Philadelphia Merchants and the
Logic of Moderation,
1760-1775

Thomas M. Doerflinger

In December 1769 the wealthy Philadelphia merchant Henry Drinker relayed the latest political news to his partner, Abel James, who was in England. The American boycott of British manufactures, undertaken earlier in the year to protest the Townshend duties, was still in effect, Drinker reported, but its demise was imminent. The boycott was cutting into mercantile profits, and Drinker knew that "Interest, all powerful Interest will bear down Patriotism." Echoing the familiar republican rhetoric of the day, the merchant lamented that "Romans we are not as they were formerly, when they despised Riches and Grandeur, abode in extreme poverty and sacrificed every pleasant enjoyment for the love and service of their Country." 1

Four years later it was Drinker who seemed to be sacrificing his country to "all powerful Interest." In 1773 the firm of James and Drinker secured a lucrative appointment as one of four Philadelphia consignees for the tea that the British East India Company planned to sell in the American market. The partners expected to earn a handsome commission by auctioning off hundreds of chests of tea that still bore the hated Townshend duties. Only the vociferous protest of Philadelphia radicals and ungracious hints from the "Committee for Tarring and Feathering" convinced them, after two months of stalling, to resign the commission. 2

The behavior of Henry Drinker encapsulates an essential paradox in the political motivations of Philadelphia merchants before the Revolution. They genuinely feared British encroachments on American rights and were willing to make real financial sacrifices to oppose them. Yet their opposition was qualified and inconsistent, their attitudes complex and conflicted; the merchants never offered sustained, united support for the resistance and Revolutionary movements. They neither strenuously lob-

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1 "Effects of the 'Non-Importation Agreement' in Philadelphia, 1769-1770," Pennsylvania Magazine of History and Biography, XIV (1890), 41.
bied against the Sugar Act, nor led the opposition to the Stamp Act, nor
initiated the boycott of 1769-1770, nor supported strongly the convening
of the Continental Congress. If it had been left to the city's merchants, the
Revolutionary movement would have been more circumspect and cau-
tious, more judicious and temperate, less eager to make the final break
with Britain. In short, it would not have been a revolutionary movement at
all. One reason for this ambivalence was that Philadelphia's economy was
not especially disordered or depressed between 1760 and 1775, as some
neo-Progressive historians have suggested;3 indeed, the period offered
notable entrepreneurial opportunities. The merchants thus had no com-
pelling financial reason to break with England. Quite to the contrary, they
were restrained by a variety of countervailing factors. They had close
commercial and personal ties with England; they wished to avoid disrup-
tion of their trade by boycotts and protests; and the Quakers among them
not only discomfited tumultuous extralegal protests but also feared
that the Revolutionary movement would sweep Pennsylvania's turbulent
Presbyterian faction into power.

The merchants' ambivalence is significant, first, because it shows that
they did not propel the Revolutionary movement forward,4 and, second,
because it illuminates the complex relationship in the pre-war years
between ideas and interest—between the merchants' conception of their
constitutional rights and their specific economic, social, and religious
concerns. Although some scholars have attempted to identify the socio-
economic roots of Revolutionary ideologies,5 it seems more useful in the
present case to explore how financial self-interest, religious affiliation, and
social conservatism inhibited the emergence of a radical commitment
among most merchants. This pattern is of more than local interest,
because it throws light on an important regional dynamic of the Revolu-
tionary era—that the Middle Atlantic area was consistently a center of
political conservatism.

3 Marc Egnal and Joseph A. Ernst, "An Economic Interpretation of the
American Revolution," *William and Mary Quarterly*, 3d Ser., XXIX (1972), 3-30;
Joseph Albert Ernst, *Money and Politics in America, 1755-1775: A Study in the
Currency Act of 1764 and the Political Economy of Revolution* (Chapel Hill, N.C.,
1973), 360-361; Gary B. Nash, *The Urban Crucible: Social Change, Political
Consciousness, and the Origins of the American Revolution* (Cambridge, Mass., 1979),
247-251, 312-338; Richard Alan Ryerson, *The Revolution Is Now Begun: The

4 Arthur Meier Schlesinger suggests that American merchants led the opposi-
tion to the Sugar, Stamp, and Townshend acts (*The Colonial Merchants and the
American Revolution, 1763-1776* [New York, 1918]).

3d Ser., XXIII (1966), 3-32; Joseph Ernst, "Ideology and an Economic
Interpretation of the Revolution," in Alfred F. Young, ed., *The American
Revolution: Explorations in the History of American Radicalism* (DeKalb, Ill., 1976),
159-185; Gary B. Nash, "Social Change and the Growth of Prerevolutionary
Urban Radicalism," *ibid.*, 3-36, and *Urban Crucible*, 318.
Historians have recently identified Philadelphia's dry goods trade with England as the center of a pre-Revolutionary economic crisis. It has been suggested that "English capital and English decisions increasingly dominated the colonial economy," as aggressive English firms sold huge quantities of merchandise on credit and undercut American merchant firms by selling directly to American shopkeepers and auction houses.\textsuperscript{6} The weight of evidence suggests that the dry goods trade was indeed overstocked during the period 1760-1775, following a profitable boom during the Seven Years' War. The constant cry in Philadelphia was that the city was glutted with dry goods, that cloth was cheaper in Philadelphia than in Manchester, and that dozens of importers were about to go broke. Such complaints were not confined to the pre-Revolutionary period, however; they were just as common in the years 1749-1758 and 1784-1788.\textsuperscript{7} Moreover, it is very doubtful that the glut was caused by a general restructuring of the dry goods trade. To analyze this problem effectively, we must dissect the arteries and capillaries of the transatlantic distribution system to discover exactly how a trunk of cloth or ironware could make its way from a warehouse in London to a retail shop in Philadelphia, Lancaster, or Trenton. The relevant possibilities are these:

1. The English merchant sold the goods to a Philadelphia merchant on twelve-months' credit, while charging a 2½ percent commission.\textsuperscript{8} The Philadelphia wholesaler then sold the goods to shopkeepers on several months' credit.

2. The English merchant sold the goods directly to a Pennsylvania shopkeeper on twelve-months' credit and received a 2½ percent commission.

3. The English merchant "adventured" goods to Philadelphia on his own account, paying a Philadelphia merchant a commission for selling the goods to retailers.

4. The English merchant shipped the goods to a Philadelphia auctioneer and paid him a commission for selling the goods, typically for cash or short credit. Alternatively, the auctioneer might import the goods on his own account.

5. The English merchant sent a partner of his firm to America to sell goods directly to shopkeepers. The Englishman behaved just like any


other Philadelphia merchant, except that he was a transient who repatriated his profits to England.

The documentary record concerning Philadelphia’s dry goods trade is massive, and any radical shift among these modes of distribution should be easily observable. This is the case with regard to Method 5, for its great prominence between 1783 and 1785 can be thoroughly documented from a variety of sources. For the period before the Revolution, what stands out most clearly is the overwhelming importance of Method 1. The business papers of at least thirty-eight merchants who used this procedure are extant, and there is less direct evidence that at least ninety-four other Philadelphians did so as well. There is no logical reason why the dry goods glut must have resulted from a shift away from this well-established pattern of exchange. Simply by filling the orders of the many optimistic merchants eager to speculate with borrowed funds, the English exporters could have overstocked the market. It appears that this is basically what happened.

As for Method 2, direct sales by English houses to Philadelphia retailers were indeed fairly common. But it does not necessarily follow that this was a serious cause of the glut, because the orders of these minor traders were dwarfed by the imports of major firms. In the mid-1780s, a period for which we have valuable customs records, the top 12 percent of Philadelphia importers, virtually all of whom were merchants, handled 62 percent of all imports from Britain. It would have been almost impossible for English importers to bypass Philadelphia’s merchants on a large scale, because most of the retailers whom the Philadelphians served lived in the city’s vast rural hinterland.

One finds relatively little evidence, either in the primary or secondary sources, that Method 3 became notably more common as the Revolution drew near. In view of the fabled unprofitability of dry goods sales, it is surprising that more Philadelphia merchants did not insist on selling

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10 For a list of personal manuscripts consulted see ibid., 545-548. The William Pollard Letterbook, 1772-1774, and the Joseph Turner Letterbook, 1755-1774, describe the activities of Philadelphia agents for English firms and list many customers of British firms. See also Mildred and Roberts Accounts Current, 1775-1789, 1 vol., and James and Drinker to William Neate, June 1, 1761, James and Drinker Letterbook, 1759-1762, Henry Drinker Papers. Unless otherwise noted, all personal papers cited are in the Historical Society of Pennsylvania.
13 See, however, Egnal, “Pennsylvania Economy,” 176, 178.
manufactures on commission. As for Method 4, it seems unlikely that auctions were of great importance in overstocking the Philadelphia market. These "vendue houses," as they were called, were the discount stores of early Philadelphia. Merchants used them to sell for cash—but often at a loss—goods that were damaged or selling too slowly.14 Although some vendue masters clearly did receive goods from overseas, there are several good reasons for doubting that they held a large share of the market. There were hundreds of merchants in Philadelphia and only a few auction houses.15 None of the city's auctioneers were as wealthy as its premier dry goods importers, and only one owned a four-wheeled carriage in 1772, as compared to forty-four merchant owners.16 If the auctioneers' prices were so low, one may ask, why were they not more successful? One explanation is that they dealt strictly for cash and short credit in an economy that was chronically short of money and capital. Shopkeepers who needed credit had no alternative but to deal with established wholesalers. Moreover, rural shopkeepers probably preferred to deal with wholesalers, who offered the reasonably complete lines of merchandise that merchants could provide. Finally, the case of Benjamin Fuller's auction house shows that the absence of transatlantic credit also limited the sales volume of vendue masters. Fuller's problem was a shortage of capital. Although textiles bought for cash in England could be profitably sold at his auction house, Fuller had little ready cash to send to England. "I would not dispair of vending Eight or Ten thousand Stl. P Annun," he wrote. "But I am not possessed of a Capital sufficient to go that length." As a result, only "a few particular Articles" were obtained from England.17

The foregoing analysis does not deny that Philadelphia's dry goods market was almost chronically overstocked between 1760 and 1775, but it challenges the neo-Progressive argument that direct sales to shopkeepers and auction houses were the primary cause of this development. Most of the goods entering the port continued to be sold on the traditional twelve-months' credit to Philadelphia wholesalers. The main beneficiaries of British largesse were relatively new or small firms that could order large quantities of goods on credit. Most clearly injured by the pattern were wealthy, well-connected Philadelphia firms that would still have had access

14 On vendues see ibid., 72-73, and Jensen, Maritime Commerce, 123-124.
15 Jacob M. Price indicates that in 1774 there were 329 merchants in Philadelphia and 7 auctioneers and vendue cryers ("Economic Function and the Growth of American Port Towns in the Eighteenth Century," Perspectives in American History, VIII [1974], 178, 183).
17 Benjamin Fuller to Thomas Parry, Nov. 27, 1769, and to John Scott, Aug. 26, 1768, Benjamin Fuller Letterbook, 1762-1781, Benjamin Fuller Papers. See also Fuller and Sinnickson Ledger, 1766-1782, and Doerflinger, "Enterprise," 222. William S. Sachs calls vendue sales a "peripheral problem" of the merchants ("The Business Outlook in the Northern Colonies, 1750-1775" [Ph.D. diss., Columbia University, 1957], 253).
to imports, but would have faced much less competition, if British merchants had chosen their customers more selectively. Thus in 1777 one prominent trader mused that the huge losses of British traders during the Revolution would tighten the flow of exports and credit after the war, so that “again it will be worth the attention of Money’d Men to enter into the dry goods Business.”\textsuperscript{18} If economic self-interest and political action were in fact linked, we might expect these wealthy merchants to have led the opposition to England. It is here that the neo-Progressive argument falters, for it was precisely these firms that were most conservative. They refused to enter the nonimportation agreement in 1768, waiting instead until a final attempt at petitioning for repeal of the Townshend Act had failed, and they led the movement to end the boycott in the summer of 1770.\textsuperscript{19}

Broad economic considerations also discredit the alarmist view of capital flows held by some historians. It takes two to make a loan. Why were Philadelphia merchants and shopkeepers so eager to borrow from England if the impact of British credit was so devastating? The answer is that abundant credit was critical to the inception and success of the careers of many of them. The great majority of Philadelphia wholesalers were not “merchant princes” but members of the city’s broad middle class, and not a few wholesalers had begun their careers as retailers, artisans, or impecunious immigrants. To these shrewd, aggressive entrepreneurs English credit offered a ladder of economic advancement. It was, to be sure, a treacherous ladder, from which many traders slipped into bankruptcy, but prudent wholesalers could expand their business rapidly by importing goods on credit.\textsuperscript{20} As Arthur M. Schlesinger, Sr., noted, the liberal credits that English merchants extended to colonial merchants were “of great importance” precisely because “the Americans could not have secured such favorable terms from foreign houses; and without such indulgence they would have found difficulty in financing their undertakings.”\textsuperscript{21} The truth of this observation is demonstrated by developments in the 1780s. Liberated from the British Empire, American traders had the option of shifting their business to the relatively tight-fisted merchants of France and Holland, but instead they continued to trade with English houses. A second, often-overlooked beneficiary of the aggressiveness of the British firms was the American consumer, who could buy cheap manufactures at shops throughout the Delaware Valley. While helping well-established

\textsuperscript{18} John Warder to Jeremiah Warder, May 21, 1777, John Warder Letterbooks, 1776-1778.

\textsuperscript{19} Jensen quotes a report that “eight or ten” “principal” merchants opposed the boycott in the summer of 1768 (Maritime Commerce, 174). On the break-up of the boycott see below, p. 220.

\textsuperscript{20} Doerflinger, “Enterprise,” chap. 1, esp. 55-72, 81-88.

\textsuperscript{21} Schlesinger, Colonial Merchants, 30; Marc Egnal, “The Economic Development of the Thirteen Continental Colonies, 1720 to 1775,” WMQ, 3d Ser., XXXII (1975), 214-216.
Table I

<table>
<thead>
<tr>
<th>Years</th>
<th>Tons</th>
<th>% Change from Previous Period</th>
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<td>1751-1755</td>
<td>7,092</td>
<td></td>
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<tr>
<td>1756-1760</td>
<td>8,991</td>
<td>+26.8</td>
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<td>1761-1765</td>
<td>13,828</td>
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<tr>
<td>1766-1770</td>
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</tr>
<tr>
<td>1771-1775</td>
<td>16,809</td>
<td>+48.1</td>
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a Registered tons.
b All individuals identified as merchants on any Philadelphia tax list, 1756-1775.

merchants, a more restrictive credit policy would have injured aspiring smaller merchants and their thousands of customers.

In addition to emphasizing the severity of the dry goods glut, historians have pointed to the commercial downturn of the 1760s as evidence of serious structural problems in Philadelphia's economy. The city's business cycle was very complicated because it involved trade not only with England but with such distinct export markets as New England, Ireland, the West Indies, and southern Europe. Nevertheless, the main outlines of the business cycle can be discerned by analyzing five key economic variables displayed in Figures 1-4 and in Table I: the volume of imports from England and Scotland, the sterling exchange rate, the price of flour (Philadelphia's major export), the amount of shipping clearing the port for the West Indies and southern Europe (Philadelphia's chief export markets), and the amount of shipping registered by Philadelphia merchants. Analysis of these series and related data suggests that the sixteen years before the Revolution may be roughly divided into three periods: 1760-1763, 1764-1768, and 1769-1775. Only during the second of these periods were both the dry goods trade and the provision trade stagnant. This was indeed a period of great stress for the merchant community, but since business cycles were a natural part of trade, the downturn of the mid-1760s is hardly evidence of long-term structural crisis.

It has been said that the collapse of the dry goods trade at the end of 1760 "stunned" Philadelphia's economy and "heralded the beginning of a prolonged economic depression."22 Yet, as Figure 1 shows, flour prices were higher in 1760, 1761, 1762, and 1763 than during any year of the 1750s. How can an inflated price for Philadelphia's major export be reconciled with economic depression? The "depression" was evidently

22 Nash, Urban Crucible, 247. See also Egnal and Ernst, "Economic Interpretation," WMQ, 3d Ser., XXIX (1972), 17.
Figure 1
Imports into Philadelphia from England and Scotland (in £1,000 Sterling)

Source: Jacob M. Price, "New Time Series for Scotland's and Britain's Trade with the Thirteen Colonies and States, 1740 to 1791," WMQ, 3d Ser., XXXII (1975), 324-325.

Figure 2
The Sterling Exchange Rate in Philadelphia (Pounds Pennsylvania Currency per £100 Sterling)

Figure 4
Tonnage of Shipping Clearing Philadelphia for the West Indies and Southern Europe (in thousands)


Figure 3
Price of Flour in Philadelphia (shillings per cwt., Pennsylvania currency)

restricted to the dry goods trade during the early 1760s, when Philadelphia merchants enjoyed strong demand for foodstuffs in the West Indies. Since the provision trade employed most of the port's vessels, the demand for shipping was correspondingly high. James and Drinker gloated in 1762 that "an uncommon demand for all kinds of provisions... must continue while there are such fleets and armies in the West Indies who depend on America for supplies and but short crops elsewhere in the colonies." 23 They also reported that "ships have sold very well here and freights have been very brisk for the last six or eight months." 24 In June 1762 the merchants of another firm observed that "the Prospect before us of a good Markett is very great." 25 Five months later they added that "we never have known so great a demand for provisions of all most every kind, flour now sells @ 20/ & so many persons wanting, that they go Eight or Tenn miles down the [Delaware] River to meet the Shallop's coming up" to unload at Philadelphia wharves. 26 Quantitative evidence supports these unusually enthusiastic assessments. In 1762, clearances to the West Indies and southern Europe reached a new peak of 17,200 tons, 17 percent above the previous high, set in 1759 (see Figure 4). 27 And the great strength of the shipping industry in these years is demonstrated by a document that was thought to have been lost: the section of the Pennsylvania Ship Register covering the years 1762-1764. As Table I shows, the amount of shipping registered by merchants from 1761 through 1765 was nearly 54 percent higher than in the previous five-year period. 28 Although the relevant data are not fully consistent, it appears that the years 1764-1768 were indeed ones of severe commercial stagnation. Dry goods imports drifted in these years (see Figure 1); the West Indies trade was unprofitable; 29 and the volume of shipping activity in the port was

24 Quoted ibid., 248.
25 Samuel and Israel Morris, Jr., to ———, June 9, 1762, Samuel and Israel Morris, Jr., Letterbook, 1757-1763, Morris Family Papers, Eleutherian Mills Historical Library, Wilmington, Del.
26 Samuel and Israel Morris, Jr., to J. Franklin, Nov. 1, 1762, ibid.
28 "Ship Register of Pennsylvania, 1726-1776," Hist. Soc. Pa., constitutes the major portion of the Register, but it is supplemented for the early 1760s by "Declarations of British Registry, 1727-1776," 12 vols., Record Group 41, Pa. Hist. and Museum Comm., Harrisburg. The portion of the document in the Hist. Soc. Pa., together with certain other records, is tabulated in John J. McCusker, comp., "Ships Registered at the Port of Philadelphia before 1776: A Computerized Listing," Hist. Soc. Pa. Although based on the originals, my data were checked against this valuable and accurate list, and I am very grateful to Professor McCusker for allowing me to use it.
low. In addition, merchants were frustrated by a serious “shortage of cash” caused by the withdrawal of provincial paper money from circulation and the movement of specie to England to finance the heavy wartime imports. As a result of these problems, the amount of shipping tonnage registered by merchants plunged in the second half of the 1760s (see Table I), and the number of bankruptcies in Philadelphia peaked in 1767.

This downturn ended decisively in 1769, however, when flour and bread exports to the West Indies and southern Europe surged 128 percent above their 1768 levels. Philadelphia’s provision trade continued to prosper until 1776. Increased demand for foodstuffs in the West Indies and New England contributed to this buoyancy, but the major new market opportunity for Philadelphians lay in southern Europe. After 1764, shipments to this area increased greatly because poor harvests and rising population in England prevented English merchants from supplying it as they had in the past. Strong demand in the West Indies, southern Europe, and New England raised the price of flour to a record high in 1772, and the mean price for the years 1771-1775 was well above the average for the two previous five-year periods (see Figure 3). Tonnage entering the port was 31.6 percent higher in 1773 and 1774 than in 1766 and 1767, and tonnage clearing for the West Indies and southern Europe between 1771 and 1774 averaged 16 percent higher than the 1766-1770 level (see Figure 4). This prosperity is reflected in other shipping data as well: the volume of tonnage registered by merchants in the period 1771-1775 was 48.1 percent higher than in the previous five-year period (see

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30 Tonnage Duties on Incoming Vessels, Nov. 1, 1765-Aug. 30, 1775, 3 vols., Cadwallader Collection, Thomas Cadwallader Section, Hist. Soc. Pa. (hereafter cited as Tonnage Duty Book) gives a more negative impression of shipping volume than the clearances shown in Figure 4. The duty book shows that the amount of tonnage entering the port was 59,728 in 1766, 54,806 in 1767, 51,399 in 1768, and 58,927 in 1769. Thus tonnage entering the port was quite low in 1767 and 1768. See Doerflinger, “Enterprise,” 145. The provision trade was probably more depressed than these shipping figures indicate, because merchants would run their vessels at a loss or minimal profit rather than sell them at a loss. For a casualty of this depressed trade see Orr, Dunlope, and Glenholme Letterbook, 1767-1769.


33 Jensen, Maritime Commerce, 292, Table IV.


Table I).\textsuperscript{37} The buoyancy of the provision trade also enriched Philadelphia's hinterland and made willing consumers of its farmers, artisans, and housewives, who purchased a large volume of dry goods in the period 1771-1775 (Figure 1).\textsuperscript{38} Because foreign exchange earnings were so high in these years, importers were able to pay their heavy sterling debts at modest exchange rates (see Figure 2).

Merchants who failed to profit from these commercial opportunities could take advantage of the strong real-estate market in the city, where the population grew by 38 percent during the eight years after 1767, and the number of dwellings rose by 80 percent between 1760 and 1774.\textsuperscript{39} According to Carl Bridenbaugh, "The unprecedented demand for housing forced real-estate values to dizzy heights, enriching those fortunate enough to own lots and encouraging speculative enterprises."\textsuperscript{40} A majority of merchants owned land in the Philadelphia area and stood to benefit greatly.\textsuperscript{41}

What we have, then, is a mixed picture: a dry goods market that was glutted as usual, but a strong housing market and a generally buoyant provision trade. The commercial downturn of the mid-1760s was followed by impressive expansion after 1768. This hardly adds up to a structural economic crisis that would have turned conservative businessmen into revolutionaries. The merchants, in fact, fared relatively well in this period, as a number of documents show. The number of carriage owners in


\textsuperscript{38} Sachs provides some evidence of the prosperity of the countryside in the six years before Independence ("Agricultural Conditions," \textit{Jour. Econ. Hist.}, XIII [1953], 286-290). The credit crisis of 1772 is said to have caused "one of the worst depressions ever experienced in the new world" (Sachs, "Business Outlook," 218; see also Nash, \textit{Urban Crucible}, 317-318). Although this panic may have caused many bankruptcies in London (where it started) and intensified pressure on merchants in northern ports to pay their sterling debts, there is little evidence that it caused a wave of bankruptcies in Philadelphia. Egnal lists the following numbers of forced sales advertised in the \textit{Pennsylvania Gazette} (Philadelphia): 1770, 156; 1771, 91; 1772, 105; 1773, 113; 1774, 130 ("Pennsylvania Economy," 312).


\textsuperscript{40} Bridenbaugh, \textit{Cities in Revolt: Urban Life in America, 1743-1776} (New York, 1955), 225. Nash shows that Philadelphia artisans in the building trades had much larger estates than their Boston counterparts (\textit{Urban Crucible, 314}).

\textsuperscript{41} About 58% of the merchants owned land in Philadelphia City and County in 1774. See "Transcript of the Assessment for the 1774 Provincial Tax for the City and County of Philadelphia," Pa. Hist. and Museum Comm., Harrisburg (microfilm copy in Hist. Soc. Pa.). This is supplemented by "County Tax Duplicates, 1773-1775, for Philadelphia City and County," Philadelphia City Archives, Philadelphia City Hall.
Philadelphia increased from twenty-nine in 1761 to eighty-four in 1772, and in the latter year forty-four of them were merchants.\textsuperscript{42} Shipping records tell a similar story. Because traders had ample capital to invest, the share of shipping entering the port that was owned by the consignee—usually a local firm—increased from 49 percent in 1766 to 65 percent in 1775.\textsuperscript{43} It is significant, too, that Philadelphia's merchants could afford to buy increasingly larger shares of vessels. After dropping from 31.1 registered tons in the period 1751-1755 to 24.9 tons in the next five-year period, the mean size of a merchant's investment grew to 38.6 tons for the years 1771-1775.\textsuperscript{44}

The records of five individual firms also demonstrate the possibilities for commercial success in this period. Between 1760 and 1763 the commodity trading activities of Mifflin and Massey, which composed the major share of the firm's business, were both extensive and profitable, yielding a gross return of 12 percent on sales of £35,154.\textsuperscript{45} Even more significant is the success of two major firms that were active in dry goods distribution. Between 1761 and 1775 the earnings of James and Drinker averaged £2,742 per year. This was 45 percent more than the firm's annual earnings in the prosperous wartime period 1756-1760, though the rate of return on invested capital was not necessarily higher.\textsuperscript{46} In 1769 and 1770 Joshua Fisher and Sons earned a 10 percent rate of return on its capital, and during the depression period July 1763 to October 1768 Richard Waln's dry goods trade was consistently remunerative, yielding a gross profit of £1,541.\textsuperscript{47} More impressive still was the success of a sugar refinery established in 1772 by Samuel Morris, Jr., and Peter Miercken, which was capitalized at £6,771. Within just two years annual sales volume and profits had reached £17,836 and £2,488 respectively, and the partners were earning an annual rate of return of 37 percent. It is indicative of the relatively favorable economic climate of the pre-war years that, after suspension of operations during the Revolution, the refinery was unable to generate annual sales of more than £14,499 between 1783 and 1790.\textsuperscript{48}

Few firms matched the earnings of Morris and Miercken, of course, and bankruptcies were common during the sixteen years before the Revolution, as they almost always were in the brutally competitive, occasionally chaotic business world of eighteenth-century Philadelphia. But the early

\textsuperscript{43}Tonnage Duty Book. See Doerflinger, "Enterprise," 145.
\textsuperscript{44}Based on the Pennsylvania Ship Register.
\textsuperscript{45}Mifflin and Massey Ledger, 1760-1763.
\textsuperscript{46}Henry Drinker Journal, 1776-1791, 2, Henry Drinker Papers.
\textsuperscript{47}Joshua Fisher and Sons Ledger, 1769-1773, 104, 105, 149, 166; Richard Waln Ledger, 1761-1768, 42, 232. Of 38 shipments of dry goods, at least 32 were profitable.
1760s offered excellent markets in the West Indies, and rising European demand for foodstuffs made the years after 1768 quite prosperous. Thus, despite the downturn of the mid-1760s, the pre-Revolutionary period offered good opportunities for the shrewd trader. This assessment does not imply that Philadelphia society was free from inequality and social strain in the decade and a half before Independence. It is, in fact, consistent with the argument that the distribution of wealth became increasingly unequal during the later colonial period. How else than through an expansion of commercial profits could merchants have financed the "urban mansions built during the 1760s" or purchased the "four-wheeled coaches and carriages imported from London"?49

II

As the favorable commercial outlook in Philadelphia tended to moderate the merchants' attitudes toward the Revolutionary crisis, so too did their political orientation. Although they viewed encroachments of British power with as much dismay as other Philadelphians, politics was not the major concern of most traders. Moreover, the merchants feared that radical initiatives might sever their close and valuable ties with England and the empire.

There is a plethora of evidence, both private and public, that Philadelphians' merchants sincerely believed that parliamentary taxation of Americans was unconstitutional. In 1768 a committee of Philadelphia traders wrote to a group of leading English merchants that "the Statutes imposing Duties on Paper, Glass, Tea, &c. being a Tax on the Americans, without their Consent, we look upon, [as] Unconstitutional and destructive of our Rights, as your Brethren and Subjects."50 When the English merchants admitted that the Townshend duties might be "inexpedient," the Philadelphians pointedly insisted that they were unconstitutional as well.51 This belief was repeated again and again in the private correspondence not only of leading whig traders but of merchants who were loyalist or neutral during the Revolution. The Quaker John Reynell insisted that "the point in dispute is a very Important one, if the Americans are to be taxed by a Parliament where they are not nor can be Represented, they are no longer Englishmen but Slaves." Another Friend agreed, observing that "those Dangerous Innovations throw the Continent of America into the utmost Confusion, and if they are submitted to, leave us neither Liberty nor Property of our own." A wealthy Anglican who stayed in Philadelphia during the British occupation of 1777-1778 exclaimed that "I honor and

49 Nash, Urban Crucible, 257
glory in the mother country, as I love my own, whose liberties and interest are most cruelly and unjustly attacked." And Thomas Wharton, whose business interests brought him into close touch with leading British politicians, admitted that "I very ardently wish our superiors would take it into their serious consideration . . . how inconsistent it is with the spirit of our constitution for the property of an Englishman to be taken from him without his consent."52

Grounded in the merchants' conceptions of their rights as Englishmen, these constitutional fears were sharpened by their problems as businessmen. The tightening of the customs administration after 1763 greatly complicated life for Philadelphia's smugglers,53 and both the Sugar Act and the Stamp Act required payment of taxes in specie at just the moment when the Currency Act of 1764 forbade colonial legislatures to issue legal tender paper money. All three of these acts coincided with the commercial downturn of the mid-1760s, when exchange rates were high and large amounts of specie were shipped to England to extinguish sterling debts. The result was a severe shortage of money in Pennsylvania. In May 1766 Reynell complained that "unless we can get some more [paper currency] made, [I] know not what will become of us, nor how we shall be able to pay our debts."54

Even in the absence of an economic crisis, one might have expected these constitutional grievances to have aligned the merchants unambiguously behind the radical cause. A major task facing the historian, then, is to discern the factors that tended to moderate their political stance. Certainly one factor was the speed with which some of the merchants' major complaints were defused. The Stamp Act was never enforced; the Sugar Act was greatly revised in 1766. The Currency Act did not wreck Pennsylvania's paper currency but allowed the legislature to keep outstanding paper in circulation until its regular expiration date, and the colony was able to issue £102,000 of new money that was not legal tender. This was enough to meet most, though not all, of the colony's monetary needs.55

A second reason for the merchants' caution may have been that they were more apolitical than the concept of a "merchant aristocracy" implies.

52 The four quotations are, in order, from Carl L. Romanek, "John Reynell, Quaker Merchant of Colonial Philadelphia" (Ph.D. diss., Pennsylvania State University, 1969), 154-155; Grace Hutchison Larsen, "Profile of a Colonial Merchant: Thomas Clifford of Pre-Revolutionary Philadelphia" (Ph.D. diss., Columbia University, 1955), 399; Eugene R. Slaski, "Thomas Willing: Moderation during the American Revolution" (Ph.D. diss., Florida State University, 1971), 299; and Thomas Wharton to Anthony Todd, Apr. 5, 1774, Thomas Wharton Letterbook, 1773-1784, Wharton Papers.
To be sure, such traders as Charles Thomson, Thomas Mifflin, George Clymer, Thomas Wharton, and George Bryan were political activists, and many others had clear political affiliations. But before the Revolution merchants did not dominate political life. The men who articulated the colonists’ constitutional position in pamphlets, broadsides, and newspaper articles usually were not active merchants, and Pennsylvania’s party chieftains were generally wealthy lawyers, clerics, and landed gentlemen, rather than traders. This was particularly true of the inner circle of the proprietary party, from which even so capable a leader as Robert Morris was excluded.

Perhaps this detachment from political activity is not surprising. Merchants who had been juggling credits and debits in a countinghouse since their early teens had less exposure to legal and political theory than did genteel graduates of the College of Philadelphia and the Inns of Court. They were fully occupied with the risks and rewards of commerce. Henry Drinker confided that he preferred “to be drawn out into publick life as little as may be,” and Thomas Clifford has been described as “apolitical”: “he held no political office, except for a brief appointment as overseer of the poor in Philadelphia, wrote no pamphlets, led no faction nor joined any, served on none of the political committees formed in the midst of the imperial struggle, and attended no congresses.” A substantial proportion of Philadelphia’s merchants probably shared Clifford’s political indifference. It was said that “Mr. John Ross, who loved ease and Madeira much better than liberty and strife, declared for neutrality, saying, that, let who would be king, he well knew that he should be subject.” Certainly it cannot be assumed that traders regarded affairs from the same perspective as did a learned, well-connected, financially secure gentleman like John Dickin-

Of the 32 pamphleteers represented in Bernard Bailyn’s collection of Revolutionary pamphlets whose occupations could be determined, only 6 were merchants. Bernard Bailyn, ed., Pamphlets of the American Revolution, 1750-1776 (Cambridge, Mass., 1965), xv, xvi, 749-752. Four of these six—Philip Livingston, Thomas Hutchinson, John Hancock, and James Bowdoin—were gentlemen who inherited substantial fortunes and thus did not have the outlook of the typical merchant. On this matter see Doerflinger, “Enterprise,” 50-55.

On the proprietary side, William Allen was a gentleman and retired merchant, Benjamin Chew and John Dickinson were lawyers, William Smith and Richard Peters were clerics, and James Hamilton, Thomas Penn, and John Penn were gentlemen. As for the Quaker party, Benjamin Franklin was a retired printer, Joseph Galloway was an aristocratic lawyer, Isaac Norris and William Logan were merchant-gentlemen whose fortunes rested on the exertions of their influential fathers, and Israel Pemberton was a retired merchant. Of these 13 men, only Allen and Pemberton were really successful traders, and both had largely retired by 1760.

Stephen Brobeck lists 22 proprietary party members, of whom about 4 (William Coxe, Thomas Lawrence, John Wilcocks, Jr., and Thomas Willing) were active merchants in the 1770s (“Revolutionary Change in Colonial Philadelphia: The Brief Life of the Proprietary Gentry,” WMQ, 3d Ser., XXXIII [1976], 431, Table 1, 416-417).
son. Even the most politically active merchant might view public life with ambivalence. Charles Pettit doubted that politics was worth the time and trouble that it required, "unless it should eventually throw business into my hands by which I may obtain a profit." Robert Morris mixed politics and business successfully and "evinced little interest in the problems of political theory that agitated many of his colleagues." 59

It is clear that many merchants, whether or not politically oriented, identified closely with the British Empire, which was, after all, a commercial construct. Merchants were the engineers of commerce who took risks to move goods across the Atlantic; without them, the empire was only an inert bureaucratic entity. As the Philadelphia traders wrote to their English colleagues, "We consider the Merchants here and in England as the Links of the Chain that binds both Countries together. They are deeply concerned in preserving the Union and Connection." 60 A variety of contacts combined to form this chain. Dry goods traders in the Delaware Valley were in constant touch with some of the most powerful merchants in London and Bristol. On the eve of the Revolution, Pennsylvania land speculators, including some prominent merchants, were angling for a royal grant of a fourteenth colony to be established in the Ohio Valley, and they well understood that British-American friction would injure their prospects. 61 The merchants also remembered that in more than one war their property on land and sea had been protected by his majesty's army and fleet and that many traders had profited handsomely by servicing these forces. Not a few of the merchants were born in Britain or had relatives there, and prominent Quaker merchants were in close touch with the leaders of the Society of Friends in England.

This identification with the empire was challenged by a key instrument of the Revolutionary movement, the boycotts of 1765-1766, 1768-1770, and 1774-1776. Although the stated aim of nonimportation was to exert pressure for the repeal of particular measures, its actual reach was far wider. It was in fact a tentative declaration of American economic independence, and its enforcement by local committees gave rise to some

59 "Effects of 'Non-Importation,'" PMHB, XIV (1890), 44; Larsen, "Thomas Clifford," 322; Alexander Graydon, Memoirs of a Life, Chiefly Passed in Pennsylvania, within the Last Sixty Years (Harrisburg, Pa., 1811), 115; Charles Pettit to Joseph Reed, Apr. 18, 1784, Joseph Reed Papers, New-York Historical Society, New York City; Jack N. Rakove, The Beginnings of National Politics: An Interpretive History of the Continental Congress (New York, 1979), 299. The situation was similar in New York City, where "most of the great merchants were never active in public life." See Edward Countryman, A People in Revolution: The American Revolution and Political Society in New York, 1760-1790 (Baltimore, 1981), 113.

60 Quoted in Schlesinger, Colonial Merchants, 31.

61 John Baynton, George Morgan, and Samuel, Thomas, and Charles Wharton were associated with Benjamin Franklin, Joseph Galloway, and others in two companies that sought grants of land in the west. See Thomas Perkins Abernethy, Western Lands and the American Revolution (New York, 1937), chaps. 2, 3.
of the earliest extralegal Revolutionary governments in the colonies. The boycotts played an important ideological role as well, for they translated into action the moral component of a republican ideology that rejected the debilitating vices and luxuries of the Old World. Nonimportation thus provided a means of atoning for the sins of avarice and materialism in an increasingly secular age.62

Philadelphia dry goods merchants, particularly the Quakers, did not necessarily reject these attitudes in toto. In 1769 John Reynell donned a leather jacket and set his wife to turning out homespun, while Thomas Clifford exclaimed, "where will profusion and Extravagance lead us to? . . . [M]ake our Wants fewer. Let our living and expenses be less than our Income. Then we may discharge our contracts with honour, and set a good Example to the succeeding generation."63 But the merchants could hardly overlook the fact that they were the conduit by which pernicious luxuries poured into the Delaware Valley and that not a few of the choicest extravagances ended up in their own parlors and pantries. If fully executed, nonimportation entailed nothing less than repudiation of their profession and destruction of the elaborate trading networks they had laboriously constructed.64 In this respect the merchants viewed the imperial connection quite differently from Virginia planters, who found that they were increasingly financing their expensive tastes with debt rather than tobacco shipments.

III

The merchants' moderate outlook was also fostered by the interrelated issues of religion and social control, for the Revolutionary movement in Pennsylvania was shaped at every step by bitter antagonism among religious groups, especially between Quakers and Presbyterians. Anglicans and Quakers each composed over a third of the merchant community, and they dominated its upper stratum even more, making up 94 percent of merchant carriage owners in 1772.65 Presbyterians, on the other hand, accounted for less than a fifth of the merchants and included few traders of the first rank. Thus the economic muscle of the merchant group, the power to make or break a boycott, rested with the conservative

65 These figures, which are very inexact, are based on Robert Francis Oaks, "Philadelphia Merchants and the American Revolution, 1765-1776" (Ph.D. diss., University of Southern California, 1970), 216-236, which lists members of Revolutionary committees and signers of boycotts. Of 173 merchants whose religious affiliations are indicated there were 73 Anglicans, 72 Quakers, and 13 Presbyterians. However, Anglicans and Quakers may have been overrepresented in these proportions because they included most of the prominent traders. On carriage ownership see Oaks, "Big Wheels," PMHB, XCV (1971), 359-362.
congregations of the Friends' Meeting House and of Christ and St. Peter's churches.

The principles of the Society of Friends were ill-suited to governing during an era of war and revolution, for the Quaker peace testimony not only forbade military activity but discouraged riots, rallies, boycotts, and smuggling.66 Friends' heritage of persecution in the Puritan commonwealths of old and New England made them highly distrustful of all "Presbyterians," whether in Massachusetts or in the Scotch-Irish settlements of Pennsylvania's backcountry. Many years of control of Pennsylvania's government, together with their commercial prominence and civic leadership, gave the Friends a conservative, rather complacent outlook. In this respect they resembled many Anglican merchants, who favored the status quo because they had close political and family ties with the colony's proprietors, British descendants of William Penn. The Anglicans' connections with England were also strong because the ministers of the church were ordained in London, and because the church in America depended on financial support from England.67

The colony's Presbyterians, on the other hand, were of Scottish descent and had long resided English domination. They traced their political lineage back to the Civil Wars, which had overthrown both bishop and king, and they felt little love for either. Indeed, Presbyterian ministers, especially those of a New Light persuasion, preached a distinctly republican message, emphasizing "the idea of a fundamental constitution based on law, of inalienable rights which were God-given and therefore natural, of government as a binding compact made between rulers and peoples, of the right of people to hold their rulers to account and to defend their rights against all oppression."68 The concentration of Presbyterians in Pennsylvania's underrepresented frontier counties minimized their influence in the assembly, but they hoped that their political power would grow as their share of the colony's population increased.69


68 Alice M. Baldwin, "Sowers of Sedition: The Political Theories of Some of the New Light Presbyterian Clergy of Virginia and North Carolina," WMQ, 3d Ser., V (1948), 76. Many of the ministers discussed by Baldwin were educated in New Jersey and Pennsylvania.

After 1750 a combination of factors poisoned relations among these three groups and brought the colony to the edge of civil war. Religious antagonisms would continue to shape the attitudes of merchants until the Revolution. After the proprietorship of the colony passed to Thomas Penn in 1746, concerted attempts were made to increase its income. Toward this end, Penn shrewdly used the military crisis of the Seven Years' War to push favorable tax legislation through the assembly. Pacifistic in any event, Quaker lawmakers were reluctant to enact a tax bill that would finance the war and grant Penn concessions, and they were also loath to assist the turbulent Scotch-Irish frontiersmen who seemed to be partly responsible for the deterioration of Indian relations. The deadlock was broken only by the resignation of ten Quaker assemblymen, a grudging compromise by the proprietor, and a march on Philadelphia by seven hundred incensed westerners. This crisis was played out again in 1764 when, in the aftermath of Pontiac's Rebellion, a group of Scotch-Irish frontiersmen known as the Paxton Boys marched on Philadelphia in order to deal with some Christianized Indians harbored by the Quakers.

The march of the Paxton Boys triggered a vicious political battle in Pennsylvania. To many Quakers, William Penn's once peaceful province seemed to be lurching toward anarchy as unruly Presbyterians tried to overrun the colony. These fears were heightened in 1765 when a band of Scotch-Irishmen in Cumberland County seized and destroyed a large shipment of goods that a Quaker mercantile firm was sending to Pittsburgh. Fundamental structural change—elimination of proprietary control of the colony—seemed to offer the only solution to the crisis. Therefore in 1765 the assembly dispatched Benjamin Franklin to London to persuade the British ministry that order could be maintained in Pennsylvania in no other way than by making it a royal colony. Although some Quakers questioned the wisdom of forfeiting William Penn's prized Charter of Liberties, most Friends considered this stratagem the only

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73 Eleanor M. Webster, "Insurrection at Fort Loudon in 1765: Rebellion or Preservation of Peace?" *Western Pennsylvania Historical Magazine*, XLVII (1964), 125-139.
hope for peace. As Thomas Wharton wrote Franklin, "We are, in a shatter'd and distracted State, and unless thou art so happy as to releive us; Miserable will be our Fate." 76

This resonant fear of Presbyterian hegemony was a major factor in the Quaker merchants' view of the Revolutionary movement. They perceived an inexorable logic to the Revolutionary process that had nothing to do with commercial problems, parliamentary taxation, or ministerial tyranny. Like their forebears of the seventeenth century, the Presbyterians were evidently using discontent over constitutional issues to seize power for themselves and deny their fellow Christians freedom of conscience.

IV

The prosperity of most merchants, a habitual detachment from political affairs, close ties with England, and fear of a rising Presbyterian faction all combined to moderate the merchants' political stance between 1764 and 1776. Although they clearly disliked the Sugar Act, their response to it was very restrained, perhaps in part because they were absorbed by the local political tumults of 1764. 77 The Stamp Act crisis of the following year was powerfully shaped by the contingencies of provincial politics, because the new tax endangered Benjamin Franklin's scheme to make Pennsylvania a royal colony. 78 Franklin was pushing Pennsylvania to embrace royal authority just as imperial pressure was becoming most obnoxious, and it is a tribute to his nimbleness that this error did not shatter his political career. While in England in 1764 Franklin had argued against the proposed Stamp Act, but once it was law he made the best of the situation by nominating a political crony, John Hughes, as stamp agent for Pennsylvania. Resistance to the act was widespread in Pennsylvania and was spearheaded by proprietary supporters and Presbyterian leaders who wished to discredit the royal government that Franklin was trying to impose upon the colony. On two occasions they attempted to rally mobs to "pull down" the houses of Quaker party leaders, and the committee that asked John Hughes to resign his post as stamp agent was dominated by merchants from the proprietary faction. Skillfully countering these moves was Franklin's protégé, Joseph Galloway, who was aided by other members of the Quaker faction, including a number of merchants.

Since the attacks on stamp agents constituted the chief form of

76 Thomas Wharton to Benjamin Franklin, July 16, 1765, Labaree et al., eds., Franklin Papers, XII, 215.
77 Jensen, Maritime Commerce, 154-156.
resistance to the tax, it cannot be said that merchants as a group led the opposition to parliamentary taxation in 1765, as has been suggested. In reality, the trading community was split: Quaker merchants generally did not oppose the Stamp Act, while Anglican and Presbyterian merchants of the proprietary faction did. The one instance in which merchants united to oppose the act was the boycott of British imports, organized in November 1765. Even here, there is evidence that some merchants joined the boycott under duress. Charles Thomson observed that "so exasperated are the People, that to appease them and indeed for their own Safety the merchants are obliged to pawn their word and honour and give from under their hands that they will not import any more Goods" until the act was repealed. John Reynell feared that his house would be destroyed if he used stamp papers.

Despite their divisions in 1765, the merchants could have played a major role in opposing the Townshend Acts of 1767. By this time the animosities between Quaker and Anglican merchants had cooled as the royal government project drifted, and primary opposition to the duties took the form, not of riots, but of a major commercial boycott from March 1769 to September 1770, in which the traders actively participated. According to some analysts, the merchants' causal role was indeed central. Neo-Progressive historians have argued that "nonimportation was only incidentally designed to compel Parliament to repeal obnoxious legislation." Instead, the merchants initiated the boycott primarily to gain an eighteen-month respite from the relentless cascade of British capital and goods, during which they could sell off inventories, pay debts to English suppliers at favorable exchange rates, and build up cash reserves. Such a formulation is elegantly logical, and there is enough evidence to demonstrate that this consideration definitely was in the minds of some traders. At issue, however, is the causation of a revolution: the question is whether these concerns determined the pace and pattern of events.

The answer to this question is an unequivocal "no," for the neo-Progressives have overlooked one devastating detail. Far from leading the nonimportation movement in Philadelphia, dry goods merchants stubbornly opposed it throughout 1768, steadfastly ignoring the increasingly vituperative demands of radicals that they place the public welfare above

80 Jensen, Maritime Commerce, 160-161. Thomas Wharton to Benjamin Franklin, Nov. 7, 1765, Labaree et al., eds., Franklin Papers, XII, 356-360, suggests that the merchants were united behind the boycott. James and Drinker to David Barclay and Sons, Oct. 14, 1765, James and Drinker Letterbook, 1764-1766, Henry Drinker Papers, states that Friends were not involved in the political disturbances in Philadelphia in 1765.
81 Egnal and Ernst, "Economic Interpretation," WMQ, 3d Ser., XXIX (1972), 21.
82 Ibid., 22-24; Ernst, Money and Politics, 209-210.
private interest. Pressure steadily mounted on importers to join the boycott, which Boston and New York had already agreed to start. In pamphlets, speeches, and newspaper articles the Philadelphia radicals, led by John Dickinson, showered the merchants with abuse. They even tried to force the issue by enlisting individual merchants, but the intransigence of “eight or ten” wealthy importers scotched the effort. Although questioning the constitutionality of the Townshend Acts, conservative merchants evidently opposed precipitate action that would violate the Quaker peace testimony and offend valuable correspondents in England.

By the same token, however, it is clear that overt loyalism of the kind shown by the royalist faction in Boston was not behind the merchants’ caution. Once the boycott began in March 1769, its legitimacy was generally accepted, and there were few enforcement problems. As Henry Drinker exclaimed, “I could not think of deserting a measure we had deliberately gone into for the securing and supporting our Liberties and valuable Rights, drawing on ourselves at once the contempt and indignation of the other Colonies, not to say the exultation and derision of the Mother Country.” Drinker was far from alone; when three vessels from “the little dirty Colony of Rhode Island” (the first defector from the boycott) sailed into Delaware Bay, they were barred by the merchants from unloading their wares.

This stance demonstrates true commitment to the patriot cause, for by the spring of 1770 the stoppage of trade was a real burden to the importers, whose stocks were depleted. As early as March, Clement Biddle complained that his inventory was “unsorted.” Reynell also became eager to import more goods, and Drinker was distressed that many small importers were close to ruin. The extensive dry goods business of Joshua Fisher and Sons was certainly injured by the extension of the boycott into 1770. As the supply of goods in the Philadelphia market shrank, the firm’s profit margin rose substantially in 1770, but this was more than canceled by a plunge in the volume of sales, caused by a depletion of inventory. Consequently, the Fishers’ profits dropped from £968 in 1769 to £844 in 1770.

Although merchants were willing to shoulder the financial burdens of nonimportation, the drift of events made the sacrifice seem ever more

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84 Ibid., 174.
85 Ibid., 181-184.
86 “Effects of ‘Non-Importation,’” *PMHB*, XIV (1890), 43.
87 Ibid., 44; Biddle to Thomas Robinson, May 25, June 2, 1770, Clement Biddle and Co. Letterbook, 1769-1770, Clement Biddle Papers.
88 Biddle to Thomas Richardson, Mar. 4, 1770, *ibid.;* Romanek, “John Reynell,” 160-161; “Effects of ‘Non-Importation,’” *PMHB*, XIV (1890), 42, 43.
89 Joshua Fisher and Sons Ledger, 1769-1773, 110. The data are as follows:
pointless. In May 1770 most of the duties were repealed, and shortly thereafter Rhode Island defected from the agreement, as did New York in July. The agreements of Maryland, Massachusetts, and New York were less restrictive than Pennsylvania's, and there were well-documented reports that Bostonians were freely importing large quantities of tea. Worse still, the boycott seemed to be having little impact on the English economy. For all these reasons, by May 1770 many merchants wanted to end the boycott. Nevertheless, it dragged on until September—too late to import many goods until the following spring.

The reason for this delay was the emergence of a split in the merchants' ranks during the winter of 1769-1770. Whether for economic reasons or because of official Quaker opposition to the boycott, five prominent Quaker and three leading Anglican importers withdrew from the twenty-man merchant committee supervising the boycott. The five Presbyterians on the committee retained their seats, and control of the body passed to Presbyterian Charles Thomson, a minor figure in the city's business community but a shrewd radical politician. In this way the wealthy importers forfeited control to the radicals. Throughout the spring and

<table>
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<tr>
<th>Year</th>
<th>Sales</th>
<th>Profits</th>
<th>Profits/Sales</th>
<th>Dry Goods Inventory at Beginning of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1769</td>
<td>10,753</td>
<td>£968</td>
<td>9.0%</td>
<td>6,561</td>
</tr>
<tr>
<td>1770</td>
<td>6,020</td>
<td>844</td>
<td>14.0%</td>
<td>3,379</td>
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<tr>
<td>1771</td>
<td>14,681</td>
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<td>2,084</td>
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91 There is conflicting evidence about the details of this important process. In a letter to the Boston Committee of Merchants, dated Sept. 25, 1770 (Pennsylvania Chronicle [Philadelphia], Oct. 1, 1770), the Philadelphia Committee of Merchants gave the following account. The original committee had 20 members, of whom 7 "withdrew." Of these 7, 4 "personally resigned." Since an additional committee member (Abel James) was in England, the committee reported that its effective strength was 12. Ryerson lists 19 "committee men chosen in 1769," of whom 8 (5 Quakers and 3 Anglicans) "opposed the boycott in 1770" (Revolution Is Now Begun, 78). These 8 were among 17 merchants, in 14 firms, who signed a letter to the committee dated Sept. 12, 1770, asking for a revision of the agreement (Pa. Gaz., Sept. 20, 1770). Ryerson states that "the merchants chose a single committee of twenty-one members" (p. 29), that "in November 1769, if not earlier, chairman John Reynell and several members had resigned from the committee or ceased attending meetings," and that the people who "had probably withdrawn from the committee" by Nov. 25, 1769, included Reynell, "three other Quakers," and the Anglican Tench Francis (p. 30). Jensen agrees that the conservative merchants "withdrew" during the winter of 1769-1770 and that the remaining members were not "dry goods merchants of any consequence" (Maritime Commerce, 183). But on Apr. 29, 1770, Henry Drinker wrote that a group of wealthy merchants, who were dissatisfied with the agreement, "made it a point to get all the Committee together, tho. J. Reynell, Tench Francis, J. Warder, myself and some others had not attended for some months. We met and were applied to
summer of 1770 the radicals extended nonimportation by cooperating with a critical new force in Philadelphia politics, the mechanics, who had their own economic reasons for wanting to bar cheap English manufactures. In June, Thomson packed a merchant meeting with mechanics to carry it in favor of continuing the boycott, and the artisans also rallied on their own in its support. Outnumbered but not outwitted, conservative merchants first petitioned the committee to poll the subscribers to the agreement through a house-by-house canvass, a method that would prevent outsiders from exerting influence. When Thomson’s committee vetoed this method, conservative merchants finally ended the boycott on September 20 by holding a meeting of subscribers in a tavern too small to accommodate mechanics and other outsiders.

Nonimportation shows clearly how patriotism was shaded by self-interest and by the circumspection of the mercantile mind. Anxious not to offend their correspondents in England, the merchants took their time in entering the boycott. Once the initiative was under way, however, they supported it to the point of foregoing profits as their inventories dwindled during 1770. But sacrifice had its limits; when other colonies abandoned the boycott and some of the Townshend duties were repealed, they became eager to get on with their trade. Of course the radicals in Philadelphia accused the moderates of being motivated by crass self-interest. To this charge the moderates replied, with some justice, that wet goods merchants were pressing for extension of a boycott that did not affect their own business even as they paid into the royal treasury duties on wine and rum. And their major allies in Philadelphia, the mechanics, by a number of the Importers” (“Effects of ‘Non-Importation,’” PMHB, XIV [1890], 43). From this conflicting evidence we may infer that the original committee numbered 19, 20, or 21 members, 7 or 8 of whom eventually “withdrew” from the committee, and that 8 members (mostly men who had withdrawn) were among the 17 who opposed the agreement in Sept. 1770. Drinker’s remarks show, however, that “resigning” and “withdrawing” were highly informal procedures, since those who had withdrawn in Nov. 1769 met with other committee members the following April.

94 Jensen, Maritime Commerce, 194.
95 “Effects of ‘Non-Importation,’” PMHB, XIV (1890), 42; Jensen, Maritime Commerce, 190, 191. The degree of commercial specialization of Philadelphia firms was directly related to their size. Smaller companies typically concentrated on one or two markets at a time, while larger firms were less specialized. Therefore, as Drinker noted, small firms specializing in the dry goods trade were badly hurt by the boycott, but a fairly important West Indies merchant such as the radical Daniel Roberdeau could continue his trade unimpeded. On the other hand, many of the leading firms of the city, including the wealthy Quaker “dry goods merchants” who figured so largely in the boycott (such as James and Drinker, Jeremiah Warder and Sons, Joshua Fisher and Sons, and William Fisher) traded not only to England but also to the West Indies, southern Europe, and Ireland. Other wealthy merchants
benefited tremendously from the suspension of trade with England. Republican ideology was thus tempered and twisted by the realities of the marketplace.

Merchants approached with similar ambivalence the British East India Company’s plan to unload its huge supply of tea in America. Many undoubtedly viewed it as a trick to seduce Americans into importing a dutied commodity, but it is apparent that some merchants had financial reasons for attacking the tea scheme. In addition to injuring directly those few traders who smuggled Dutch tea into Philadelphia, the company’s plan concentrated power in the hands of a small number of prominent traders who had good connections in England. The tea was consigned to only four major firms, who would earn commissions of roughly £600 by auctioning off the tea. This was the antithesis of the open, freely competitive environment that characterized Philadelphia’s business world; local newspapers warned that other oriental goods would soon be distributed in this monopolistic fashion. There is some evidence that in Philadelphia, as in New York, smugglers led the opposition to the tax. As they awaited

tended to concentrate on shipping provisions to the West Indies and southern Europe. Since major and minor firms were active in every important market of the port, there was no structural imperative in the nonimportation controversy pitting wealthy dry goods importers against poorer West Indies traders. See “Effects of ‘Non-Importation,’” PMHB, XIV (1890), 42, and Daniel Roberdeau Letterbook, 1764-1771, esp. Roberdeau to John Boyd, Jan. 17, 1766 (p. 89). The best way to determine the shipping activities of firms between 1765 and 1776 is through the Tonnage Duty Book, although the provenance of ships is not always stated in 1769 and 1770. See also Joshua Fisher and Sons Ledger, 1769-1773, 40, 106, 153, 193, 231, 246, and James and Drinker Letterbook, 1769-1772, Henry Drinker Papers. For an analysis of the pattern of mercantile specialization see my forthcoming article in Business History Review.

96 For a description of a new committee formed in Sept. 1770 to persuade merchants not to resume importation see Ryerson, Revolution Is Now Begun, 77, 79. By my reckoning, four of the nine new people on this committee (George Clymer, John Shee, Daniel Roberdeau, and Peter Chevalier) were merchants.

97 This view was even held by tea agent Thomas Wharton. See Wharton to Thomas Walpole, Dec. 27, 1773, May 2, Aug. 2, 1774, and Wharton to Samuel Wharton, Jan. 1, “1773” (actually 1774), Thomas Wharton Letterbook, 1773-1784, Wharton Papers. See also Labaree, Boston Tea Party, 102.

98 Jensen, Maritime Commerce, 199, states that the four were to divide equally a 6% commission on the sale of the tea. The invoice value of the tea shipped to Philadelphia was £21,676 sterling, which would have provided a commission for each firm of £597 Pennsylvania currency, if the mark-up over the invoice cost were 10% and the exchange rate were 167%. For a reproduction of the East India Company’s invoice see the catalog of a joint exhibit by the American Philosophical Society, the Historical Society of Pennsylvania, and the Library Company of Philadelphia, A Rising People: The Founding of the United States, 1765 to 1789 (Philadelphia, 1976), 20.

99 On the opposition of New York smugglers see Pigou and Booth to James and Drinker, Oct. 4, 27, 1773, typescript copies in Henry Drinker Papers; Nash,
arrival of the tea shipment in November 1773, James and Drinker foresaw hostility to its landing from Philadelphia smugglers, who were expecting a large tea shipment of their own from the Dutch island of St. Eustatius.\footnote{100}

When news of the Coercive Acts reached Philadelphia in May 1774, wealthy Anglican and Quaker merchants attempted, as one said, “to keep the transactions of our City within the limits of Moderation and not Indecent or offensive to our parent State.”\footnote{101} They insisted that Boston should pay for the ruined tea and strongly opposed resumption of nonimportation, knowing by now that a boycott was far easier to start than to stop.\footnote{102} The convening of the Continental Congress in September 1774, however, deprived them of the power to shape events as they had in the past. In particular, they could not delay the third boycott of the Revolutionary movement, the Association formulated by Congress, which banned imports after December 1, 1774, and exports after September 10, 1775.

Some traders—Charles Thomson, Thomas Mifflin, and George Clymer, for instance—enthusiastically promoted the Revolutionary cause as it moved forward in 1774 and 1775. Yet many wealthy merchants looked on with dismay as Independence drew near and the familiar social and political landscape was transformed. For Thomas Willing, one historian has noted, “Independence . . . was an economic consideration, not a political one; and the advantages of security and stability seemed to lie with America remaining in the empire.”\footnote{103} Thomas Clifford believed that “the present Contest is very unnatural, and will assuredly prove unprofitable.”\footnote{104} Pacifism and elitism shaped the reaction of James and Drinker to the impending conflict. They thought that “distress and Ruin” were imminent, and Drinker lamented that “the lower Class of People . . . were generally mustered by the Presbyterian party,” while “Citizens of weight and Fortune” did not even vote in assembly elections.\footnote{105} Religious antagonisms continued to be a potent concern, especially for Quakers. James and Drinker discerned a common Presbyterian spring to events in Philadelphia and Boston in 1773: had not the “hasty and violent resolves”

\textit{Urban Crucible}, 317; and John Vanderbilt to Charles Wharton, Nov. 6, 1773, Edward Wanton Smith Collection.

\footnote{100} James and Drinker to Pigou and Booth, Nov. 20, 1773, typescript copy in Henry Drinker Papers.


\footnote{103} Slaski, “Thomas Willing,” 165.

\footnote{104} Larsen, “Thomas Clifford,” 420.

of Charles Thomson and other local Presbyterians inspired the intransigence of the Bostonians that led to the destruction of the tea.\textsuperscript{106} If Presbyterians finally managed to seize control of Pennsylvania, the freedom of conscience that had long graced the colony's constitution would disappear. As Thomas Wharton asked, "What is to be the Next step if England should be Overcome? ... What redress is to be Expected, what Civil or religious Liberty Enjoyed, should others gain the Ascendancy?"\textsuperscript{107} In the past, Quakers had battled in the political arena to hold back the Presbyterian tide, but by 1775 the forces of change were too strong, the political environment too turbulent, to justify this approach, and Friends defiantly retired from politics.\textsuperscript{108} For these various reasons—economic, social, religious, and political—a substantial proportion of the Philadelphia merchant community refused to enlist in the patriot cause.

V

The case of Philadelphia's merchants reminds us that interest may temper rather than intensify ideological commitment. While socioeconomic concerns may have made some Americans particularly receptive to a republican ideology, such factors had the opposite effect in Philadelphia's trading community. In the first place, the merchants did not face an economic crisis in the 1760s and 1770s. Despite the nearly chronic glut of the dry goods market and the stagnation of the provision trade between 1764 and 1768, the merchants were reasonably prosperous in the fifteen years before the War for Independence. They resented and feared English efforts to tax Americans and were willing to make sacrifices to defend their liberties, but these sentiments did not turn them into Revolutionaries because other factors intervened. Contingencies of local politics, close personal and commercial ties with England, fear of Presbyterian hegemony, and economic self-interest all conspired to moderate their stance. While the merchants did not mirror public opinion throughout the colony, neither were they an isolated group of rich reactionaries. A great many other Pennsylvanians viewed the prospect of Independence with equal misgiving. As late as May 1776, for instance, an election in Philadelphia that amounted to a referendum on the question of Independence favored the conservative position by a small margin.\textsuperscript{109}

The behavior of the merchants illustrates the limits of an ideological or intellectual explanation of the origins of the Revolution. By itself, such an approach explains too much; it lacks the specificity intrinsic to the

\textsuperscript{106} James and Drinker to Benjamin Booth, July 7, 1774, typescript copy, Henry Drinker Papers.


\textsuperscript{108} Bauman, Reputation of Truth, chap. 9, esp. 147-148.

\textsuperscript{109} David Hawke, In the Midst of a Revolution (Philadelphia, 1961), esp. chap. 1.
problem at hand. The ideas of John Trenchard and Thomas Gordon, John Locke, and James Harrington were widely publicized throughout the colonies, yet they had far greater resonance in some colonies than in others. To understand fully the origins of the Revolution, we must determine what specific local and regional factors made particular areas more or less receptive to these ideas. The relative prosperity of the Middle Colonies, for example, in conjunction with a substantial Quaker influence and the presence of a large non-English-speaking population, may have predisposed this section toward conservatism. Conversely, a variety of factors made Massachusetts particularly receptive to republican ideology. Originally established as a refuge from the corruption of the Anglican Church, the colony tenaciously guarded its purity and independence for six decades before the unwelcome, and successfully challenged, intrusion of Gov. Edmund Andros. Because of the Puritan emphasis on education, New Englanders were well schooled in this tradition of independence, and their reliance on the town meeting gave them a far more republican orientation than colonists governed by oligarchical, county-based institutions. The relative poverty of Massachusetts—its inability to produce a staple crop for export—may also have made it susceptible to republican ideas. Reliance on the distillation of French molasses into rum gave rise in Boston to a large community of smugglers, who were severely affected by the Sugar Act.110 And the limited resources of Yankee farmers made them highly sensitive to the dangers of new taxes that might ultimately undermine their status as independent freeholders.111

These regional differences continued to operate after 1776. The same pragmatism, elitism, and materialism that had hitherto made Philadelphia merchants reluctant Revolutionaries predisposed some of them to lead the Revolution in its later, more conservative phase. The crisis of Independence deposed Pennsylvania’s traditional political elite of independent gentlemen and swept into power a radical faction that wrote a highly democratic constitution for the new state. The conservatives who attacked this constitution after 1776 were primarily wealthy merchants and their associates, who formed a pressure group called the Republican Society. Particularly prominent in this faction were Robert Morris, James Wilson, George Clymer, John Nixon, and Samuel Meredith.112 Many of these

same men, together with such New York conservatives as Gouverneur Morris, Alexander Hamilton, William Duer, and John Jay, were also prominent at the national level, where they composed the core of the nationalist faction that attempted, between 1780 and 1784, to stabilize the finances of Congress and strengthen its power.¹¹³ Now it was the radical ideologues of Virginia and New England who hung back, as pragmatists from the Middle States seized the initiative.