹⁴ When the hurricane seasons of 1784, 1785, and 1786 brought additional hardships to the islands, many colonial governors in the West Indies used their discretionary powers to open up their islands to American ships. Although special concessions such as these were only supposed to be made under extraordinary circumstances, at least one British island was open to American ships every year following the Revolution except 1787.

Jamaica proved the most consistent in relaxing British restrictions in the years immediately following the war. Lieutenant-Governor Alured Clark opened the island to American ships in October and November 1783, and again from July 1784 until January 21, 1785. Over the next two years, devastating storms continued to sweep the island, compelling the governor to periodically reopen Kingston, Montego Bay, and other Jamaican ports to any ships carrying provisions—including those coming from the United States. The volume of American

¹⁴ Edmund Burnett, "Observations of London Merchants on American Trade, 1783," *American Historical Review*, 18 (1913): 769-73, and Alice Keith, "Relaxations in the British Restrictions on the American Trade with the British West Indies, 1783-1802," *The Journal of Modern History*, 20 (1948): 1-2. The complaints of the freeholders on Antigua appeared in the *Bahama Gazette* for October 6, 1783, and the story was reprinted in the *Maryland Gazette* (Annapolis) for December 18, 1783.

trade to Jamaica during these years was immense. Between October 1, 1785 and October 1, 1786, 249 American vessels totaling more than 20,000 tons legally entered the island.¹⁵ Yet Jamaica was not the only island in the West Indies to open its ports. Governor William Brown opened Bermuda to American trade in 1783, Governor John Maxwell opened several ports in the Bahamas in 1784, and Governor John Orde kept Dominica open throughout all of 1784. Between October 1, 1784 and October 1, 1785, 88 American ships totaling 6,891 tons entered at Barbados thanks to the concession granted by Governor David Parry. Lieutenant-Governor Henry Hamilton opened Bermuda to provisions in March 1789, and Parliament itself allowed Americans to load salt at Turk Island in the Bahamas in 1788. Even Thomas Shirley, the Governor of the Leeward Islands who lodged furious complaints with the British Foreign Secretary in the early 1780s about the questionable decisions of West Indian governors and the collusive practices of American merchants to smuggle goods into the British islands, agreed to open St. Kitts to imports of lumber. After 1787, Nevis and St. Kitts in the Leewards became the islands most frequently open to American ships. In the early 1790s, Santo Domingo, Grenada, the Grenadines, Jamaica, and Bermuda were each open at some point for several months.¹⁶

When colonial governors did not allow entry to American ships, American captains presented forged papers to claim French, Spanish, or British registry as needed. Customs officials in the West Indies regularly accepted the fraudulent papers for an appropriate bribe. In anticipation of the renewal of mercantilist restrictions against Americans, Henry Johnson planned to make extensive use of this tactic. He assured James Demie, a merchant in Cape

¹⁵ Keith, "Relaxations in the British Restrictions," 2-3, 6-7.

¹⁶ Keith, "Relaxations in the British Restrictions," 5, 7-9, and Lowell Ragatz, "'Upon Every Principle of True Policy': The West Indies in the Second Empire," in *The American Revolution and the West Indies*, ed. Charles Toth (Port Washington, NY: Kennikat Press, 1975), 183-95.

François, Santo Domingo, that “Should your port be shut against the Americans, you will have an opportunity of doing something clever here under the French flag.” To Marie and Company in Port-au-Prince he wrote that “whether we [Americans] have permission to enter your port . . . seems doubtful,” but “Should your trade be carried to the Mole of St. Nicholas . . . vessels under the French Flag will bring the produce of your Island to this Continent much easier than the Americans.” When the mercantilist restrictions were renewed, forging documents became a widespread and successful practice. In February 1784, Henry wrote his brother Frank that “You will not forget the proposition I made respecting the vessel under British colours. I do believe there is an opening there.” He was confident that “If it [the voyage] could be done this quarter I would soon have a set of British papers.” If conditions changed, he was equally sure that they could “put the vessel again under American colours” without a problem.¹⁷

Failing all other options, ship captains simply smuggled cargoes ashore, and the Royal Navy usually did nothing to stop the illicit American trade because Admiral Sir Richard Hughes, commander in the Western Atlantic, prohibited his captains from interdicting against the American trade. Hughes believed he had no authority to act because neither the Parliament nor the Admiralty had not given him a direct order to do so. The situation disgusted a young Horatio Nelson, recently arrived in the Caribbean as captain of the *Boreas*. Nelson and his fellow captains were at last able to convince Hughes in December 1784 that the clear intent of the Orders in Council gave him more than enough authority to act. Yet Hughes’s subsequent orders still prohibited naval officers from interfering with an American ship when a colonial British governor deemed it proper to give it entry. The admiral’s orders effectively handcuffed Nelson

¹⁷ Henry Johnson to James Demie, November 8, 1783; Henry Johnson to Messrs. Marie & Co., November 8, 1783; and Johnson, Johonnot & Co. [Henry Johnson] to Frank [Francis Johonnot], February 21, 1784, in Johnson, Johonnot & Co. Letterbook, MHS.

and allowed the American trade to continue unharassed. The young, headstrong Nelson finally took matters into his own hands on May 2, 1785 when he seized the American schooner *Eclipse*. In the legal action that followed, Nelson prevailed and established the precedent for other British captains to interdict against the American trade. Yet the victory proved short-lived. To avoid further seizures, American merchants thereafter avoided a direct trade with the British and French islands in favor of an indirect trade through the Danish and Dutch colonies. American captains would thus consign their cargoes to a merchant in one of the Dutch, Danish, French, or Swedish West Indies. The cargo could then be re-exported legally to the British islands. The most popular landings for this indirect American trade with the British islands were Dutch St. Eustatius and Curaçao, the Danish island of St. Croix, the French islands of Guadeloupe, Martinique and St. Bartholomew's. The Royal Navy could do little to stop the practice, and the British Committee of Trade struggled for years to find an effective solution to the problem.¹⁸

A far greater concern than mercantile restrictions was the international glut of grain and tobacco in Atlantic markets. The abundance of grain resulted initially from the efforts of several European nations to expand production during the American War of Independence to make up for shortfalls in American supply—and these shortages were considerable. Some Mid-Atlantic grain continued to be exported after 1776, but for the most part, exports dried up. General Henry Knox estimated that American mobilization likely reduced the normal farm surplus by at least 50 percent, and in some years wiped it out completely. Others in the army were not convinced.

¹⁸ Ritcheson, *The Aftermath of Revolution*, 212-27. In 1787, Parliament sought a compromise by allowing single-decked American vessels of no more than 70 tons burden to enter in Jamaica at Kingston, Savanna-la-Mar, Montego Bay, and St. Lucea, St. George in Grenada, Roseau in Dominica, and Nassau in the Bahamas. However, the vessels were still not allowed to carry tobacco or grains, only cotton, indigo, livestock, timber products of various types, furs, and the produce of European colonies. See Keith, "Relaxations in the British Restrictions," 2, and Ragatz, "'Upon Every Principle of True Policy,'" 191, 194.

General Horatio Gates wrote to Washington in 1779 that “I cannot persuade myself there has been any Natural Scarcity.” Rather, “Avarice and Monopoly, must have caused the emptiness of our Magazines of Bread.” Either way, the evidence pointed to a scarcity of American grain. To address this problem, Congress determined to ban the export of wheat, flour, and bread in 1778 to insure an adequate domestic supply. When the ban took effect, however, farmers began forestalling their crops to wait for better prices and the scarcity became worse. Even when Congress lifted the ban to allow agents to export grain to St. Eustatius and Havana to purchase military supplies, it was difficult for the merchants charged with this responsibility to find many sellers.¹⁹ Thus European merchants had to scramble to find alternative sources of grain to compensate for the loss of more than 3 million bushels of wheat and flour that they had been importing from North America.

Throughout Europe, farmers cleared new land, recovered abandoned farmland, and converted lands previously used for grazing into arable fields. These methods had been employed since the late fifteenth and early sixteenth centuries to expand acreage used for grain production, and the major era of expansion had ended more than a century before the start of the American War for Independence. Nevertheless, there had been a decline during the early eighteenth century in the number of acres under cultivation in Europe, and while the amount of new land brought back under cultivation in the late eighteenth century by these means was relatively small compared to the increases of the sixteenth and early seventeenth centuries, they were not inconsequential. The efforts were also widespread and included Lincolnshire and Warwickshire in England, Silesia and East Friesland in Germany, Thiérache and Burgundy in

¹⁹ Buel, *In Irons*, 5-25, 47-52, 113; Harold Pinkett, “Maryland as a Source of Food Supplies During the American Revolution,” *Maryland Historical Magazine*, 46 (1951): 157-72; and Horatio Gates to George Washington, April 12, 1779, Horatio Gates Papers, Library of Congress, quoted in Buel, *In Irons*, 7.

France, Friesland and Groningen in the Netherlands, French Flanders, Ireland, and areas of Sweden and Spain. Many Europeans also engaged in elaborate and capital-intensive reclamation schemes of coastal areas to drain marshes and create polders to restore farmland lost to soil erosion by the sea. Many of these efforts, especially those in the Mediterranean, East Friesland and the Netherlands met with great success.²⁰ When Portugal's harvest failed in 1785, the nation's merchants turned to Sicily rather than Great Britain or America to relieve the shortfall. The Lisbon firm of Hudson and Harrison reported to Baltimore merchant Tench Tilghman that "we are abundantly supplied with every kind of grain . . . that should a further quantity arrive, prices must diminish very considerably." The Portuguese also developed a domestic flour milling capacity, eliminating the need to import refined flour from America, and after 1786, the market at Lisbon was closed entirely to American flour imports.²¹

After the war, a series of dry autumns were followed by very cold, dry winters and warm, dry summers in northern and western Europe. These conditions produced exceptional grain harvests in 1785 and 1786. Great Britain's imports of wheat and flour fell from more than 4.6 million bushels in 1783 to just 408,000 bushels in 1786 while exports advanced from 416,000 bushels to 1.6 million during the same period. Overall, Great Britain exported 2.4 million bushels more than it imported between 1784 and 1789. Prices in Europe were typically no lower than they had been prior to the war; at Amsterdam, the price of wheat and flour imported from the Baltics was about the same in 1785 as it had been in 1775.²² Yet there was little need for

²⁰ E.E. Rich and C.H. Wilson, *The Cambridge Economic History of Europe, Volume V: The Economic Organization of Early Modern Europe* (New York: Cambridge University Press, 1977), 66-71, 76.

²¹ Hudson and Harrison to Tench Tilghman & Co., July 27, 1785, in Tench Tilghman Papers, MHS, and Geoffrey Gilbert, *Baltimore's Flour Trade to the Caribbean, 1750-1815* (New York: Garland Publishing, 1986), 66-67.

²² J. Titow discovered the correlation between specific weather conditions and crop yields. His analysis

American grain; for the moment, Europe had returned to the grain self-sufficiency it experienced during the first half of the century. To make matters worse, wholesale prices on wheat and flour in the Mid-Atlantic remained well above their prewar averages until August 1787.²³ This forced American captains to ask for higher prices than the markets would bear, making American grain uncompetitive on Atlantic markets—a fact that was spelled out very clearly in the correspondence of Tench Tilghman, Robert Morris’s partner in Baltimore.

Tilghman received the same bad news from merchants in almost every port in Europe. From London, Charles Herries informed Tilghman that “at the prices you quote for your Produce there [is] no Encouragement for speculation.” James Burn, also of London, concurred that American “prices are much too high for the markets in Europe—and there must be great alterations before anything can be undertaken.” From Falmouth, George Fox claimed that “Prices being so low in Europe & high with you, nothing but evident loss must attend to it.” From Coruna on the northwest coast of Spain, Teronimo Hixosa complained that “the price of Indian Corn was so high last season that it cou’d not turn to acc[oun]t.” From Cadiz on the

was based on research on Winchester, England between 1209 and 1350, but it should be applicable to Europe as a whole as well as the latter period. See J. Titow, “Evidence of Weather in the Account Rolls of the Bishopric of Winchester, 1209-1350,” *The Economic History Review*, 2d ser., 12 (1960), cited in Rich and Wilson, *The Cambridge Economic History of Europe, Volume V*, 59-60. For British grain exports see B.R. Mitchell and Phyllis Deane, *Abstract of British Historical Statistics* (Cambridge: Cambridge University Press, 1962), 94-95. For grain prices in Amsterdam, see Nicolaas Wilhelmus Posthumus, *Inquiry into the History of Prices in Holland* (Leiden: E.J. Brill, 1946-64), I, table 1.

²³ Between January 1768 and December 1774, the average wholesale price for flour in Philadelphia was 17.5 shillings per hundredweight, and average wholesale price for wheat was 6.65 shillings per bushel. Between January 1784 and August 1787, the average wholesale price for superfine flour was 25.2 shillings per hundredweight, and the average wholesale price for wheat was 7.75 shillings per bushel. Between July 1787 and January 1788, the wholesale price of superfine flour dropped from 24.3 to 17.4 shillings per hundredweight, and the wholesale price of wheat dropped from 7.25 to 5.25 shillings per bushel. The price for superfine flour rose above prewar averages once again in March 1788, though the price of wheat did not consistently exceed prewar averages again until after April 1789. See Anne Bezanson, Robert Gray and Miriam Hussey, *Prices in Colonial Pennsylvania* (Philadelphia: University of Pennsylvania Press, 1935), 408-14, and Anne Bezanson, *Prices and Inflation during the American Revolution: Pennsylvania, 1770-1790* (Philadelphia: University of Pennsylvania Press, 1951), 339-41.

southwest coast of Spain, James Duff wrote that “prices of wheat in Spain are & mist continue high for some time.” Duff also cautioned that “we have also reason to expect our receiving supply of soft wheat as well from the Baltick as from England to say nothing of your Quarter.” This left no room at all for American produce at the Spanish market. Livingston & Turnbull of Gibraltar and De Larrard and Company of Barcelona confirmed that while grain prices in southern Spain had been high briefly in late 1784, supplies from England, France, the Levant, and the Barbary Coast had driven prices down in 1785.²⁴

The relatively high prices were due in part to postwar readjustment and recovery which limited production. Baltimore’s flour exports amounted to just from 50,700 barrels in 1784, compared to 120,000 in 1774, and the city did not surpass its prewar totals until 1788.²⁵ The Eastern Shore, which accounted for a considerable portion of Baltimore’s exports, had been subjected to frequent raiding by British warships and Tory privateers throughout most of the war. The pesky British sloop-of-war *Otter* sailed into the upper Chesapeake Bay as early as March 1776 to disrupt patriot activities. In the wake of the destruction of Norfolk, Baltimore merchant George Woolsey believed that the cruise of the *Otter* was a prelude to a similar attack on Baltimore. The newly refitted Maryland cruiser *Defence* turned back the British raider, and Tory activity on the Eastern Shore was subsequently suppressed in the summer of 1776, and then crushed in early 1777. Unfortunately, the threat returned in May 1779 when British Major General Edward Mathew and Commodore Sir George Collier arrived in Hampton Roads,

²⁴ Charles Herries & Co. to Tench Tilghman & Co., August 3, 1785; James Burn to Tench Tilghman & Co., July 9 1784; Teronimo Hixosa to Tench Tilghman & Co., April 27, 1785; George E. Fox & Sons to Tench Tilghman & Co., June 8, 1785; James Duff to Tench Tilghman & Co., August 2, 1784 and September 20, 1785; De Larrard & Co. to Tench Tilghman & Co., December 11, 1784 and October 22, 1785; and Livingston & Turnbull to Tench Tilghman & Co., October 10, 1785, in Tench Tilghman Papers, MHS.

²⁵ Gilbert, *Baltimore’s Flour Trade to the Caribbean*, 66-67, and Appendix D.

Virginia. After pillaging the shipyard at Portsmouth, burning the town of Suffolk, removing 518 formerly enslaved African Americans from the state, demolishing 137 vessels, and destroying tobacco and other goods valued at more than £2 million, Collier dispatched the *Otter* with a small flotilla of other British vessels to take similar actions against plantations and farms in the upper Chesapeake Bay. The renewed British offensive encouraged Tory agitation to swell up again in 1780, and for the next two years, the Chesapeake became a open theatre of warfare between British and Tory raiders and the armed barges of the Maryland and Virginia navies that opposed them.²⁶

The privations caused by British and Tory raids made the postwar recovery more difficult for farmers on the Eastern Shore, and this helped maintain relatively high costs, and thus relatively high prices, on grain in the Mid-Atlantic during the mid-1780s. Free trade would not have helped this situation. Even if the British, French, and Spanish had formally and completely opened the doors of their colonies and ports to American vessels, it would not have made a difference. Until prices fell to competitive levels for the European market and European demand surged once again, farmers and merchants in the Mid-Atlantic would continue to be frustrated by the state of their commerce.

The tobacco trade also suffered during the Confederation period from market conditions in the Atlantic economy, though not from always from the same problems that faced wheat and flour exporters. Unlike the grain trade, tobacco continued to be exported to Europe during the war. Between 1781 and 1783, France alone imported tobacco from America worth more than

²⁶ George Woolsey to George Salmon, January 26, 1776, Woolsey and Salmon Letterbook, Library of Congress; Myron Smith and John Earle, "The Maryland State Navy," in *Chesapeake Bay in the American Revolution*, ed. Ernest Eller (Centreville, MD: Tidewater Publishers, 1981), 216-46; Edwin Jameson, "Tory Operations on the Bay," in *Chesapeake Bay in the American Revolution*, 378-402; and John Selby, *The Revolution in Virginia, 1775-1783* (Williamsburg, VA: The Colonial Williamsburg Foundation, 1988), 204-08.

3.2 million livres tournaiss (*l.t.*), which accounted for more than 90 percent of all American imports into France. Yet the Farmers General could not rely exclusively on American imports. Tobacco selling at Dunkirk for 20 *l.t.* per quintal in 1774 rose as high as 150 *l.t.* by 1777, and reached 180 *l.t.* by 1778. This presented a serious problem, because the French tobacco monopoly, or Farmers General, had to pay the French government 24 million *l.t.* per year for the rights to their monopoly, and were bounded by the terms of that agreement to government-mandated price levels. With prices on American leaf rocketing upward, the monopoly could not remain viable unless it could find alternative sources of supply.²⁷

The Farmers General first considered building up a domestic tobacco supply in France, or importing new supplies from Cayenne, French Guiana, or Corsica. When these efforts proved fruitless, they decided to purchase tobacco from the Spanish monopoly. Spain had opened Louisiana to speculation, and was eager for French investment there, but the Farmers General was only interested in Cuban or Venezuelan leaf. The Spanish agreed to sell the French one million pounds of the latter in Seville in 1777, but when the Spanish raised their prices in 1778, the French ended the deal. Thereafter, the Farmers General leaned heavily on tobacco growers in the Ukraine, Poland, Prussia, Hungary, the United Provinces, the Austrian Netherlands, and Flanders to supply the French market. Tobacco production in these areas multiplied several

²⁷ Price, *France and the Chesapeake*, II, 715, 717, 720-21. A quintal refers to 100 French pounds and a hundredweight refers to 100 English pounds. The English and French measured a pound differently, however, and thus a price per quintal needs to be discounted by 8 percent when converting to a price per hundredweight. The currency also needs to be converted. In 1783, 24 French *l.t.* could be exchanged for £1 Sterling, thus one French *l.t.* was worth approximately 0.83 shillings. This means a multiplier of 0.764 (0.92×0.83) should be used to convert tobacco prices from *l.t.* per quintal into shillings per hundredweight (*s/cwt*). To convert from *s/cwt* back into *l.t.* per quintal, a multiplier of 1.309 ($1 / 0.764$) should be used. Thus the price of Virginia and Maryland tobacco in France rose from 15*s/cwt* in 1775 to 115*s/cwt* in 1777 and reached 149*s/cwt* in 1778. This made the trade initially very profitable for Americans, as the price in the Mid-Atlantic rose to an average of 56*s/cwt* in 1777, and only reached 100*s/cwt* in June 1778. By September 1778, however, the price reached 150*s/cwt* and continued appreciating even further. See Price, *France and the Chesapeake*, II, 753, and Bezanson, *Prices and Inflation during the American Revolution*, 335-36.

times over during the war, as can be seen from fluctuations on the Amsterdam market. Prices on Virginia and Maryland tobacco increased steadily throughout the war, and were 336 percent higher in 1782 compared to 1774. On the other hand, the price of Dutch tobacco at Amsterdam increased 250 percent between 1774 and 1778, then declined 55 percent between 1778 and 1783 to near its 1774 level. The most significant boost in production came from the Baltics; Russian exports of Ukrainian leaf to western Europe increased from 11,610 pounds in 1775 to more than 6 million pounds in 1777; more than 18 million pounds of tobacco passed through the Danish Sound from Russian ports between 1777 and 1780. However, French consumers balked at the use of non-American tobacco in the manufacture of snuff, and were especially critical about the quality of Eastern European leaf. Throughout the war, consumers who could afford it proved willing to pay the ever-higher prices for Maryland and Virginia leaf.²⁸ For this reason, the increased supply of tobacco did not prove to be as much of a problem for American exporters as the increased supply of grain.

With the cessation of hostilities, the Farmers General expected prices on Chesapeake tobacco to fall as low as 25 *l.t.* per quintal, or just above their prewar levels. In Maryland and Virginia, however, costs for tobacco production remained very high because of the destruction by British armies and commerce raiders.²⁹ Indeed, prices on Maryland tobacco actually rose from 30 *s/cwt* (Maryland currency) in November 1783, or the equivalent of about 24 *l.t.* per quintal, to 38*s/cwt* (Maryland currency) in May 1785, or the equivalent of about 30 *l.t.* per quintal. Given the costs of freight, commissions, and duties, Maryland leaf had to be resold in

²⁸ The Farmers General paid 78.1 million *l.t.* for tobacco purchases totaling just more than 157 million pounds between 1777 and 1782. Thus the Farmers General's average wartime price was *l.t.* per quintal. See Price, *France and the Chesapeake*, II, 717-27, 852.

²⁹ Price, *France and the Chesapeake*, II, 728-31, 752-54.

Europe for at least 31 to 33 *l.t.* per quintal in November 1783, and 38 to 40 *l.t.* per quintal by May 1785 for a merchant to break-even. Unfortunately, the Farmers General were only willing to offer 35 *l.t.* per quintal.³⁰

Faced with such dismal prospects, Baltimore merchant Matthew Ridley, Maryland's agent in France, conspired with merchants in the free French port of L'Orient as early as April 1783 to fix the price of tobacco at 42 *l.t.* per quintal. It seemed that such an arrangement would make Maryland's tobacco immediately profitable, and Ridley guaranteed the procurement of 10,000 to 13,000 hogsheads of tobacco per year if the French would guarantee the price. The Comte de Vergennes, who was interested in insuring a commercial connection with the newly independent United States, liked the idea, though was unsure about the people involved. Ridley had served as Maryland's purchasing agent in France, but Vergennes did not know him personally. The French minister thus sought the advice of Benjamin Franklin, who served as an American envoy in Paris throughout most of the war and had won the universal respect and admiration of the French court. Franklin suggested that any such plan be carried forward by the firm of Morris and Willing in Philadelphia. Although Robert Morris was initially interested, he soon backed out, and thus Franklin directed Vergennes to consider his grandnephew, Jonathan Williams, whose father-in-law, William Alexander, had been the Farmers General's purchasing agent in Scotland. Such blatant nepotism did not give Vergennes cause for concern because such arrangements were common in monarchical governments. Vergennes thus approached Williams and Alexander, who proposed to supply the Farmers General with 15,000 hogsheads per year at

³⁰ Jacob Price, *France and the Chesapeake: A History of the French Tobacco Monopoly, 1674-1791, and of Its Relationship to the British and American Tobacco Trades* (Ann Arbor: University of Michigan Press, 1973), II, 728-31, 752-54. To convert *s/cwt* (Maryland currency) to *l.t.* per quintal, the price needs to be converted to Sterling using a multiplier of 0.6 (at par, £100 Sterling equaled £166 2/3 Maryland currency). The multiplier of 1.309 may then be used to convert the price in Sterling to *l.t.* per quintal.

just 30 *l.t.* per quintal. Unlike Ridley's proposal, the price set by Williams and Alexander was even lower than what the Farmers General had been offering, and just slightly higher than the prewar price for tobacco. The plan seemingly doomed American planters to a less-than-favorable arrangement, and not surprisingly, Vergennes leapt on the deal, approving it October 3, 1783.³¹

Williams and Alexander did not believe that they had sold out their American suppliers. After all, if the arrangement remained unprofitable, there was no way to coerce the sale of tobacco from planters. Williams and Alexander made the arrangements because they fully expected the price of tobacco to plummet to near its prewar levels very soon. By pegging the commodity's price at 30 *l.t.* per quintal, both they and their American suppliers would achieve windfall profits. It was a high-risk strategy, but in March 1784, Robert Morris sensed that Williams and Alexander might be right. Morris thus joined the firm as a silent partner with a one-third interest in the company. When the long-expected decline failed to materialize, however, Alexander was only able to buy 1 million pounds of tobacco, of which just 738,760 pounds, or approximately 740 of the 15,000 promised hogsheads, were shipped to France. Despite the setback, Morris was still convinced that a fall in prices was coming, and he offered a new contract to the Farmers General in 1784 guaranteeing delivery of an astounding 20,000 hogsheads of tobacco at a price of 36 *l.t.* per quintal. By this point, the Farmers General had boosted their prices to nearly 45 *l.t.* per quintal, thus the Morris contract seemingly promised to manipulate the market to the detriment of Chesapeake merchants and planters. Thomas Jefferson, who was serving as the new U.S. minister to the French court, was livid about the arrangements, and complained vociferously to Vergennes. Nonetheless, the deal was struck.

³¹ Price, *France and the Chesapeake*, II, 741-43.

When prices in the Chesapeake once again failed to decline significantly in 1785, Morris was only able to procure 5,808 hogsheads of tobacco. When tobacco prices finally declined in 1786 to the long-anticipated levels, however, Morris was able to deliver more than the 20,000 hogsheads promised in the agreement.³²

Thomas Jefferson was convinced that the various price-fixing schemes had kept prices artificially low and had prevented a full recovery of the Chesapeake's tobacco trade. He was partially right. Although these schemes did not directly cause a fall in tobacco prices, they did raise French expectations of an impending fall, and this created a deflationary spiral that had the effect of retarding rather than encouraging trade. In this way, prices made a far greater difference in the commercial frustrations of the tobacco trade than they did in the grain trade. Nonetheless the outcome was the same—a relative lack of demand following the war. From Bayonne, David Alexander wrote to Tench Tilghman that “prices of Tob[acco] have been so high in Y[ou]r Continent, no speculations could be made.” From Paris, William Short, the American Chargé d’Affaires, related that “the experience of seven years has suffered to show” that trade between France and America was not profitable. Between 1784 and 1788, not a single “French house having undertaken that Commerce” did so “without losing by it” according to Short. Others echoed the observation. From Bordeaux, Tilghman received a letter complaining that American exports were “rated so amazingly high for our European markets, in short there has been no possibility of our speculating or transacting any business whatever with America but with the greatest certainty of loss.”³³

³² Price, *France and the Chesapeake*, II, 747-73.

³³ David Alexander to Tench Tilghman & Co., October 4, 1785, and French & Nephew to Tench Tilghman & Co., November 12, 1785, in Tench Tilghman Papers, MHS, and American State Papers, “Extract of a Letter from William Short, Chargé des Affaires of the United States at the Court of France,” October 21, 1790, *Foreign Relations*, Class I, vol. I, 120-121, quoted in Maganzin, “Economic

Despite the overwhelming evidence that profitable markets were few and far between, rumors nonetheless continued to circulate in the 1780s of places in need of American supplies. Part of the reason was poor communication which limited American knowledge of prices and market conditions in Europe. As Robert Morris admitted to Tilghman in 1784, “the fate of the European crops cannot be ascertained so as to know the demand or the prices.” Yet this admission did not stop Morris from speculating to Tilghman in 1786 that flour should fetch a good price at Cadiz.³⁴ Morris’s information apparently did not include the fact that Europe had recorded an excellent harvest in 1785 and was on the brink of a bigger one in 1786, which demonstrates that even well-connected and supposedly well-informed merchants like Morris paid as much attention to rumor as reality. Throughout the 1780s, Americans continued to blindly send cargoes to the West Indies and Europe in search of profitable markets. Most of these voyages ended with disappointing if not ruinous results, but most Americans continued to hold to the idea that overseas trade represented the best chance for prosperity. Baltimore merchant George Woolsey epitomized this neomercantilist view of the world. During the trying days of the Continental Association, Woolsey complained to his partner, George Salmon, that if business did not improve, he would quit the overseas trade and buy land. He was almost certainly being facetious, but it is interesting that for Woolsey, the alternative to foreign commerce was land speculation and not capital investment in the domestic market economy. For some Americans there were lingering fears after the Revolution about the corrosive effects of industrialization on public virtue. Sir James Steuart, a Scottish political economist, had established this standard axiom of eighteenth-century thought, stating that “when foreign demand begins to fail, so as not

Depression in Virginia and Maryland,” 94-95.

³⁴ Robert Morris to Tench Tilghman, August 3, 1784, and Robert Morris to Tench Tilghman, January 3, 1786, in *Robert Morris Papers*, New York Public Library.

to be recalled, either industry must decline, or domestic luxury must begin.”³⁵ Yet few revolutionaries held so firm to this thinking as to exclude all attempts to develop the domestic market economy—least of all George Woolsey. Instead of a blind faith in republican abstractions, it was Woolsey’s single-minded belief in the neomercantilist perspective that limited his imagination and kept him from recognizing domestic commerce as a viable alternative to foreign trade.

There was a small and sometimes vociferous party that supported a proto-nationalist approach. These reformers hoped to transform the new republic’s political economy from the Atlantic-oriented, export-led society of the past into a westward-directed society where the expansion of the domestic market was the central economic concern. The rise of a protectionist effort by mechanics and the creation of numerous societies for the promotion of manufacturing were both part of this proto-nationalist movement. A contributor to the *Maryland Gazette* argued in 1784 that the nation should adopt tariffs because it should be “the policy of every nation, to encourage their own manufactory as much as possible.” In 1785, advocates of the proto-nationalist approach proposed a massive new road system for Maryland that included thirteen state roads and encompassed 504 miles of roadway at a projected cost of £20,800. Yet none of these efforts succeeded. Although protective measures were adopted by Massachusetts, New York, Pennsylvania and Virginia, the tariffs imposed by the first three legislatures were meant as much to force trade concessions from the British and French as they were intended for the promotion of nascent industries. In the case of the Virginia Port Bill, which was authored by James Madison, the real purpose was to augment the state’s export trade by breaking the

³⁵ Sir James Steuart, *An Inquiry into the Principles of Political Oeconomy*, ed. Andrew Skinner (Chicago: University of Chicago Press, 1966), II, 237.

monopoly held by the British merchants over Virginia's markets. The most promising sign of a more nationalist turn in Maryland, the chartering of a bank in 1784, was mightily opposed by mechanics and manufacturers. The proposed bank would have offered short-term credit only, which was useful only to merchants, and made no guaranteed provision for a regular supply of currency, which would have been of benefit to the domestic market. Mechanics and farmers thus feared that the new bank would simply drain even more capital into the export trades and away from the countryside. It would not be until the early nineteenth century that Maryland would finally create a modern road system and charter commercial banks that directly served the needs of mechanics, farmers and manufacturers. During the 1780s, the neomercantilist view reigned supreme.³⁶

Paul Bentalou, who established a new mercantile house in Baltimore after the war and suffered many misadventures during the 1780s as he searched further into the Atlantic world and beyond in pursuit of profit, demonstrates better than anyone the blind faith that many Americans had in neomercantilism. Born in Montauban, France in 1755, Bentalou joined the Royal French Dragoons at the age of 15. Like several other young French idealists his age, Bentalou left his native land for the United States in 1776 to join the American crusade for independence. He received a commission as a lieutenant of cavalry, and at the Battle of Brandywine, had the opportunity to meet Count Pulaski, the famed Polish cavalry hero of the Revolution. Pulaski was

³⁶ For the mechanic protectionist movement and the creation of societies to promote manufacturing, see Lawrence Peskin, "To 'Encourage and Protect' American Manufactures: The Intellectual Origins of Industrialization, 1763-1830," (Ph.D., University of Maryland, College Park, 1998), chapters 3-4. On the proposed roads and bank in Maryland, see Alfred Cookman Bryan, *History of State Banking in Maryland* (Baltimore: The Johns Hopkins University Press, 1899), 13, 17-19. For the debate over the bank, see *Maryland Journal and Baltimore Daily Advertiser*, November 9, November 19, December 7 and December 17, 1784. The contributor to the *Maryland Journal* demanding tariffs is also quoted in *Maryland Journal and Baltimore Daily Advertiser*, November 19, 1784. For the Virginia Port Bill, see Richard Chew, "A New Hope for the Republic," (M.A., The College of William and Mary, 1992).

impressed with the young Frenchman, and had Bentalou transferred under his command as a captain of cavalry. Bentalou spent the next two years of the war at the Count's side, and at the disastrous Battle of Savannah in 1779, it was Bentalou who carried the mortally wounded Pulaski from the field.³⁷

Paroled by the British, Bentalou spent the rest of the war in Baltimore as a recruiting officer. It was there that he met and fell in love with Katharine Keepports, daughter of Baltimore merchant Jacob Keepports. The couple were married before Christmas 1780, and remained in Baltimore. After the war, Bentalou started a mercantile partnership with John Dumeste, the husband of Elizabeth Keepports, Katharine's sister. The firm began auspiciously. In July 1784, Bentalou purchased a three-eighths interest in the *General Washington*, a captured British sloop-of-war that Congress put up at auction as part of its dismantling of the navy. Unfortunately for Bentalou and Dumeste, the purchase of this fine vessel turned out to be the firm's only encouraging event for several years.³⁸

Bentalou retained Richard Stevens as the captain of the *General Washington*, and borrowed nearly £2,700 from fellow Baltimore merchants Richard Curson and Adrian Valck to purchase dry goods to supplement the ship's cargo of flour. In September 1784, Stevens set out

³⁷ Bentalou File in Dielman-Hayward File, MHS. The file draws on newspaper reprints of Bentalou's life in *The Baltimorean*, January 22, 1881, and *Baltimore American*, November 10, 1903.

³⁸ "Paul Bentalou," in Dielman-Hayward File, MHS, and entry for July 1784, Paul Bentalou Journal, MS.125, MHS. Francis Casenave and Thomas Burling held shares of three-eighths and a one-quarter in the *General Washington*, respectively. Bentalou referred to the ship he purchased from Congress as the *George Washington*, but it was the *General Washington* that Congress sold at auction and Bentalou bought in July 1784. The Continental navy also had a 32-gun frigate named the *Washington* that was destroyed in 1777, but there was no Continental warship ever named the *George Washington*. The *General Washington* was originally the British sloop-of-war *General Monk*. Joshua Barney captured the *General Monk* in 1782, subsequently refitted and renamed the prize vessel, and commanded it to victories over two British sloops and a schooner before the end of the war. See Louis Arthur Norton, *Joshua Barney: Hero of the Revolution and 1812* (Annapolis: Naval Institute Press, 2000), 98-99, and Nathan Miller, *Sea of Glory: A Naval History of the American Revolution* (Annapolis: Naval Institute Press, 1974), 528-29.

for the Caribbean, but the voyage did not go well. He landed first at St. Thomas in the British Virgin Islands, and later at the Dutch island of Curaçao, where, according to Bentalou, Stevens had “by a most unaccountable stupidity, disposed of his flour below Baltimore prices, whilst he well knew.” Stevens had encountered the classic problem that ship captains faced after the Revolution, an inability to find buyers because of glutted markets. Hoping to salvage the expedition, he crossed the Atlantic to Spain in search of a market. His luck was no better in Europe than in the Caribbean, and he returned to Jamaica and Cuba to try once more, unsuccessfully, to sell his cargo. Bentalou suffered a loss of £695 13s on the voyage in addition to the debt owed Curson and Valck.³⁹ He blamed the failure of the voyage on Stevens, and never used the captain again for any of the firm’s dealings. As time would prove, however, Stevens had taken the prudent course in minimizing the voyage’s losses, and his venture for Bentalou ultimately proved one of the least disastrous of the firm’s dealings in the 1780s.

When rumors swirled in Fall 1784 that flour was in short supply on Hispaniola, Bentalou’s associate, Francis Casenave, sailed for Port-au-Prince in December 1784 with a hold full of flour in the sloop *Flying Fish*. Dumeste followed in the *General Washington* with more flour, as well as the unsold dry goods from Stevens’s voyage. Casenave entered at Port-au-Prince, but when he was unable to find any buyers, he had to consign the cargo to a local merchant. Dumeste was denied entrance at Port-au-Prince and entered instead at Kingston, Jamaica. Like Casenave, he was unable to sell his cargo, and consigned it to a local merchant, Alexander Linde. In each place, the agents for the consigned cargoes waited in vain for market conditions to improve, and ultimately sold the flour at below cost before it rotted. In Port-au-Prince, Casenave’s agent allegedly sold the cargo, which cost more than £2,500, for just £1,150.

³⁹ August to September 1784, and January 1786, Paul Bentalou Journal, MHS.

Casenave refused to give the agent's name, however, and Bentalou was sure that he had been swindled. According to Bentalou, the two men "mutually agreed to refer the settlement of the whole to arbitrators officially appointed by the French consul." Unfortunately for Bentalou, the arbitrators concluded that the low prices quoted by Casenave in his ledger were the result of bad judgement rather than fraud. In addition, Casenave claimed losses against Bentalou for his interest in Dumeste's consignment to Linde, and the arbitrators agreed. Bentalou ultimately suffered losses on these voyages of £1,321 for Casenave's cargo, and approximately £2,046 for Dumeste's consignment in Jamaica. To make matters worse, Dumeste also wrecked the *General Washington* on the return voyage to Baltimore in April 1785, bringing a tragic and unfortunate ending to the celebrated vessel.⁴⁰

Rumors once again circulated in August 1785 that Hispaniola needed flour. Bentalou quickly outfitted two brigs, the *Debonair* and *Prospect*, as well as the sloop *Polly* to carry flour to the island. When the ships arrived in September, their captains discovered that French vessels carrying flour from Bordeaux had already crowded into the port, and as Bentalou later related, "a ruinous depression on the prices of that article then followed." Dumeste, who commanded the *Debonair*, consigned the cargoes to a local agent, Cottineau, Chottard, & Company. Bentalou remained ignorant as to the fate of the cargoes until September 16, 1788, nearly three years later. On that day, he received a letter from Henry Marchand, a Port-au-Prince merchant who had taken over the accounts of Cottineau, Chottard, and Company, and much to Bentalou's consternation, the 1785 voyage had ended in the same way as all the others. Bentalou wrote that

⁴⁰ December 1784 to April 1785, [early] 1788, and April 1789, Paul Bentalou Journal, MHS. Linde provided a note to Bentalou in 1789 showing losses on Dumeste's consignment of \$4,261, the equivalent of approximately £1,600. In addition, the arbitrators in the case between Bentalou and Casenave awarded the latter £448 2s 4d for his interest in Dumeste's consignment, thus bringing Bentalou's total losses on the voyage to approximately £2,046.

he “had the mortification to find, that, far from being in our debt, as I had flattered myself, they, on the contrary, brought against us a balance” of more than £13,000.⁴¹

Bentalou was not alone in his troubles. Joshua Barney and John Stricker sent their first consignment of goods to Havana in late 1784, but the profits were squandered by the local agent. Another of the firm’s cargoes spoiled when they could find no buyers, and as business continued to flounder in 1785, Barney slowly disengaged from the firm’s activities. Henry Johnson met with similar frustrations, and he was very pleased when his half-brother, George Johonnot, took over the Baltimore branch of their firm in May 1784. Johonnot struggled mightily to scurry up any business. None of his half-brother’s letters had succeeded in establishing new commercial ties either in Europe or the West Indies, and thus Johonnot had to rely on the firm’s meager coastal trade with New England and its unprofitable connections to trading partners in Havana. By July, his frustration concerning the embarrassed situation of the city’s commerce boiled over. Writing to Henry, he complained that “Business is excessive dull . . . and such a quantity of Havanna Sugars we have had stor’d as to break the main beam of the second floor” of the warehouse. Not surprisingly, Johonnot soon rejoined the rest of his family back in Boston. After a flurry of speculation in flour in 1784 and 1785, merchant Christian Keener also faced rough times. In 1786, his purchases of commodities fell from £1,647 the previous year to £483 in 1786, and continued falling to just £256 by 1788. By that time he had largely abandoned large flour purchases, and was no longer even speculating in rum. The largest part of his business came from 99 barrels of shad and herring worth just over £50.⁴²

⁴¹ August to September 1785, and September 1788, Paul Bentalou Journal, MHS.

⁴² Norton, *Joshua Barney*, 101-02; George Johonnot to Henry Johnson, July 13, 1784, in Johnson, Johonnot & Co. Letterbook, MHS; and [Christian] Keener Account Book, MS.514, MHS. Rhoda Dorsey is sure that all three brothers in the firm Johnson, Johonnot, and Co. returned to Boston, but she is unsure when. See Rhoda Dorsey, “The Conduct of Business in Baltimore, 1783-1785: As Seen in the Letterbook

Even Robert Oliver, who eventually retired a millionaire, struggled mightily through these years. His partnership with Simm ended by February 1785 with little fanfare. The firm had imported goods from L'Orient and Cadiz in the previous year and likely made little profit as Oliver was only able to invest £1,000 Maryland currency in May 1785 into his new partnership with Hugh Thompson. The new firm focused on the tobacco and flour trade with the free French ports, where they sent 27 of their 84 ships over the next three years. The value of the firm's trade with L'Orient reached £19,000 by 1788, but Oliver and Thompson realized a net loss on of £12 on this trade. Similar results plagued the firm's other export accounts too. The value of the firm's total exports for 1785-1789 was £46,875, but Oliver and Thompson barely managed to cover their costs on this trade. The firm's balance sheet as of March 3, 1789 showed net earnings of £8,625 for the previous four years, but net earnings from exports totaled just £232—a profit margin of less than one-half of one percent. Oliver was able to increase his initial investment in the firm from £1,000 to £3,336 by early 1789, and Thompson increased his net worth from £2,300 to £6,553 thanks to commissions earned for transactions completed for other merchants, and strategic investments in ship ownership and insurance.⁴³

That other merchants faced miseries was not a source of comfort to Bentalou. By January 1786, the French emigre had reached a crossroads in his life. Almost £20,000 in debt and facing possible legal action by his creditors, he knew that his next voyage had to be a success. Otherwise, it appeared that he and Dumeste would share the same fate as so many other

of Johnson, Johonnot, & Co.," *Maryland Historical Magazine*, 55 (1960): 242.

⁴³ Stuart Bruchey, *Robert Oliver, Merchant of Baltimore, 1783-1819* (Baltimore: The Johns Hopkins University Press, 1956), 52-73. Bruchey points out that many of these export accounts were still open on March 3, 1789. The closed accounts that showed net losses were L'Orient, Bordeaux, Liverpool, the West Indies, Boston, and Petersburg. Only Teneriffe, St. Croix, and Newry showed moderate gains. The accounts for Dublin, Belfast, Cork, Amsterdam, Marseilles, Nantes, Jamaica, and St. Thomas were still open. The final outcome of these ventures is unknown due to a gap in the firm's extant records, but

Baltimore firms in the mid to late 1780s. With “such a load of difficulties so frightfully accumulated,” he thus “determined to have Dumeste at home and to try [his] own luck abroad.” To secure a cargo of flour and tobacco, he had to post two bonds, one for £350 with the Baltimore firm Usher and Donaldson, and a second for £687 10s with the Baltimore firm Wilson and Stumps. In May 1786, Bentalou departed for Bayonne with his wife aboard the *Heartwigh*. Throughout “a most disagreeable, long & tedious passage,” his firm’s survival weighed heavily upon his mind.⁴⁴

Arriving in Bayonne in August 1786, Bentalou found no buyers for his cargo and was forced to store it. Fortunately, Frederick Folger, whom Bentalou knew as Baltimore merchant John Sterret’s favorite ship captain, sent a letter asking Bentalou about procuring a cargo in Bordeaux suitable for the market in Charleston, South Carolina. The plan was to exchange the French goods for rice, and return to Bordeaux in time for Lent. Folger offered Bentalou up to a half-interest in the cargo, but Bentalou did not have that kind of capital. Using his unsold tobacco as collateral, Bentalou was able to convince Pierre Changeur, and old family friend, to loan him more than 30,000 *l.t.* (the equivalent of approximately £1,250) to finance a share in the venture. Once again, the firm was on the line, and once again, disappointment followed. After departing for Charleston in fall 1786, Folger did not return to Bordeaux until July 1787, months after Lent had ended. It turned out that the normally reliable Folger had altered course to St. Eustatius, where he exchanged the French goods for rum and gin. Folger then proceeded to Charleston, where he consigned the cargo to Robert Hazlehurst for a smaller supply of rice and tobacco than anticipated by the investors back in France. Upon his return to Bordeaux,

Bruchey suggests that when closed, it is likely that the firm may have actually shown a net loss.

⁴⁴ Bruchey, *Robert Oliver*, 62, and January to May 1786, and September 1786, Paul Bentalou Journal, MHS.

Bentalou's entire share of the Charleston cargo was turned over to Changeur to repay the loan. Once again, the venture had failed, and by November, Bentalou had reached the end of his tether. Returning to Baltimore, he lamented that "Such was the truly disturbing situation in which I found our affairs . . . and so puzzled was I in that cruel dilemma, that having almost given myself up to despair, I could discover no way how to extricate myself, or how to continue going on."⁴⁵

One last chance at commercial redemption was afforded to Bentalou thanks to the intervention of Dumeste's brother. A planter with significant estates and commercial interests in the Mascarene Islands, located north and east of Madagascar, Dumeste's brother desired to initiate a trade with America and looked to his family in Baltimore to facilitate it.⁴⁶ In November 1787, Bentalou was able to convince his friend and fellow merchant, William Vanwyck, to lend him \$700 to gain a one-twelfth interest in the small 100-ton brig *Traveller* owned by Baltimore merchant James Clark and commanded by Captain Daniel Howland. The investment was embarrassingly small, but Bentalou considered himself fortunate to have received credit from anyone. Dumeste soon departed on the *Traveller* for the Cape of Good Hope and the French islands beyond, leaving Bentalou behind to await word of the voyage's fortunes and mull over his options if the commercial venture proved a failure.⁴⁷

When the *Traveller* finally arrived in Baltimore in November 1788, Bentalou's faith in

⁴⁵ August 1786 to November 1787, Paul Bentalou Journal, MHS.

⁴⁶ The Mascarene Islands included the French colonies Ile de France, which is today the independent Republic of Mauritius, and Ile de Bourbon, which is today the French possession Réunion. The former was settled by the Dutch in 1638, who introduced sugarcane as a cash crop. The French seized the island in 1721, introducing enslaved African labor, and changing the name of the island to Ile de France. The British seized the island in 1810, changing its name to Mauritius. The latter was occupied by the French in 1665 and thereafter remained a French colony. At the start of the twenty-first century, Réunion was France's most populous overseas possession, and was represented by five deputies and three senators to the French Parliament.

⁴⁷ November 1787, Paul Bentalou Journal, MHS.

overseas trade and the neomercantilist perspective was restored. The venture turned out to be a tremendous success—the first truly good news for his struggling firm in more than four years. Bentalou’s modest one-sixteenth share in the venture yielded a substantial profit, and proved more than enough to satisfy his creditors in the short-run. He had managed to buy needed time to slowly climb out of the abyss of his debts. John Clark, the merchant who had helped finance Bentalou’s share in the voyage, was so impressed the success of the voyage that he outfitted the *Traveller* and the ship *Betsy* to return to the French islands at once with tobacco and other goods “thought best to answer that market.” Dumeste’s brother supplied a substantial loan to Dumeste and Bentalou, enabling the firm to receive a three-sixteenths share in the *Betsy*. In February 1789, Clark’s two vessels departed from Baltimore with Dumeste on board. Once again, Bentalou was forced to wait.⁴⁸

Pending his partner’s return, Bentalou decided “to live as economically as possible,” and thus retired with his wife “to a garden we then had . . . and accommodated ourselves as well as . . . we could in a very small house.” Over the next two years, Bentalou was mightily harassed by his creditors, but in May 1791, the *Betsy* finally returned. The *Traveller* had been sold, along with its cargo at Mozambique, and Dumeste had remained in Ile de France in the Mascarenes. The voyage was not a failure, but its success fell “far short of our expectations” according to Bentalou, and the *Betsy* had arrived in very poor condition. Yet Clark remained impressed with the commercial possibilities on the French islands, and outfitted the ship *Sally* for a return voyage. Despite Bentalou’s own complaints, the profits from his interest in the *Betsy* were enough to finance a one-fourth interest in the *Sally*. Saved from insolvency, any thoughts that he

⁴⁸ November 1787 to February 1788, Paul Bentalou Journal, MHS.

might have entertained about commercial alternatives faded away.⁴⁹

The economic travails of the Confederation period finally ended when the French grain harvest failed in 1789 and the wars of the French Revolution opened up enormous opportunities for American merchants in the carrying trade. In this respect the economic history of the 1790s is markedly different from that of the previous decade—bust had turned to boom. Yet in terms of political economy, there was almost no difference between the two periods. In both the 1780s and 1790s, the United States remained an export-lead society whose fortunes rose and fell with the rhythms of foreign markets—much as the colonies had been before the war. The Revolution secured political independence for the new nation, but the country remained deeply dependent on the Atlantic world, and in this sense, the interlude between the end of the war and the end of the century may be more accurately conceived as a *postcolonial* rather than an early national period. As Michael Warner has argued, “the structuring of the transatlantic economy as a colonial economy had deep consequences for almost every aspect of Anglo-American culture,” and thus “the market culture of the [British] Atlantic may have been more responsible than anything else for the practical sense of belonging to an imperium.” In this context, a colonial culture could persist after the Revolution because it could be “experienced in many indirect ways.”⁵⁰ Until Americans stopped fixing their gaze across the ocean toward the horizon and the Atlantic markets beyond, they would continue to imagine themselves within the context of an imperium that now encompassed the Atlantic world as a whole. And as Paul Bentalou discovered while he awaited the return of the *Betsy*, it was not always possible to be an agent of your own destiny in this world.

⁴⁹ February 1788 to May 1791, Paul Bentalou Journal, MHS.

⁵⁰ Michael Warner, “What’s Colonial about Colonial America?” in *Possible Pasts: Becoming Colonial in Early America*, ed. Robert Blair St. George (Ithaca: Cornell University Press, 2000), 59-60, 63.