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THE CULTURE OF CREDIT IN COLONIAL CHARLESTON

MICHAEL WOODS*

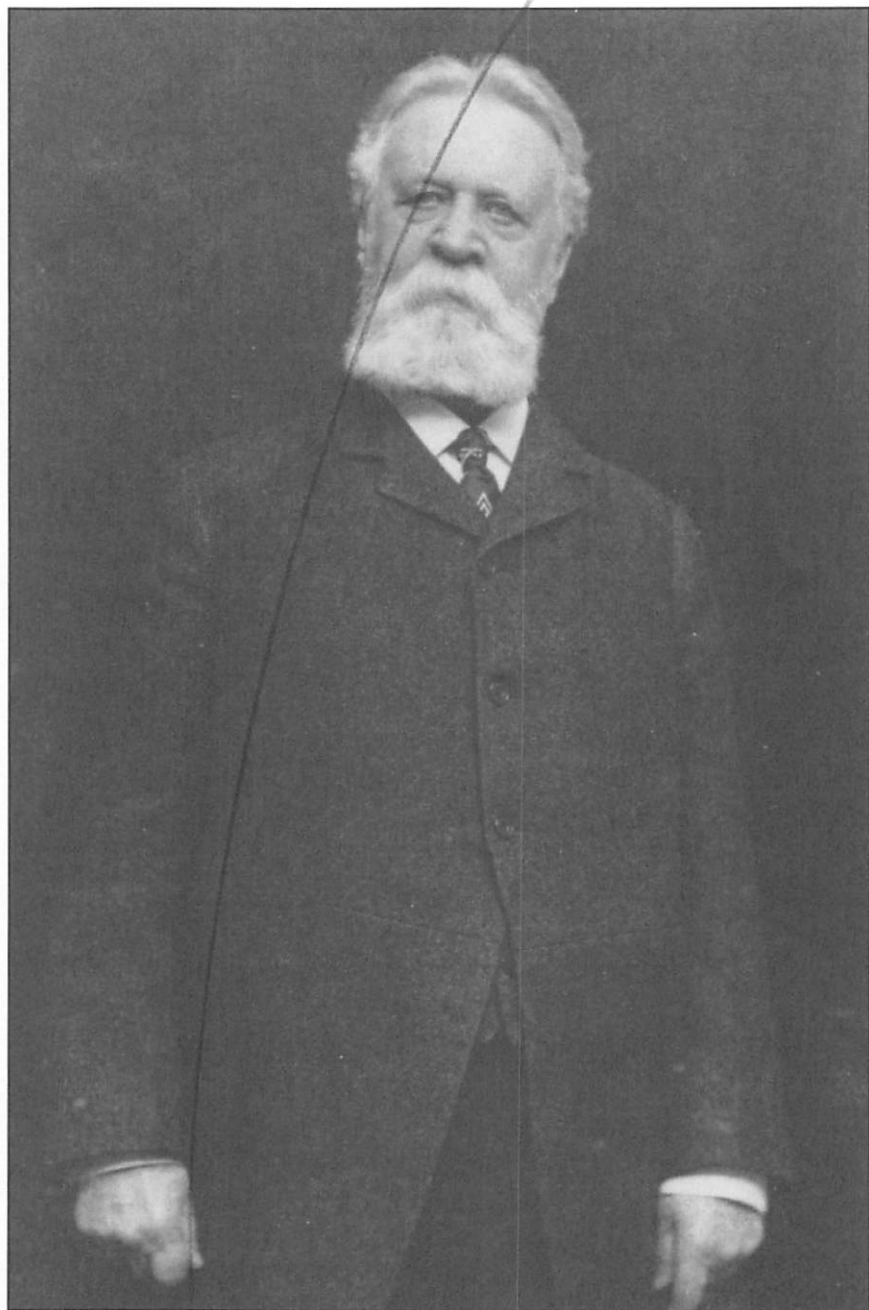
THE PROCESS AND CONSEQUENCES OF LENDING MONEY have been of profound commercial and social significance since Biblical times. This was certainly true in pre-revolutionary Charleston, which by 1750 was a well-established commercial shipping point for the Atlantic economy. In the process of achieving this position, second and third generation merchants and planters, together with a growing segment of artisans and shop keepers, established a culture especially suited to South Carolina. The underpinning of this culture was debt, so essential that it permeated the lives of all of the inhabitants of the colony. For South Carolinians, there were several important avenues of commercial pursuit available, but as in the other Southern colonies, farming was preeminent. The real objective of the colonists who extended credit and incurred debt was to facilitate their primary economic activity of exporting agricultural staples. Credit was intertwined in all aspects of colonial life, and the creation and use of debt was a daily activity in which everyone was engaged. For this reason, the way debt was managed was an important concern to all of the colonists.

Much about the activities of borrowers and lenders can be found in their personal diaries and journals, and probate records. Court records of debt litigation also offer unique insight into the way society worked in a commercial environment with heavy underpinnings of debt. The judgment rolls of South Carolina's Court of Common Pleas held at the Department of Archives and History in Columbia (hereafter, JR,CCP) are of unparalleled value in this regard. As the primary arena of debt litigation in the colony, this court processed more than 6,000 cases involving debt between 1704 and 1769. A sample of 1,140 of these cases tells us much about who was in debt to whom, what was owed from one person to another, what types of debts were involved, and so on.¹ Using litigation records as a starting point, other manuscript sources for particular litigants can be examined to flesh out a portrait of Carolina commerce from Charleston, its economic center.

The amount of working debt was considerable. Based on the sample,

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¹Files were selected randomly. The objective was to examine at least 10 percent of the files in each time period. The percentage of files examined given the size of the data base and time constraints appears in the center column.



Theodore Gaillard Thomas, ca. 1901. Courtesy of the Waring Historical Library, the Medical University of South Carolina.

TABLE I
SUMMARY OF DEBT CASES AND ESTIMATE OF DEBT,
SOUTH CAROLINA COURT OF COMMON PLEAS
1704-1769

<u>Year</u>	<u>Cases</u>	<u>Sample</u>	<u>%</u>	<u>Debt-Sample</u>	<u>Avg. debt/case</u>	<u>Total debt-est.</u>
1704-1709	470	61	13	3,324	55	25,850
1714-1719	1,281	185	14	30,380	164	210,084
1724-1729	126	64	50	23,272	364	45,864
1734-1739	182	182	100	73,498	404	73,528
1744-1749	327	124	37	72,591	585	191,295
1754-1759	1,142	180	16	160,197	890	1,016,380
1764-1769	<u>2,420</u>	<u>344</u>	<u>14</u>	<u>585,011</u>	<u>1,700</u>	<u>4,144,000</u>
Totals	5,948	1,140	19	£948,773	£832	£5,677,011

Note: Debt is expressed in South Carolina money

Source: Judgement Rolls, South Carolina Court of Common Pleas, South Carolina Department of Archives and History, Columbia, South Carolina

it is estimated in Table I that for the period between 1704 and 1769, total approximate debts of £5,677,001 local currencies or £811,000 sterling were litigated. Since litigation records involve only debt transactions which resulted in a default on the part of the debtor, it is presumed that these records represent but a fraction of the actual debt. The total debt at work in the economy at any given time must have been in hundreds of thousands of pounds local currency.

Before proceeding, the limitations of debt litigation records should be recognized. The sums for which plaintiffs sue are not necessarily indicative of the amount of the original debt contracted between the parties. In many cases, the amount of the claim was less than the amount of the original debt because payments had been made before suit commenced. Furthermore, it will be shown that the amount of bond claims was artificially inflated from the beginning. Finally, the data may be biased because of the "delinquency" factor, i.e., it is possible that the statistical tendencies of defaulting debtors differed from those who paid. However, there is no statistically reliable data base for borrowers who paid their debts, and we are left to draw conclusions only about those who did not. The bias may not be significant in any event. At its inception, at least one if not both parties to a debt transaction expected payment in full. In that respect, defaulted debts do not differ from those that were repaid.

It is also true that colonial court litigation served more complex

purposes than does modern debt collection practice. It was often used as a basis for achieving a communal consensus about the way business should be conducted, or a way to resolve conflict by using the court as a mediator or arbitrator.² This may explain why only 57 percent of all suits filed in the Court of Common Pleas actually resulted in a judgment. Most of the rest were settled between the parties.

In colonial South Carolina's agrarian mercantile environment, we would expect that merchants would hold the bulk of local debt and that planters would be the largest group of debtors. The court records confirm this expectation. We have no way of knowing the total debt outstanding at any given time; however, some unmistakable tendencies are revealed by suit records that probably apply to the entire commercial sector. In Table II, plaintiffs and defendants most likely to be engaged directly or indirectly in commerce are listed by occupation. Immediately apparent is that merchants were most often plaintiffs. Moreover, their claims amounted to £620,201 or 65 percent of total claims of £948,773 by all plaintiffs.³ Planters were the next most numerous group of plaintiffs, but they were also defendants 40 percent of the time, more than any other occupation. Among other occupations, those involved directly in shipping such as mariners and ship masters represented a substantial group of plaintiffs.

An identifiable group of merchants controlled much of the colony's commerce and were over-represented in debt litigation. Ten merchants controlled over half of the slave trade between 1735 and 1775.⁴ Particular individuals who appeared as plaintiffs five or more times are identified by name in Table III. It is a small group, all of whom were merchants except two, a lawyer and an innkeeper, and all of the merchants shared certain characteristics. All merchants were Charleston residents. The Wraggs, Laurens, Crockatts, and Brewtons were local representatives of London or Bristol firms.

²See, David Thomas Konig, *Law and Society in Puritan Massachusetts, Essex County, 1629-1692* (Chapel Hill: University of North Carolina Press, 1979), 23. See also, Allan Galloway, *The Formation of a Planter Elite: Jonathan Bryan and the Southern Colonial Frontier* (Athens: University of Georgia Press, 1989), 66. The Bryan family engaged in extensive litigation during a probate administration to devise a plan of estate distribution which had judicial blessing, thus avoiding intra-family conflict later.

³All sums are in South Carolina currency unless otherwise noted. The total value of claims for classes of litigants was derived by aggregating the amount of all claims set forth in the complaints for the entire period.

⁴R. C. Nash, "The Organization of Trade and Finance in the Colonial Atlantic World: Britain and South Carolina, 1670-1775," paper presented to the College of Charleston Program for the Study of the Lowcountry and the Atlantic World, Charleston, SC, (May 1995), 15.

TABLE II
COMMON PLEAS LITIGANTS BY SELECTED OCCUPATION
1704-1769

<u>Occupation</u>	<u>Cases</u>	<u>%</u>	<u>Plain.</u>	<u>%</u>	<u>Def.</u>	<u>%</u>
Cooper	12	.6	1	.1	11	1.34
Factor	1	.05			1	.12
Hatter	5	.25			5	.61
Indian Trader	11	.55	2	.19	9	1.1
Mariner/Seaman	52	2.61	16	1.54	36	4.4
Merchant	787	39.47	695	66.96	92	11.25
Naval Captain	2	.1			2	.24
Pilot	2	.1	1	.1	1	.12
Planter	391	19.61	61	5.88	330	40.34
Ship's Qtmstr	3	.15			3	.37
Ship's Master	12	.6	2	.19	10	1.22
Vintner	32	1.6	19	1.83	13	1.59
Water Shipper	1	.05			1	.12
Other occup.	<u>682</u>	<u>34.2</u>	<u>241</u>	<u>23.22</u>	<u>303</u>	<u>37.04</u>
	1,994	100	1,038	100	818	100
Occup. unk.	<u>566</u>		<u>265</u>		<u>361</u>	
Total*	2,560		1,303		1,179	

*Total is more than total cases in sample because many cases had multiple parties.

Source: Judgment Rolls, Court of Common Pleas, South Carolina Department of Archives and History, Columbia, South Carolina.

All were export/import merchants, and usually worked in partnership with another local merchant.⁵ They represent 3 percent of all plaintiffs, yet their total claims of £134,723 comprise 14 percent of all claims and 21 percent of all claims filed by merchants. The amount of debt claimed in suits against planters is also impressive.⁶ In the sample planters were sued for £211,305,

⁵See, Jeanne A. Calhoun, Martha A. Zierden, and Elizabeth A. Paysinger, "The Geographic Spread of Charleston's Mercantile Community, 1732-1767," *South Carolina Historical Magazine* 86 (July 1985), 193-211, hereafter cited as SCHM; W. O. Moore, Jr., "The Largest Exporters of Deerskins from Charles Town, 1735-1775," *SCHM* 74 (July 1973), 144-150.

⁶Planters were heavily dependent on their creditors to produce staple crops, see, Leilla Sellers, *Charleston Business on the Eve of the American Revolution* (Chapel Hill: University of North Carolina Press, 1934), 55.

TABLE III
PLAINTIFFS APPEARING MOST OFTEN
SOUTH CAROLINA COURT OF COMMON PLEAS
1704-1769

<u>Plaintiff's Name</u>	<u>#</u>	<u>Amt. £</u>	<u>Res./Occup.</u>
Joseph & Samuel Wragg	24	16,220	Charl/merch
John Ward	13	8,420	Charl/merch
Hen., Pet. & Jno. Laurens	12	53,828	Charl/merch
John & James Crokatt	11	5,782	Charl/merch
Miles Brewton	9	5,503	Charl/merch
William Scott	9	2,115	Charl/merch
Robert Hume	8	15,541	Charl/lawyer
John Smith	8	8,121	Charl/merch
Richard Lambton	6	7,801	Charl/merch
Samuel Deane	6	1,678	Charl/merch
William Yeomans	5	6,509	Charl/merch
Joseph Holbeatch	5	2,200	Charl/merch
Moses Mitchell	5	880	Charl/innkpr
Samuel Brailsford	5	125	Charl/merch
	106	134,723	

Source: Judgement Rolls, Court of Common Pleas, South Carolina
 Department of Archives and History, Columbia, South Carolina

or 22 percent of total claims of £948,773. These records provide convincing evidence that Charleston merchants were the primary source of credit and that a small cadre of the merchants generated a disproportionate share of the credit.

One of the most helpful features of debt litigation is the information provided about how debt was documented. In a small community with a simple economy dominated by one income producing activity such as farming, a debt might not be documented at all. Because of the high degree of the personal interdependence between the members of such a community, an oral promise to pay might be sufficient. As a society becomes more mature and more impersonal, the need for written documentation becomes routine, and commercial activity inevitably becomes more complex.

Common Pleas records reveal that as a percentage of all cases filed between 1704 and 1769, most debt was evidenced by written records, such as book accounts, or a written promise to pay. As shown in Table IV, the most frequent case types were bonds, book accounts, and promissory

TABLE IV
MOST FREQUENT CASE TYPES
SOUTH CAROLINA COURT OF COMMON PLEAS
1704-1769

	1704	1714	1724	1734	1744	1754	1764
	1709	1719	1729	1739	1749	1759	1769
Case Type							
Per. Bonds	12.7%	5.3%	26.8%	42.3%	64.3%	44.6%	63.4%
Book Accts	20.0%	14.6%	29.6%	32.7%	21.4%	23.2%	20.5%
Pr. Notes	21.8%	5.8%	11.3%	23.2%	10.7%	23.8%	13.7%
Debt	25.5%	29.8%	9.9%	1.8%	2.7%	6.0%	1.6%
Case	<u>20.0%</u>	<u>44.4%</u>	<u>22.5%</u>	<u>0.0%</u>	<u>0.9%</u>	<u>2.4%</u>	<u>0.9%</u>
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
No. Suits	55	171	71	168	112	168	322

Source: Judgment Rolls, South Carolina Court of Common Pleas, South Carolina Department of Archives and History, Columbia, South Carolina

notes.⁷ Promissory notes were written promises to pay and were assignable. Thus, they circulated as currency although they were discounted. These three comprised 76 percent of all cases. More than half of this percentage was in bonds, the frequency of which increased over time. The way credit transactions were documented is a clear indication of merchant preferences about the conditions under which they were willing to accept debt in lieu of cash. Depending on the circumstances, some forms of debt were more popular than others. For example, merchants were reluctant to accept real estate mortgages. A viable source of mortgage money did not emerge in Charleston until after 1731. This has been attributed to the passage of the Land Act of 1731,⁸ which provided for a system of land title registration,

⁷Mortgages were not the subject of litigation in the Common Pleas because it was a court of law rather than equity. Mortgage foreclosures appear in the Chancery court records (a court of equity) and were beyond the scope of this study. An excellent analysis of the importance of mortgages in the financing of eighteenth-century economic growth in South Carolina appears in Russell R. Menard, "Financing the Lowcountry Export Boom: Capital and Growth in Early South Carolina," *The William and Mary Quarterly*, 3rd Ser., Vol. LI, No. 4, (October 1994).

⁸Thomas Cooper and David J. McCord, eds., *The Statutes at Large of South Carolina*, Vol. 3., (Columbia, South Carolina, 1838-1841), 289-303, hereafter cited as Cooper & McCord, *Statutes at Large*.

which was essential to using mortgages as collateral.⁹ Mortgages were usually payable on demand after six months, and the interest rate was fixed by law.¹⁰ Peter Coclanis did a limited analysis of interest rates on mortgages. He found that the legal interest rate was ten percent until 1748, when it dropped to 8 percent.¹¹ In cases where a rate was not specified, the actual interest rate might have been less than the legal rate. The Common Pleas records of other than foreclosure cases show that most notes provided no specific rate, but simply recited that "legal interest" would be paid. It requires little imagination to see that the actual amount of interest paid was probably negotiable and varied with the circumstances.

Interest rate fluctuations created problems for mortgage holders because although mortgages were fully assignable and therefore marketable, they competed with government bonds. The rates on government bonds fluctuated almost daily, while mortgage rates lagged behind by at least six months. In a period of rising bond rates, a potential investor would not buy a mortgage with a fixed rate of interest without discounting it to compensate for the yield differential. This generated uncertainty about the market value of mortgages and when coupled with a lack of flexibility, made them unattractive.

Access to a debtor's assets and ease of collection were important criteria for lenders when determining how to document a debt. Each type of instrument carried its own peculiar regimen of legal procedure and proof should it be necessary to file suit. The more complicated, the greater the costs and delays associated with obtaining a judgment. As might be expected, a debt that is acknowledged in writing is easier to prove than one that is based on an oral understanding.

The growing tendency to put promises to pay in writing is consistent with the finding that merchants were the most frequent source of credit. Three hundred merchants represented less than 1 percent of the colony's population of 124,244 on the eve of the Revolution.¹² Yet, their claims were 65 percent of the total claims. No financial institutions were represented as plaintiffs. In the 1750s and later years, some informal sources of credit appeared in newspaper advertisements, but none are parties to debt litigation.¹³ The dominance of merchants can be accounted for by their

⁹Peter A. Coclanis, *The Shadow of a Dream: Economic Life and Death in the South Carolina Low Country, 1670-1920* (New York: Oxford University Press, 1989), 102, 103.

¹⁰Cooper and McCord, *Statutes at Large*, Vol. 3, 709-712; *Statutes at Large* Vol.4, 35, 63-65.

¹¹Coclanis, *Shadow of a Dream*, 105.

¹²Calhoun et al., "Charleston's Mercantile Community," 186. Population figures are taken from Coclanis, *Shadow of a Dream*, 66.

¹³Coclanis, *Shadow of a Dream*, 104, 105, and note 170 referring to advertisements

ability to meet the special demands of their customers, who were mostly farmers. They provided dry goods, a market for the farmer's produce, and credit.

One of the merchant plaintiff's who appeared among the Common Pleas records was William Ancrum, who spent his life dealing with the uncertainties of his world and the seasonal flow of money. At midcentury, Ancrum was a successful Charleston merchant and partner in the firm of Ancrum, Lance, and Loocock. By 1753 the firm had expanded its operations to the Pine Tree Hill or Wateree area near present-day Camden. Management there was conducted by his partner Joseph Kershaw.¹⁴ Ancrum was still operating in the area in 1776, but he seems not to have been in a partnership because the journal he kept is in his name alone.¹⁵

Ancrum's cash journal illustrates both ingenuity and capital at work.¹⁶ A cash journal was a daybook of cash receipts and disbursements. Individual ledgers for each credit customer were kept in a separate ledger book. The likely procedure followed by Ancrum was to make monthly transfers (postings) from the cash journal to the individual ledger accounts. When posted, a small check mark was made to the right of the entry. Each page of the cash journal usually contained all the entries for a single month. On the right side of a page, debits or receipts were shown; credits or payments on the left. There are four types of debit entries: payments in full, part payments, payments on account, and a monthly aggregate total of "sundries" sold for cash in the store. Analysis of individual journal entries sheds light on the way debt originated as well as the accounting system used at the time. However, questions arise when the debit entries are studied. Most entries are debited "to" a named individual; even those designated "rec'd in full." Some were payments "in part" while others were "on acc't." What is the difference between a part payment and a payment on account? Why

for "money to lend" in the *South Carolina Gazette*, January 1, 1752, Supplement; August 10, 1752; November 20, 1755; April 28, 1757, Supplement; November 17, 1758; March 21, 1761; October 3, 1768, and July 18, 1771.

¹⁴Rachel N. Klein, *Unification of a Slave State: The Rise of the Planter Class in the South Carolina Backcountry, 1760-1808* (Chapel Hill: The University of North Carolina Press, 1990), 18, 31; Robert L. Meriwether, *The Expansion of South Carolina, 1729-1765* (Philadelphia: Porcupine Press, 1974), 104.

¹⁵Between 1736 and 1773 Ancrum was in several partnerships with other Charleston merchants exporting deerskins. W. O. Moore, Jr., "The Largest Exporters of Deerskins from Charles Town, 1735-1755," *SCHM* 74 (July 1973), 147-150.

¹⁶The Cash Journal of William Ancrum (ca. 1722-1808). MS vol. bd., 1757-1758, 1776-1782, 1 Mar. 1776-14 May, 1780, #11163 P, South Caroliniana Library, Columbia, South Carolina.

were some cash purchases simply shown as "sundry items sold" without identifying the purchasers? The answer is that most receipts dealt with sales on credit, and the payments shown were subsequently credited against the purchaser's ledger account. A payment "in full" satisfied the entire unpaid balance of the customer's account. Whether a payment was a "part payment" or a payment "on account" depended on the nature of the understanding between Ancrum and his debtor. A part payment was generally made pursuant to a prior agreement. For example, an agreement to pay a balance in three installments would require three "part payments." A payment on account was simply a payment made because money was available. Such an arrangement would likely have been a running account that was seldom closed and functioned much like a modern credit card except that commodities could be deposited with the merchant at an agreed value and drawn on.

In February 1776 Ancrum's total receipts were £688.8.6. Of these receipts, £18.2.6 was paid "on account," £347.18.7 received "in full," and £55 "in part," which totaled £413.1.1 in credit related receipts. The balance of £275.7.5 was cash for sundry sales including £1.5 received from another firm. Thus, 60 percent of all receipts were from people who had an account with Ancrum. The heaviest receipts were clustered around the harvest period between September and December. Collections were relatively uniform for the balance of the year. Ancrum's payments followed the same tendency; when he had money, he paid his debts. Like his debtors, the majority of Ancrum's disbursements appear to be payments on account. The bulk of Ancrum's business derived from commodities. The cash journal shows dealings in indigo and a rather high volume of trade in skins. Moreover, the Pine Tree Hill area produced a great deal of wheat which found its way to Charleston.¹⁷ The journal for the month of January 1777 contains several entries which indicate that much of Ancrum's business was conducted with owners of large land holdings most likely used to grow staples. His indigo transactions with a Charleston export merchant suggest that he acted as a middleman for staple producers. If true, many of his receipts were likely in commodities rather than cash.

Like most of the largest Charleston merchants, Ancrum provided a market for commodities and a source of finished goods while subsidizing commodity production with credit. Receipts for January 1776 identify several prominent Huguenot planter families living in the area north of Charleston: Isaac Porcher, Stephen and Susanna Mazyck, James Ravenel, Mary Broughton, and Tacitus Gaillard. On January 10 and 13, Gabriel Manigault purchased indigo from Ancrum at a price of £14,921. Manigault was an export merchant. Also on January 13, Ancrum made a cash

¹⁷Klein, *Unification of a Slave State*, 18.

disbursement of £7,931.12.8 to William Bull, a member of a pioneer Carolina planter family. The extraordinary amounts of these sums and the coincidence of these two transactions indicate that they were probably related. While the evidence is fragmentary, at least two explanations are possible. One is that Ancrum made a commission on the sale nearly equal to the price received by Bull, which seems unlikely since Bull was well connected in Charleston and could have dealt with Manigault directly. Further, it is doubtful that there was enough commission in indigo to support such a profit. A more likely scenario is that Bull delivered indigo to Ancrum and received credit for the field value of the commodity. Bull could then draw on Ancrum utilizing a bill or purchase finished goods from him. When the indigo sold, Bull's account was balanced against the proceeds and the difference remitted to him. The entry for January 18, supports such a conclusion. There, a sale of £793.5 was debited to Robert Stark "... for his indico." Stark appears to be indicating that all of the proceeds were applied to his account. For indigo Ancrum may well have been the equivalent of a modern commodity storage facility, providing account credit rather than commodity or warehouse receipts. The book account functioned as money.

The imaginative use of credit took many forms. In 1754 Rogers and Dyson, warehousemen and carters of London, sued John Crokatt, a prominent Charleston merchant for £2,000.¹⁸ Trade between the plaintiffs and the partnership of Crokatt and Michie, Charleston merchants, began in 1739, which coincided with increased hostilities between the British and Spanish, ultimately leading to King George's War. Several shipments of goods were made to Crokatt until September 1741, when they stopped. The credit (payments received) side of the ledger kept by the plaintiffs reveals two probable reasons. First, Crokatt was a "slow pay" customer. Other than a £250 payment in July 1744, he made no payments himself, and those made for him by third parties were scarce and irregular. Second, the balance was never paid in full, which meant that the common practice of waiving interest on trade accounts was becoming onerous for the creditor. By November 1741 the plaintiffs evidently lost patience because they obtained Crokatt's bond for £1,516, which was the then current balance. The effect was to liquidate the balance due, i.e., the bond evidenced mutual agreement on the balance due, which would obviate the need for proof that the goods were actually delivered to the defendant in the amounts and for the prices shown on the account should Rogers and Dyson be forced to sue to collect. Most important, the bond provided for payment of interest, which should have given Crokatt some incentive to pay off the balance, or at least reduce

¹⁸Thomas Rogers and Ely Dyson vs. John Crokatt, individually and as surviving partner of Crokatt and Michie, Merchants, (1754) Box 37, #35A, JR, CCP.

it more rapidly. After Crokatt's bond was given, £118.12.5 in interest was charged (net after error of £14.5.2), but only £38 was actually paid.

Crokatt's subsequent experience with Rogers and Dyson is illustrative of the usefulness of bonds. We do not know why Crokatt, rather than his partner Kenneth Michie, gave the bond or why a bond was not obtained from both of them. The explanation may have been simply that Crokatt was willing to do so at the time. Alternatively, Crokatt and Michie may have decided who would give a bond to the creditors. By accepting Crokatt's bond Rogers and Dyson could now look only to Crokatt for the balance due, plus interest in the event of default. The legal relationship between Crokatt and Michie had changed in relation to the debt owed to Rogers and Dyson because partners are usually jointly liable for debts they incur in the normal course of business.

The bond proved to be of great value to Crokatt in the lawsuit. After delivering the bond to his creditors in London, payments on his behalf from third parties who were indebted to Crokatt trickled in until September 17, 1744, when events took an interesting turn. According to the ledger, Rogers and Dyson "settled" a balance with Michie, i.e., the balance due was agreed upon. The creditors could now pursue Crokatt since by this time, Crokatt had defaulted on his bond by failing to pay the debt by the due date recited in the bond. However, by 1754, the time of suit, Michie was dead and therefore unavailable to testify in the matter. Crokatt used his ex-partner's death to his advantage. In the suit he alleged that Michie did not merely agree to the balance due, but also gave his bond in place of Crokatt's. If true, the legal effect would be to discharge Crokatt under his bond. There is no record of further activity in the suit, and no judgment was entered against Crokatt, indicating that some out-of-court settlement took place, or that the plaintiff conceded the validity of the defense and gave up. In either case, no judgment was entered against Crokatt for an admitted balance due because of the way the bonds were used.

Here, the bond served several purposes. The promise of interest temporarily mollified the creditors and avoided the operation of partnership law by limiting the personal liability of the individual partners for the debt. Using such devices, businessmen could achieve a protection similar to that afforded by modern corporation or limited partnership laws, which limit the investor's risk to the amount of his investment. In addition to its value as a form of *de facto* collateral, the most important, and practical feature of the bond was its acceptance as a substitute for payment. In effect, Crokatt was able to use his bond in lieu of payment to maintain future borrowing capacity and in the case of Michie's alleged bond, to discharge Crokatt's bond.

In addition to these obvious benefits, bonds protected a select group of creditors. The use of bonds as protective devices was in part an outgrowth

of the strong sense of solidarity that existed among Charleston merchants and planters. Evidence of a self-serving, protectionist attitude among leading commercial operatives is manifested in the discharge laws adopted by the Commons House and the reluctance of Charleston merchants to extend the court system beyond Charleston. But the most persuasive evidence is the way the legal system was unabashedly structured to protect bondholders.

The career of Dougal Campbell and his bankruptcy is a case in point.¹⁹ The record of Campbell's career is admittedly sketchy, but enough exists to conclude that he was a decidedly unsuccessful businessman. Advertisements appeared during the period 1744-1749 for the dry goods firm of Kennan & Campbell, located "...on the Bay" until 1748, when the firm moved to Broad Street.²⁰ Between 1750 and 1756, additional advertisements appeared for the "Sugar House Proprietor, Broad St. at Kennan & Campbell's."²¹ According to deed records, Campbell purchased two waterfront lots in Charleston for £1,500 in May 1749.²² In March 1750 Henry Kennan sold a lot known as "The Sugar House" on Broad Street to Campbell and Thomas Lynch for £12,000.²³ In November the same year, Campbell and Lynch sold two-thirds of their interest in the Sugar House to Kennan and Thomas Glenn.²⁴

During the period 1749 to 1750 Campbell owned part interests in five merchant ships. Two of these were owned by Kennan and Campbell alone. The others were lesser interests shared with Kennan, Lynch, William Vernon (a mariner), Paul Trapier, and William Pool.²⁵ To all outward appearance, things were going well, but these were war years, and the resulting disruptions evidently presaged doom for the merchant career of Dougal Campbell.

On October 5, 1751, Kennan and Campbell gave a bond to Ann Watson, executrix of John Watson, deceased, for £10,168. Within a month, she sued on the bond and obtained a judgment. She then attached the Sugar House property and the building was subsequently sold to John Rattray for

¹⁹*John Paul Grimke vs. Dougal Campbell*, JR,CCP, (1756), Box 42, #51A, South Carolina Department of Archives and History, Columbia, South Carolina, hereafter cited as SCDAH.

²⁰Calhoun et al., "Charleston's Mercantile Community," 199.

²¹*Ibid.*, 201.

²²Clara A. Langley, *South Carolina Deed Abstracts 1719-1772*, Vol. II (Easley, S. C.: Southern Historical Press, 1984), (L & R Book G-G, 14).

²³*Ibid.*, 245 (L & R Book I-I, 387).

²⁴*Ibid.*, 244 (L & R Book K-K, 1).

²⁵"Ships Registers," *SCHM* 74 (July, 1973), 205, 220, 221, 249, 259.

£2,660.²⁶ No further land transactions or other records directly involving Campbell appear other than the suit by Grimke and the resulting bankruptcy in 1757. The bleak end of Campbell's business career is evidenced by his petition for relief as a bankrupt. The petition was in three parts, as required by the statute. The first is a plea to be admitted to the benefits of the bankruptcy law, which permitted the debtor to assign all of his assets to his creditors and be discharged from the obligations of his debts. Next appears the actual assignment of assets. Finally, there is a complete schedule of his assets. Even the most minute personal articles are included in the schedule. Undoubtedly, the wise defendant would list all of his assets in order to identify exempt property.²⁷ A complete list of assets would also facilitate the statutory requirement that full discharge was available only if the debtor's non-exempt property was worth at least one-half of the total indebtedness, and if 75 percent of the creditors consented to the discharge.²⁸ After the petition was filed, the court appointed trustees or liquidators to sell the non-exempt assets, using the proceeds to satisfy the claims of creditors. Upon completion of the process, the debtor would be discharged from all debts owed to creditors who were party to the proceedings.

Following these events, Campbell might have disappeared from view, but all was not lost. In spite of his commercial failure, he had political prospects. He appeared as a signatory on a deed as Justice of the Peace, an appointed position, in November 1750 and again in August 1755.²⁹ He was appointed Clerk of the Court of Common Pleas in November 1754.³⁰ Assuming his business problems began with the foreclosure in 1751 and that they continued through 1757, the advancement of his political fortunes seems surprising. One would expect that Campbell's inability to pay his debts might have a negative affect on his suitability as a political appointee, especially since many influential politicians were likely merchants from whom he borrowed. Indeed, he might have been deemed *persona non grata*. Instead, probate records show that he died a wealthy man fourteen years later. How did he do it?

The explanation for Campbell's phoenix-like recovery is found in the interplay between the bankruptcy laws and bonds. The bankruptcy statute required that the total value of the debtor's non-exempt assets be at least 50

²⁶Langley, *Deed Abstracts*, Vol. II, 360 (L & R Book PP, 100).

²⁷Exempt property consisted of items for personal use only, such as clothing and eating utensils, and those things needed for earning a living, such as the tools of an artisan's trade. It is worth noting that exempt items in Campbell's case included a small library of law books.

²⁸Cooper and McCord, *Statutes at Large*, Vol. 3, 662 (1745).

²⁹Langley, *Deed Abstracts*, Vol. III, 96 (L & R Book VV, 224, and Book SS, 72).

³⁰See, *Journal of the Commons House of South Carolina*, 1768, 488.

percent of the value of all claims against him. The punitive sum recited on bonds was always twice the actual debt. Upon default, the creditor was entitled to claim the face amount of the bond plus interest. Under ordinary circumstances, a creditor who sued and obtained a judgment for a debt that was not secured by a bond might recover the full amount of his judgment if the debtor's assets were sufficient. However, the debtor's asset pool to which other potential judgment creditors might look would then be diminished. Judgment creditors acting individually could quickly deplete the assets, possibly leaving subsequent creditors with nothing to levy upon. If creditors acted in concert, all of them would share equally in the division of the debtor's assets. In bankruptcy, however, bondholders would receive at least 50 percent of the face amount of the bond, i.e., all of the original debt, presumably even if some part of the debt had been paid down before default.³¹ Non-bondholders would likely recover only half of the balance due them. A distressed debtor would have considerable incentive to conspire with those creditors he wished to protect, most likely his bondholders, and file bankruptcy before any unsecured creditor could begin to seize assets and while he could still meet the 50 percent requirement. In fact, such a plan might even originate with the creditors themselves, which would seem to account, in large measure, for the increased use of bonds by Charleston merchants after 1730. Campbell evidently handled his bankruptcy in such a way that he did not alienate local power brokers. Grimke, who initiated everything with his suit, was probably unhappy because the bankruptcy prevented him from recovering the face amount of his bond. In practical terms, the combined effect of bankruptcy and bonds was to force creditors to cooperate with each other and the debtor rather than to enter suit independently. This is consistent with a society that structures its mercantile activity in such a way as to avoid the delays and expense that inevitably result from litigation. It is also evidence of a method whereby local merchants and planters, who exchanged bonds between themselves, might protect their own interests against those of unsecured creditors such as non-resident English or northern merchants who dealt "on account."

Persuasive evidence of Campbell's ability to retain the goodwill of other local businessmen is found in the inventory of Campbell's estate filed following his death in December 1770.³² Debts were not shown in the

³¹An equal division of assets would occur if all creditors were in the same class, i.e., they were all bondholders or all non-bondholders. The explanation given here ignores the status of secured creditors, e.g., mortgagees, who would have a first lien on their collateral in a bankruptcy. It does not appear that Campbell owned real estate at the time of his bankruptcy.

³²Estate of Dougal Campbell, *Charleston Inventories Book*, Book YP, 386-391, SCDAH.

probate papers, but assets were inventoried. Included among his assets were seven slaves on which no value was placed, but were likely worth at least £1,800.³³ His executor claimed that unpaid salary of £1,770 was due Campbell as clerk of the court, and valued a 316-volume library at £5,681. No real estate was listed. Most surprising is that the largest portion of his assets consisted of debts owed by various prominent Charlestonians totaling £14,499. The debtors included Thomas Bee, Thomas Grimal, a planter; Joshua Ward, John Colcock, William Burrows, Mr. Parsons (probably James), Charles Pinckney, Mr. Rutledge (either John or Edward, both of whom were prominent in the Revolution), Mr. Nevin, Charles Motte, Hugh Rutledge, John St. Leger (listed as a "bad debt"), and Charles Cotesworth Pinckney. Although the record of the earlier bankruptcy does not reveal the identities of Campbell's creditors at that time, it would not be unreasonable to assume that some of them were among those debtors listed in the estate. For a civil servant who owned no real property and who had lost everything fourteen years earlier, the accumulation of estate assets worth £21,950, excluding slaves, was impressive.

Campbell's redemption is more comprehensible if we recognize that in addition to the merchant or planter activities in which these debtors may have been involved, most of them were also attorneys. This provides insight into the nature of the relationship between court officials and the lawyers who practiced before the court. While Campbell was the clerk of the court, not a judge, the likelihood of reciprocal debtor/creditor relationships among Charleston elite lends support to the notion that in colonial Charleston, business activity was conducted by a small, cohesive group of merchants, planters, and professional men who were intimately involved in governmental activities as well.

In such an environment, the creation of debt was more than a commercial activity. Debt was apparently part of the social milieu, and in some cases, a form of unintended social welfare. Three suits filed within thirty days in 1717 between Rebecca Flavelle and George Peterson are good examples.³⁴ Flavelle was a widow and owner of a rooming house. Peterson was her tenant. For unknown reasons, he leased his home to a Mr. Conyers and

³³British-American slave prices in 1770 averaged £270 (S.C.), which would indicate a conservative value to the estate of approximately £1,800, *Hist. Stats.*, Ser. Z, 166. Ancrum's Cash Journal shows that he paid £315 for a male slave in 1776. It is unknown why the slaves were not valued in the inventory; however, slaves were worth whatever they would bring at auction. By placing the first value on them in an estate inventory, the Executor would be bidding against himself.

³⁴*Rebecca Flavelle vs. George Peterson* (1717) Box 10A, #110A; *Rebecca Flavelle vs. George Peterson* (1717), Box 10A, #119A; *George Peterson vs. Rebecca Flavelle* (1717) Box 10A, #66A, Judgment Rolls, Court of Common Pleas.

began renting from the widow Flavelle on February 25, 1714. The first suit shows Flavelle as the plaintiff suing Peterson for an undocumented debt alleged to be due from Peterson. The second was also initiated by Flavelle and sought judgment against Peterson on an account for unpaid rent and money lent by Flavelle to Peterson's wife. The third suit was by Peterson against Flavelle in her capacity as personal representative of her husband's estate. The basis for Peterson's claim was an alleged debt owed him by Mr. Flavelle during his lifetime.

The Flavelle-Peterson litigation illustrates non-business motives at work. In the first case, the cause of action was framed as "trespass on the case," a generic form of suit usually not based on a contemporaneous written acknowledgment by the debtor, such as a promissory note. An oral promise to pay was a typical basis for such an action. The complaint alleged that during the course of the relationship, Mrs. Flavelle loaned £300 to Mr. Peterson, which was not documented and that Mr. Peterson denied. In the second suit on the account, a detailed ledger was attached that showed, among other things, that the tenants included Peterson's wife and two slaves.³⁵ Mrs. Peterson stayed for two and one-half years. The male and female slaves must have been in residence only briefly because rent was charged for them for two and four months respectively. Mr. Peterson was charged rent for one year and one month and then left his wife to the plaintiff's hospitality, which proved to be considerable. Total rent charges were £127.13. During Mrs. Peterson's residence, her landlady loaned her £123 cash, £2 for shoes, £15 for repairs to the Peterson house, and £21 for debts owed to Peterson's creditors. The total is approximately £161, or 80 percent of the total claim of £202.14, for things other than room and board. Throughout, Mrs. Flavelle received not a penny from Peterson, even though Peterson likely had income by way of rent from Conyers, and the slaves were either working for Peterson's benefit, rented out, or sold.

While it is tempting to conclude that the good widow was a poor businesswoman, a more likely explanation is that her practices were not unusual. Nevertheless, her concern for the welfare of the hapless Mrs. Peterson was little appreciated by Mr. Peterson. He responded to the suits by filing his own action against Mrs. Flavelle alleging an undocumented debt of £300 which he stated was owed to him by the widow's late husband. Unfortunately, Mr. Flavelle was not available to defend the claim. All three suits were settled, which likely means that the landlady reduced her claim substantially. The amount of her recovery, if anything, is not known. What is known is that Mr. and Mrs. Peterson benefitted nicely from the generous

³⁵Mrs. Peterson was not made a defendant because she probably did not have the legal capacity to be sued. Even if she had such capacity, she likely had no way to pay a judgment apart from her husband's assets.

spirit of their landlady, which seems to have gone far beyond business necessity.

Credit worked differently for plantation-area residents without direct access to the lending establishment in Charleston. Their needs were met using the same credit tools, but the lending process was part of a complex system of credit and family networks. One of the most remarkable records of the way debt was managed in outlying areas is found in the plantation journal of Henry Ravenel, who owned the plantations of Hanover, Pooshee, and Brunswick. All three were in the same general area, but Ravenel lived for most of the eighteenth century at Hanover, approximately fifty miles north of Charleston. The family's history in South Carolina began when Henry's French Huguenot grandfather René arrived in Charleston in 1687. René was originally from Vitré, in the French duchy of Brittany. He was accompanied by his wife, Charlotte de St. Julien, also of Vitré. Four children were subsequently born to the couple, including Henry's father, René Louis. Henry was born at Hanover in 1729.

Family was at the heart of the rural credit community, and the Ravenel family was a striking example. When the second and third generations of the Ravenels married, many of them did so within their extended family and the local French Huguenot community. Henry's father married Susan de Chastignier, the daughter of Henri de Chastignier and Catherine le Noble. Henry married his cousin Mary St. Julien in 1750, when she was sixteen and he was twenty-one. There were numerous other marriages between cousins within the Ravenel, le Noble, and St. Julien families. Many members of these families also married Mazycks, resulting in additional cousin marriages. The process of intermarriage continued into subsequent generations, resulting in a French Huguenot community that was tightly bound in every sense of the word.

One of the most obvious characteristics of rural credit was a complex system of credit networking, which was reinforced by familial ties and often defined relationships between borrowers and lenders as well. Henry's Ledger Book is a record kept by him for all of his business dealings involving Pooshee, a plantation which he inherited from his father by way of Henry's maternal grandparents.³⁶ The journal is a record of the costs of running the plantation and providing his employees with food, clothing, and supplies. Also noted are their wages at £9 or £10 per month, and instances where he permitted the employees to draw on him. Each member of his family, including his brothers and sisters and his own children, had a ledger page.

The ledger for Samuel Richbourg shows just how important credit was

³⁶Henry Ravenel, *Ledger Book*, #34-322, South Carolina Historical Society, Charleston, South Carolina. Arthur Henry Hirsch, *The Huguenots of South Carolina* (Durham, N. C.: Duke University Press, 1962), 25.

to the average rural resident. Richbourg was a tutor for the Ravenel children. Henry paid him £30 per year per child. He also paid Richbourg's taxes, provided cash, paid his debts, and provided him with some staples, such as salt, all on credit. He also sold him eighteen barrels. Evidently, Richbourg made turpentine on the side, for John Colleton paid Henry £3.4.3 for a barrel of it to Richbourg's credit.³⁷

A most revealing record in the ledger deals with Catherine Taylor, Henry's widowed aunt.³⁸ Taylor's ledger page demonstrates the complexity of Henry's role and the depth of the interdependency of the community through debtor/creditor networking. The entries indicate that Taylor had a daughter Catherine, called "Caty," and a son, Bob. The record begins January 7, 1751, and ends March 28, 1759, and paints an impressionistic portrait of Catherine. Her purchases suggest that she employed a seamstress because numerous charges against her appear in the ledger for bolted fabric and items such as buttons. While she could obtain credit in her own right, she borrowed frequently from Henry and also benefitted from his credit relationships with Charleston merchants. A close examination of Henry's purchases for her reveals that he often used his own credit in Charleston to provide her with raw materials associated with tailoring. In addition, he procured shoes, saltpeter, butter, coffee, vinegar, flower by the barrel, sugar, a knife, a saddle, and a few bushels of rough rice and corn.

The most striking aspect of the ledger is the intricate credit networking it reveals and again, the use of bonds is prominent. During the entire period covered by the ledger, Taylor obtained credit from Henry in the amount of £1,112.9.9. She personally repaid only £215.13.1 of the amount borrowed.³⁹ A total of £896.17.8 was paid by others for her benefit, or by bond discounts in her favor. In this way, bond discounts were used as a medium of exchange. An example appears in entries appearing on March 19, 1753: "To cash paid Daniel Ravenel's account by a discount on his bond . . . £15.16.9," which was a debit or increase in Catherine's debt to Henry. The entry means that Henry paid a debt which Catherine owed to Daniel. On the same day, a credit in Catherine's favor recites: "By cash receiv'd of Daniel Ravenel in Cash 20 sh. and by Discount on his Bond . . . £16.16.9."⁴⁰ For Catherine, the

³⁷Henry Ravenel, *Ledger Book*, 9.

³⁸In 1757 Catherine Taylor is identified as the grand-aunt of Henry's daughter Susanna, in Henry Edmund Ravenel, *Ravenel Records* (Dunwoody, Ga.: Norman S. Berg, 1971), 259. See also, Hirsch, *The Huguenots*, 26. Taylor's will executed in 1748 recites that she was a widow. It named Catherine and Robert as her children, Caroline T. Moore, comp., ed., *Abstracts of Wills of the State of South Carolina 1740-1760* (Columbia, S. C.: The R. C. Bryan Company, 1964), 225.

³⁹£184.10.7 in cash, twenty-two head of sheep valued at £18, and 21 bushels of corn worth £13.2.6.

⁴⁰In 1753, this is most likely Daniel Ravenel, Jr., Henry's first cousin.

1754 Catherine Taylor Dr. L		
March 8	amount brought from p. 1	520 10 6
	To cash paid for 1 Barrel Flour at 20s	
	at 80 p. 100	0 4
	more To cash paid for 2 doz. white Chairs	5 --
20	To ditto paid J ^r Havenel as p ^r acc ^t & tre ^t	6 3 2
April 25	To ditto given your Daughter Caty	5 10 --
July 4	To cash paid for 1/2 doz. and 1/2 doz. as p ^r acc ^t & tre ^t	63 47 6
Aug ^r 22	To cash paid you	5 --
	To sundries bought for you in Town viz	
Sept ^r 1	3 1/2 yd. Shalloon at 15s	52 12 6
	1 yd. Mohair 3/4 ditto silk	7 6
	5 1/2 yd. brown German Tergreese	
	at 32/6	8 11 0
	4 yd. Linnen at 7/6	1 10 --
	1 1/2 yd. Buckram 11/3 & 3 scanes ditto 2s 6	
	3 scanes Twict	11 3
	2 1/2 doz. Coat Buttons and 1 doz.	1 2 6
	Small ditto	
	1 Mans Saddle	7 10 --
	1 Small knife for Caty	5 --
	2 Leaves Sugar at 13 1/2 at 6	30 8 5
	cash paid Ch ^r J ^r garden for 1 p ^r Irish	
	Linnen at 16 p. 100	16 10 --
	Ditto for one great Coat for Bob	5 --
1755	To 10 lb of brown Sugar at 13 1/2 p. 100	13 10 4
March 10	10 lb of Coarser Ditto at 9 1/2 p. 100	9 10 --
	2 Bushels small Rice at 10s	1 10 --
April 17	To cash paid for 1 p ^r head Blankets	13 13
1756	To 1 Bushel Clean Rice	6 10 --
March 13	To cash paid your Tap	15 --
		37 --
		732 9 2
	Deducted for an error of chains & 1/2 cl. at 10s	5 10 --
	which was left out of the acct. settled	
		726 19 2
1756	Oct ^r 26 To cash paid Clap at prother for a p ^r	1 5 --
	Stack for Bob	
Aug ^r 20	To cash paid Rich ^d Still	20 --
Oct ^r 19	To 2 lb Fresh Butter at 5s	10 --
	To 2 Fresh salt Ditto at 10s	10 --

A page from Henry Ravenel's Ledger Book, showing entries for Catherine Taylor, his widowed aunt. The ledger book demonstrates the importance of credit in the operation of Ravenel's plantation, Pooshee. The ledger book is from the collections of the South Carolina Historical Society.

combined effect of these two entries is a reduction of her debt to Henry by 20 shillings (£1). For Daniel, the principal sum of a bond that he had previously given to Henry was discounted (reduced) by £15.16.9. There is no surviving ledger account page for Daniel in Henry's journal at Pooshee, but the record of a £15.16.9 credit to Daniel was likely kept by Henry.

Though somewhat cryptic, these entries illustrate the use of bond discounts as a commodity — another testimony to the versatility of the bond. Bonds deserve closer scrutiny for this reason. In the above example, it is clear that Daniel purchased something from Catherine for £16.16.9. The amount due on Daniel's bond to Henry was £15.16.9. Catherine was likely already indebted to Daniel by more than £16.16.9. Rather than pay Catherine, Daniel paid Henry and then gave Catherine a credit in Daniel's ledger book equal to £16.16.9. Offsetting, or balancing entries in Henry's journal were required to reflect that Catherine's debt to Henry was unaffected except for twenty shillings. These ledger entries demonstrate that Henry was a clearing house for debts for those with whom he did business. In a very real sense, he was acting as a banker. The bonds were used by Henry much like a modern line of credit, and "discounting" was a way to reduce interest cost on the balance due.

Another trading technique involved trading in the bonded debt itself. A good example appears in Henry's entry for Catherine on February 16, 1754: "To cash paid your Bond payable to Isaac Mazyck & René Ravenel . . . £72," and later, "To my bond to Isaac Mazyck for your Bond payable to Paul Mazyck £146.6.6." Catherine had clearly given her bond to Isaac and René, and another to Paul.⁴¹ Henry had also previously given a bond to Isaac. In the first entry, Henry paid cash to Isaac for Catherine's benefit. In the second entry, rather than pay cash, Henry increased his bonded debt to Isaac and simultaneously increased Catherine's debt to himself in a like amount. More than one explanation for these two entries is conceivable. In one, Catherine gave a bond to Paul, which Paul then sold or assigned to Isaac, who called for payment. Here, the moving party would likely be Catherine, who sought Henry's assistance in satisfying the debt on her bond to Paul. Alternatively, Paul may have been indebted to Isaac and offered to assign Catherine's bond to Isaac in satisfaction, which Isaac declined. If true, the moving party appears to be Paul. In either case, Henry is the facilitator, and he facilitated a £218 transaction with £72 in cash by trading in bond debt. Among his other activities shown here, Henry was banking debt.

The Ravenel records reveal that at Pooshee, the uses of debt were

⁴¹A handwritten marginal notation next to this entry indicates that René is René Louis Ravenel, Henry's father.

South Carolina.

K NOW all Men by these Presents, That
I Henry Ravenel of Dorchester County in the
Province of South Carolina: plantain

Holden and firmly
 Bound and obliged unto *George Ball*

in the Province aforesaid in
 the full and just Sum of *Eight Hundred and Twenty*
Pounds of good and lawful Money of
South Carolina paid unto the said *George Ball* his

certain Attorney, Heirs, Executors, Administrators, or
 Assigns. To the which Payment well and truly to be
 made and done, I bind *my Self my*

Heirs,
 Executors and Administrators firmly by these
 Presents. Sealed with *my Seal*. Dated the *Second*
 Day of *April* in the *Twenty-first* Year of his Majesty's
 Reign, Annoq, Domini, 1751

THE CONDITION of the above Obligation is such, That if
 the above bounden *Henry Ravenel his*

Heirs, Executors, Administrators or
 any of them, shall and do well and truly pay, or cause to be paid
 unto the above-named *George Ball his*

Executors, Administrators
 or Assigns, *the full and just Sum of Four Hundred and*
Thirty Pounds and lawful Money of the aforesaid Province
Together with good and lawful Interest for the same
from the date hereof

on or before the *first* Day of *March next* which will be
 in the Year of our Lord One Thousand Seven Hundred and *Fifty*
Three without Fraud, *Chican*, or further Delay, then the above
 Obligation to be void and of none Effect, or else to be and remain
 in full Force and Virtue.

Sealed and Delivered in
 the Presence of

Robert M. Mowbray
James M. Mowbray

Sold by *Eleanor Phillips* in *Charleston*.

A 1752 bond of Henry Ravenel to James Ball. Bonds like this one were vital to colonial Charleston's intricate credit network. The bond is from the collections of the South Carolina Historical Society.

complex. Trading in debt was a cure for a paucity of cash, a way to assure economic equality within the family, and a control device. Thus, family members, and those who served the family, would have greatest access to credit, which bound them all together. The ledger pages for Catherine Taylor tell just such a story. Henry provided her with virtually everything she needed, including spending money for Caty, and even paid Catherine's taxes. Others who purchased from her often paid her by paying on her debt to Henry, and he often paid her creditors in her behalf. Many of her dealings involved her extended family, with whom she was both a borrower and lender, and they all often looked to Henry when the time came for settlement.

The epilogue is contained in the final ledger page of Catherine's account, which is headed "Mrs. Catherine Taylor's Estate." The entries for 1757 reveal that Henry did something he had never done before; he charged rent for Bob and Catherine. He also advanced the costs of a coffin and funeral for Bob, including twenty-four yards of "negroe cloath," which may have been used to make funeral attire. By tracing back the dates for rent charges, we can surmise that Bob became ill in January 1757 and subsequently moved into a house or room owned by Henry. After his death in October, Catherine apparently also became ill and probably moved to Henry's property around December 1, 1757, where she remained until January 17, 1758, most likely the day of her death. The entry for that day recites: "To 11/2 months Board of Mrs. Cath'n Taylor . . . £18.15." The same day, 21 bushels of corn valued at £13.2.6 were credited against the balance of £164.5.71/4 due on her account. The corn was probably either sold for her benefit or purchased from her estate by Henry. No expenses of her death are mentioned. Fourteen months later the account was closed "By cash in full for the Ball'e" (balance). Henry probably settled the estate by collecting Catherine's receivables and applying the proceeds to her debts.

In addition to his normal plantation duties, the patriarch planter was akin, in modern parlance, to a procurement expert, financier, investment banker, commodities dealer, and a grocer to local residents and family. He was also a hospice provider and the personal representative for the settlement of estates of those who depended upon him. In all of these capacities, Henry Ravenel was an astute bookkeeper and adept at facilitating commercial activity through the imaginative and complex use of debt. His ability to fulfill all these roles undoubtedly enhanced his position as a leader of the Huguenot community.

In his book *Colonial South Carolina*, Robert Weir has described a society in which harmony was a political necessity arising from an awareness on the part of residents of colonial South Carolina that they shared interests best served through consensus.⁴² When the place of debt is considered in

⁴²Robert M. Weir, *Colonial South Carolina — A History* (Millwood, N. Y.: KTO Press, 1983).

this context, it can be seen that the depth of these interests extended beyond politics or economic motivations. Debt was indeed an economic necessity, but it was more. For Rebecca Flavelle, there was a moral obligation to lend to those in need. For John Crockatt and Dougal Campbell, debt was a way to procure venture capital or merchandise for resale with little capital, or, as in Crockatt's case, as collateral for still another debt and a way to limit personal liability. Henry Ravenel used debt to keep his plantation community going and bind its members to him. In short, debt was an integral part of virtually every personal relationship, whether between friends, business associates, or family. As such, those who controlled economic policy made sure to control the workings of the debt process. In Charleston, control of economic policy required local control, as opposed to control from abroad. To establish such control, laws which furthered the use of personal bonds, debtor relief laws, and a supportive judicial system were promulgated through the efforts of the merchant community in colonial South Carolina. The personal dimension of debt discussed here may have been purely evolutionary rather than part of any grand plan. Regardless, the process of debt creation to deal with a scarcity of hard currency gave rise to what might have been an additional, if unforeseen by-product; a spirit of independence borne of self-sufficiency. This strong sense of independence became an enduring element of the character of the people of South Carolina.