

PRINCE WILLIAM

Historic Preservation

Primary Source Comprehension: Currency in the Colonies

Grades 3-6. SOLs: : 3.1 c, f. 3.6 a, d. 3.10 d. VS.1e, 4d, 4e, 4.1 b, d. 4.4a. 4.6 b, e, h. 4.7 e, j. 5.1 a-d, h. 5.4 a, b, f. 5.6 g, l, k.

Document Context: Today, the United States mints its own currency, both coin and paper. However, during the colonial era, money, its use, and value, were quite different. There were three types of money- coin, paper, and commodities.

Coins were not typically minted in the 13 colonies. They instead came from England, but also Spain, Germany, and Portugal, with the British pound sterling having the most value. The Spanish *dollar*, the German *Thalers*, and Portuguese *Cuzados*, were acceptable coin currency and seen regularly. In many circumstances though, coin money was scarce.

With coin being scarce at times, the second type, paper money, was used. The paper money was initially broken into denominations of pounds, schillings, and pence, used in Great Britain. The difference was paper money actually had no real value, unlike ours today. Some colonies began to both issue paper currency and mint coins in the 17th century, but Virginia didn't start making its own money until the latter part of the 18th century. (Virginia's first paper money came out in 1755 to help finance the colony's involvement in the French and Indian War.)

Virginia paper notes were bills of credit backed by the colony. In many ways it is like credit cards are today. When actual coin money was available, the person would pay off their paper money debts. The paper money could not be exchanged for a fixed amount of gold or silver coins upon demand.

If both paper and coin were scarce, then the final currency, commodities, was used. A commodity was trade between two people of goods or services. Goods were, for instance, animal fur, tobacco, rice, sugar, and wampum, whereas woodworking, blacksmithing, and other skilled labor used for commodity comparable services. Commodities were assigned specific monetary values, and debtors were permitted to pay certain debts with their choice of these commodities at values set by the colonial legislature. There were difficulties where commodity money was used. A pound in service was simply not worth a pound in cash. By the middle of the eighteenth century payments by commodities had for the most part disappeared in northern cities, but still remained in plantation colonies.

Each colony printed their own paper money. Some were more elaborate than the others. However, each bank note was signed by representatives of each colony's government as a guarantee that it was genuine. Some contained spots to fill in information and most were assigned numbers. (See historic examples below.) With so many different notes in circulation, early colonial money caused problems. One of the main concerns was the values of the paper. Suppliers might offer different rates for two different paper bills of the same value. Paper notes also were very easy to counterfeit, or fake. This is a problem that still exists today, and the U.S. treasury

periodically changes the design of our current currency in order to make counterfeiting more difficult. However, in the 18th century, all one needed was access to a printing press and the typefaces needed to produce a reasonable fakes of paper notes, or money. As a result, a great deal of the currency circulating was counterfeit.

A TABLE of the Value and Weight of COINS, as they now pass in ENGLAND, NEW-YORK, CONNECTICUT, PHILADELPHIA, AND QUEBEC.

	sterl.	N. York.	Conn.	Philad.	Quebec.	Leaf
	l. s. d.	l. s. d.	Weight	l. s. d.	l. s. d.	Weight
ENGLISH Shilling,	0 01 0	0 01 0		0 01 4	0 01 6	0 01 4
Crown,	0 5 0	0 8 9		6 8	7 6	6 8
Guinea,	1 1 0	1 17	5 3	1 8	1 14	1 8
Spanish Pistareen,	-	1 7		1 2 1-2	1 4	1 2
Dollars,	-	8	17 6	6	7 6	6
Pistole,	0 16 6	1 9	1 3	1 2	1 7	1 1
Portugal Moldore,	1 7 0	2 3	4 18	1 15	2 3 6	1 6
* Half-Johannes,	1 16 0	3 4	9 0	2 8	3 0 0	2 3
French Nisepence,	-	-	-	-	-	1
Crown,	0 5 0	8 6	-	6 8	7 6	6 8
Pistole,	0 16 0	1 8	4 5	-	1 6 6	1 1
Louis D'or or Guinea,	1 1 0	1 15	5 4	-	1 13	1 8
German caroline,	-	1 18	6 8	-	1 14	1 10

** At a Meeting of the Chamber of Commerce, the 7th of August 1770, it was Resolved, That the Members of that Corporation would, in future, pay and receive all HALF JOES, that weigh 9 Penny Weight, at £. 3 : 4 : 0 and for every Grain they weigh more, allow three Pence per Grain; and every Grain they weigh less, deduct 4d. and all other Gold in like Manner.*

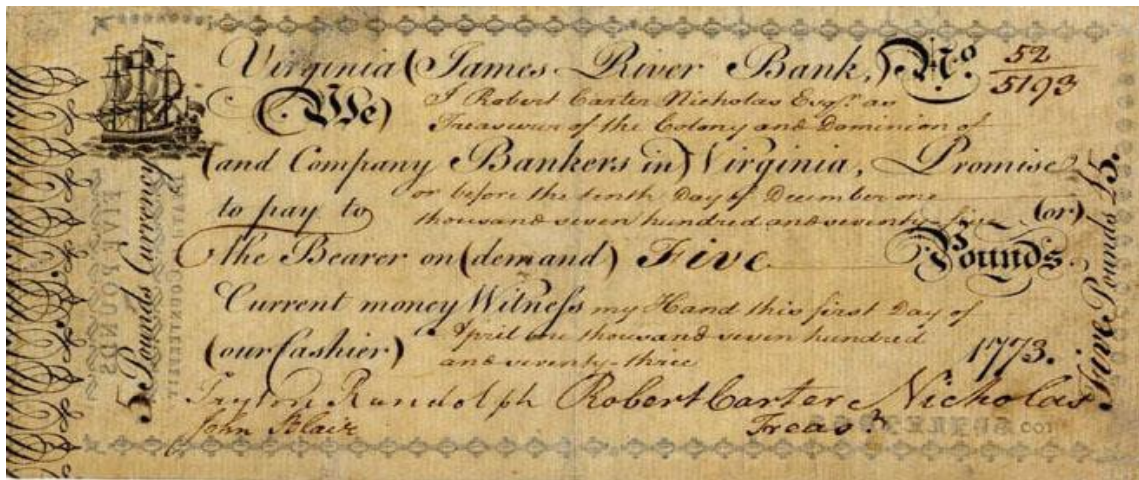
A coin rating table, (above), reproduced from *The New-York Pocket Almanack for the Year 1771*. It shows how coin-rating worked in practice in the late colonial period.

Exercise: Using the historic samples, create a new look of currency for one of the American Colonies.

1. Choose one of the thirteen colonies to create a bill of note/credit or dollar to create.
2. Find out three historical facts about the colony to include on the new currency.
3. Create and draw a motto for the colony for the bill.
4. Create a special, unique symbol for the colony's new bill.
5. Using a 3 x 5 notecard size piece of paper, add items 2-4 to it, color, date, sign, and then cut out.
6. Present your new currency to the class.



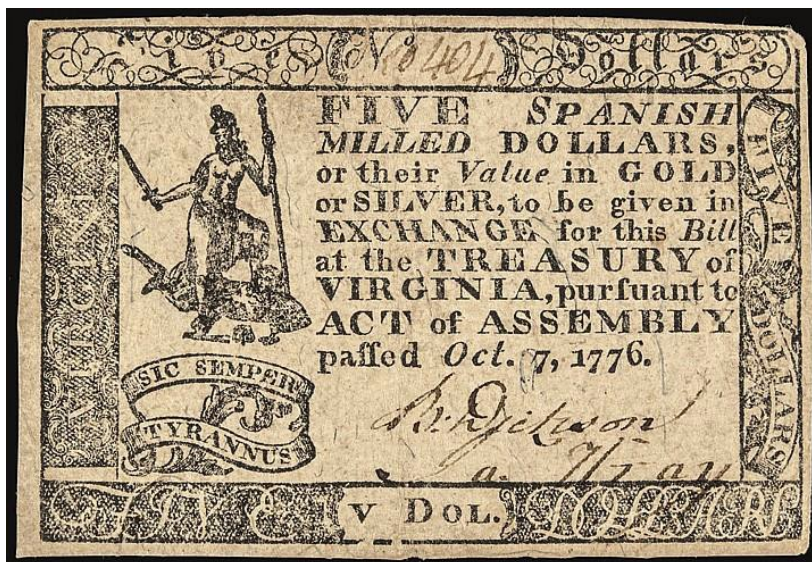
North Carolina 1776 and Virginia 1773 (below)



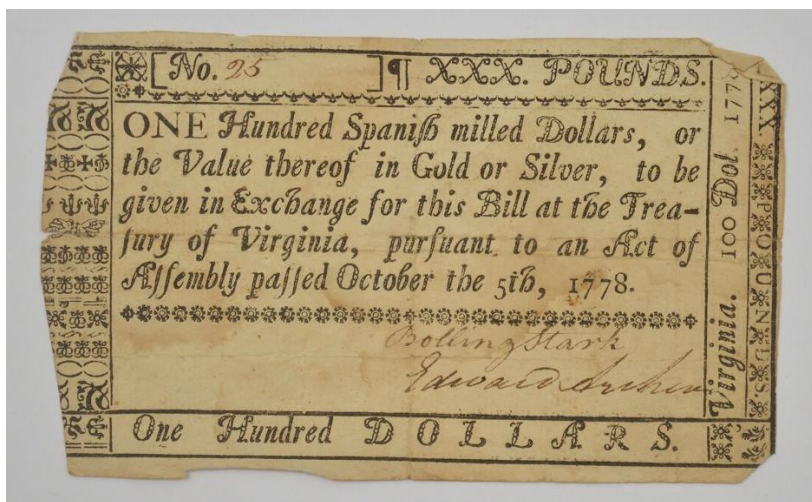
Virginia Colonial Currency 1773



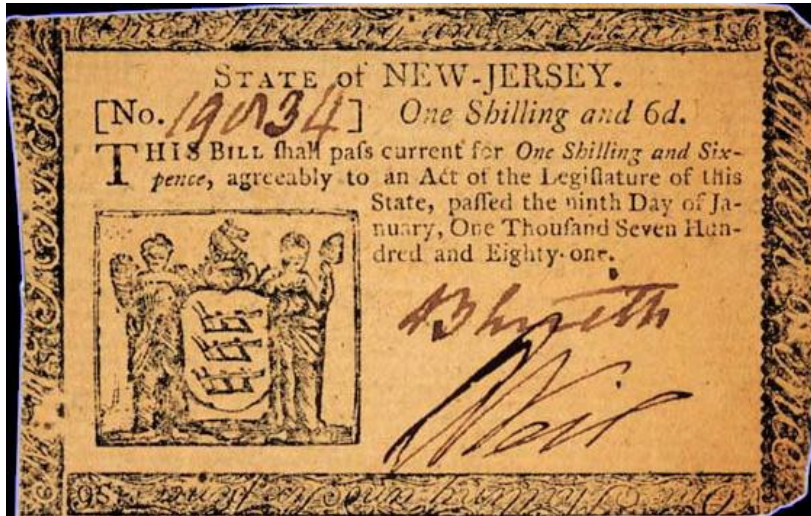
South Carolina 1778



Virginia 1776



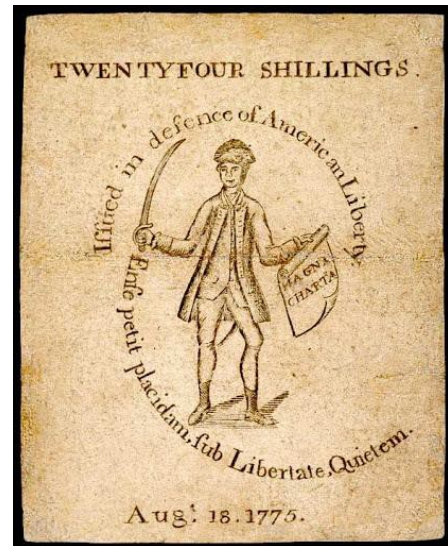
Virginia 1778



New Jersey 1781



Continental 1/3 Dollar Note, 1776



24 Shillings, Massachusettes Bay Colony, 1775