

## DEBITS AND CREDITS

BY PATRICIA LAW HATCHER, FASG

In RIDE A COCK HORSE TO BANBURY CROSS, we looked at the early American marketplace, one that functioned on a variety of interconnected levels: between men, between women, through storekeepers, and through merchants. All, however, operated on a basis of barter and credit.

Although *barter* is often used as the term to describe exchanges that do not involve cash, the early-American, currency-short marketplace did not necessarily involve bartering as we think of it (arguing about the price).

Let's begin by looking at an exchange in which there is no quid pro quo, no negotiated exchange, no price set on goods or services. We're familiar with that kind of thing: the neighbor who sees you struggling with chain-link fencing and says "let me help," the neighbor's wife who says "I brought you some of the chocolate-chip cookies I baked." The same was true of our ancestors, although the help might have been in driving home a recalcitrant herd of sheep and the edible offering may have been cabbages.

Good neighbors exchange approximately equally, in an untallied way, just as when we lunch with a friend we might say "I'll get it this time, you can get it next time." Obviously, we are unlikely to find any records documenting such transactions.

When the amounts involved were large, when one party was not good at remembering his or her turn, or when the parties weren't known to each other, the exchange became more specific, as in "Would you take a bushel of corn for that harness?" We are unlikely to find record of such handshake agreements, either, unless one of the parties noted it in passing in a diary or letter.

When the people involved didn't know each other well, lived far apart, or didn't trust each other, if the exchange would take place over time, if other people were involved, or if the goods or services couldn't physically be exchanged at the same time, there may have been a record made. Often these were just small slips of paper, similar to the receipts we sometimes find in probate files or military records. Laurel Thatcher Ulrich in *A Midwife's Tale* suggests that they might also have been recorded in chalk on a wall. The thought had never occurred to me, but it certainly makes sense.

Some individuals kept a book in which they noted many of their financial transactions. This might be called a journal or a day book. Often it included other notations, such as the weather, the death of a neighbor, or the birth of a child. If there is much none-financial information, we might also classify it as a diary. When these survive in private hands, they might have been published either as an article or as a book. Or they may have been donated to an archives. Thus, you will need to do some creative searching in PERSI, in library catalogs, and in NUCMC. As search parameters, try the locality and also major surnames in the area of interest.

Although storekeepers had prices for goods, that doesn't mean that their customers had cash with which to pay. Many customers paid in what was known as *country trade* or *country pay*. In other words, storekeepers accepted produce, goods, or services in payment. Thomas Almond (who smithed the hillng hoes in the previous article) paid for his goods at Samuel Calland's store by hauling tobacco.

Storekeepers often kept two kinds of books. One was a day book (or waste book) in which he wrote down transactions as they occurred. Later he transferred the entries to his account book, in which each customer had a section. These usually encompassed two pages. On the left page were the debits (abbreviated "Dr."), and on the right page were the credits, with running balances often noted. He often made hatchmarks in the left column of the day book to show that the transaction had been logged.

If store records have been published, it is often in periodicals. If they have been published as books, or if the original has been microfilmed, it will usually be found in the Family History Library Catalog under the locality and then "Business records and commerce."

This economy was based on both trust and balance. One had to trust that one would receive the payment. But one also had to balance just how much credit should be extended, whether between neighbors or at the store. A storekeeper who gave credit to everyone without demanding payment wouldn't be a storekeeper for long. Nor would it be helpful to accept in county trade anything that couldn't be used in the storekeeper's own household, resold from the store, or sold to merchants or customers in another location.

In the January 2005 issue of the *Pennsylvania Magazine of History and Biography*, Diane Wenger analyzes the records of storekeeper Samuel Rex, whose business was in the largely German Schaefferstown, Pennsylvania, at the end of the eighteenth and beginning of the nineteenth centuries. She found that farmers were raising extra wheat, which Rex hauled to Philadelphia for resale to merchants, along with local foodstuffs.

One of her most interesting analyses was a calculation of how customers paid for their goods: approximately 30% cash, 15% country produce, 11% iron, 4% craft goods, 5% labor, 19% paper (such as IOU's from other people), and 16% store credit. I highly recommend this article for your reading.

Generally speaking, merchants operated at a less-individual level, buying goods from other business persons and arranging for shipping, including export to Europe. Those dealing in buying and exporting often had warehouses in a number of locations and employed agents (sometimes described as *factors*, meaning they worked on a commission basis).

At the 1994 Federation of Genealogical Societies conference in Richmond, Virginia, Helen Hinchliff spoke on the records of the Scottish merchants John Glassford and Company and their records, many of which survive and are microfilmed at the Library of Congress. (A Google search on “John Glassford” and tobacco produced over one hundred hits, which lets you learn more about these tobacco merchants.) At the same conference, Conley L. Edwards spoke about the many business records in the collection of the Library of Virginia.

By expanding your search to include business records not only of the community in which your ancestor lived, but also of nearby communities of similar character, you can gain much insight into your ancestors’ lives. Remember to pay attention to what items are *not* listed in the ledgers (which tells you what people grew or made on their own or traded with neighbors), as well as what items the typical customer purchased.