John Smith and the Virus of Trade

Andrew Lawson

On a day in August, 1608, a pamphlet appeared at a bookseller’s stand in St. Paul’s churchyard, London, *A True Relation of Such Occurrences and Accidents of Note as Hath Happened in Virginia* by Captain John Smith. Smith’s report was among the first examples of what would become a flood of pamphlets, ballads, plays, and fiction promoting English colonization by “narrat[ing] the heroic actions of early voyagers” (Kulikoff, 2000, 42). But it is also a document that defines a new economic role for the upwardly mobile individual as an adventurer and trader in the service of the mercantilist state. Although *A True Relation* is sometimes little more than res gestae, a formless record of desultory facts, there is a strong narrating presence at its core, drawing the world in and shaping it around itself, as well as a definite view of that world as being primarily concerned with truck and barter, a complexly layered series of exchanges.

The basic fact of economic life for the English adventurers into Virginia was scarcity. Unable to supply their own needs, they depended on Algonquian-speaking natives belonging to the Powhatan chiefdom for food. In November, 1607, after his appointment to the position of Cape Marchant, the Company official in charge of the colony’s store, Smith led a trading mission downriver, which he describes as follows:

I was sent to the mouth of the river, to Kecoughtan, an Indian Town, to trade for Corn, and try the river for Fish, but our fishing we could not effect by reason of the stormy weather. The Indians thinking us near famished, with careless kindness offered us little pieces of bread and small handfuls of beans or wheat, for a hatchet or a piece of copper: In the like manner I entertained their kindness, and in like scorn offered them like commodities, but the Children, or any that showed extraordinary kindness, I liberally contented with free gift, such trifles as well contented them; finding this cold comfort, I anchored before the Town, and the next day returned to trade, But God (the absolute disposer of all hearts) altered their conceits, for now they were no less desirous of our commodities then we of their Corn: under colour to fetch fresh water, I sent a man to discover the Towne, their Corn, and force, to try their intent, in that they desired me up to their houses: which well understanding with four shot [armed
men] I visited them. With fish, oysters, bread and deer, they kindly traded with me and my men, being no less in doubt of my intent, than I of theirs, for well I might with twenty men have freighted a Ship with Corn. . . . With sixteen bushels of Corn I returned towards our Fort: by the way encountered with two Canoes of Indians, who came aboard me, being the inhabitants of Waraskoyack, a kingdom on the south side of the river. . . with these I traded, who having but their hunting provision requested me to return to their Towne, where I should load my boat with corn, and with near thirty bushels I returned to the fort, the very name whereof gave great comfort to our despairing company. (Smith, 1986; 1: 35-36)

Twelve first person pronouns linked predominately to active verbs: I was sent, I entertained and offered; I contented; I anchored; I sent; I visited; I doubted not; I might have freighted; I returned; I traded; I could have loaded a boat; I returned, the sequence culminating in the report of another successful expedition when “I unladed seven hogsheads into our store” (1: 41). There are also three mentions of “trade,” as well as references to “commodities” and “trifles,” the marketable item referred to most frequently being “corn” (six mentions). In its diction, A True Relation reflects a cultural moment in which Britons were, in Jean-Christophe Agnew’s words, “feeling their way around a problematic of exchange.” They were “putting forward a coherent and repeated pattern of problems or questions about the nature of social identity, intentionality, accountability, transparency, and reciprocity in commodity transactions—the who, what, when, where, and why of exchange” (Agnew, 1986, 9). More specifically, Smith writes in a period when, as described by Alan Everitt, “new methods of private bargaining were gradually breaking down the protective barriers of the customary marketing system” (Everitt, 1967, 563).

The salient economic facts of life in the sixteenth century were soaring prices and falling wages. While the day wage of an agrarian labourer in 1609 had more than doubled since 1500, the cost of a basket of foodstuffs and consumables had more than quadrupled (Goldstone, 1984, 1123). Price inflation meant that, by the late sixteenth century, there were increasing opportunities for profit in market exchange. The revolution in prices, in R. H. Tawney’s words, “injected a virus of hitherto unsuspected potency, at once a stimulant to feverish enterprise and an acid dissolving all customary relationships” (Tawney, 1969, 142). The virus of trade had “nourished itself like an alien body within the pores of feudal society” (Dobb, 1946, 37).
Men and women worked the countryside as itinerant traders -- petty chapmen, badgers, hawkers, hucksters, peddlers -- bringing dry goods, foodstuffs, and “unconsidered trifles” to out of the way places. Commercial farmers forestalled or evaded regulated local markets by dealing with middlemen – factors, jobbers, brokers – or by selling directly to merchants in ports and market towns at prices set not by town officials but by the interaction of supply and demand, the “free-floating price and profit system” (Appleby, 1978, 25). Face to face bargains were conducted via elaborate rituals in which prospective dealers made a series of lengthy “speeches” and “communications” before the bonds obligatory were sealed with solemn oaths and vows, in a language that was “repetitive and antique” and not always well understood (Everitt, 1967, 561). In these exchanges of words, gestures, and paper, sincere expressions of being in earnest blended indeterminately with the “glozing terms” of masquerade and deceit. In one bargaining encounter described by Everitt, a Canterbury maltster named Thomas Fetherstone purchased barley from John Videon of Patrixbourne, drawing from him “many good bargains of corn, by which he was a great gainer,” simply by calling him “cousin,” and using “manifold and great protestations of love” (Everitt, 1967, 558). Private trading was, in Fernand Braudel’s words, “a revolution which went beyond the economy into social behaviour” (Braudel, 1982, 47). The “criterion of exchangeability” had been removed from the “ritual confines of the marketplace” and embedded “in the midst of everyday life,” in a “new and boundless silent trade” (Agnew, 1986, 50).

On the face of it, the situation at the first contact between Indians and Englishmen in the Chesapeake was one that ideally facilitated the “reciprocal traffic, exchange, or movement of material goods through peaceful human agency” (Renfrew, 1969, 152). Corn, or maize, was the most widely planted staple in the Chesapeake and the most important source of wealth, cultivated in special fields and offered as tribute to the paramount chief, Powhatan (Quitt, 1995, 247). Algonquian leaders also distributed prestige-goods -- crystals, minerals, copper, shells, and ritual artefacts -- invested with ancestral, divine, or primordial powers. Lacking natural sources of copper within his own territory, Powhatan relied on exchange with neighbouring peoples, and was particularly irked by his dependence on the hostile Monacans (Mallios and Emmett, 2004). The English had brought with them plentiful supplies of copper in the form of scrap metal from domestic manufacturing, and needed the corn growing everywhere in Powhatan fields (Hudgins 2005). But exchanges between Englishmen and Indians were structured by cultural differences.
Algonquian society was, in large part, a “gift economy,” in which the exchange of goods was motivated by generosity and obligation. Gifts were not personal property, but were imbued with the soul or spirit of the giver; as such, they were more like a loan than a sale, and moved between individuals of equal rank, making them “permanently allied and perpetually independent” (Mallios, 2006, 28). Since non-reciprocation violated the social bond created by gift-exchange it was seen as an aggressive act, tantamount to a declaration of war. Social life in the English colony functioned according to the norms of a “commodity economy” in which exchange was motivated by the desire for “immediate acquisition of material wealth” (Mallios, 2006, 29). The goods exchanged were private property, “inert, inactive, soulless,” their value assessed by the “cold reasoning of the merchant, the banker, the capitalist” (Mallios, 2006, 29). The only significant social relationship was “the economic one between equated exchange values” (Mallios, 2006, 29). Violations of economic exchange were theft, the unlawful possession of another individual’s property, or inundation, the over-supply of a good in the market, leading to price falls and a falling off of trade.

The gift and commodity economies should not be seen as a binary system, as separate poles insulated from each other. Elements of commodity exchange already existed in Powhatan culture, and the rank-based English society contained its own forms of obligation. In the early contact period there was considerable overlap between, and flexibility within, the two economies, whose dynamic interaction produced unstable and intricate mutations of cultural and economic practice. Smith’s role was to attempt to police the blurred borders between exchange systems, and to manage disturbances or derangements in the market structure of equivalences. In A True Relation, Smith attempts “to portray the exchange of goods as a voluntary agreement between two parties” (McCarthy, 1990, 46-47). But the fundamental problem was that the English consumed corn at a rate that exceeded the Indians’ need for copper (Mallios, 2006, 86). The English quickly inundated Powhatan society with trade goods, “so glutt[ing] the Savages with their commodities as they became not regarded” (1: 211). This meant that Powhatan, with a plentiful surplus and full knowledge of the colonists’ greater need, could “set the terms of exchange” (McCarthy, 1990, 47).

In their first face to face encounter, Powhatan promised to give Smith “Corn [and] Venison” in return for “Hatchets and Copper,” as well as two large canons and a grindstone (1: 57). He would not “disturb” the settlers, but they would have to move nearer to his seat of power at Werowocomoco, where Smith would be his werowance or subordinate chief (1: 57). As
Powhatan’s captive, Smith was in no position to bargain, so he simply “promised to perform” (1: 57). While waiting for Smith to perform his promises Powhatan kept the colonists alive, sending food supplies every other day. Smith acted as the colony’s “market clerk,” setting the price of food items in hatchets and copper (1: 215). In *A True Relation*, Smith exults at his status among the Indians, who called him by his name and “deferred” to his “discretion” (1: 61; 63). But Smith’s economic role was being challenged by the rival logic of gift exchange, in which “greatness and authority” were obtained by “bounty, and liberality” (1: 215). The fleet admiral, Sir Christopher Newport, sent Powhatan “great presents,” while his crews conducted their own private trade with the Indians, having been granted “liberty to truck or trade at their pleasures” by the London Company. The result was a second inundation of copper and a corresponding inflation in the price of corn. The divergent tactics pursued by Smith and Newport undermined the English position in the tense negotiations with Powhatan that followed.

*  

Powhatan’s opening gambit was to refuse to trade for corn (1: 71). The paramount chief was alarmed at the expansion of Anglo-Indian trade that had followed the arrival of the first supply of goods to the Jamestown colony, and by the challenge to his authority represented by lesser Algonquians conducting private trade with Newport’s crews. Adopting a proud bearing that showed he “scorn[ed] to trade as his subjects did,” Powhatan told Newport that it was “not agreeable with his “greatnes[s]” to “trade for trifles” in a “peddling manner” (1: 217). He insisted on seeing all of Newport’s trade goods, selecting what he liked, and setting the goods’ value. The element of compunction, with the assertion of the paramount chief’s political authority, made the exchange look more like enforced tribute than gift offering. Powhatan was, in effect, tearing up the agreement that Smith would act as market clerk, and stepping into the role of exchange-rate arbiter himself. Newport responded by obeying the principle of asymmetrical exchange embedded in the gift economy. In an attempt to “out brave this Savage in ostentation of his greatness, and so to bewitch him with his bounty,” he agreed to Powhatan’s request, telling him that he could have what he liked (1: 217). Committed to the commodity economy, Smith refused Powhatan’s “offer” and asked “to see what he would give” for one “piece” first, so as to establish a going rate (71). Seeming to “despise” the cautious, calculating “nature of a Merchant,” Powhatan suggested that if the colonists gave “freely” he would “requite” them “liberally” (1: 71). Newport played along, offering twelve large copper cooking
pots, only to be given the amount of corn that Smith had previously obtained for one small pot. Powhatan pressed home his advantage, insisting on trading for hatchets “at his own rate” (1: 71). The English ended up receiving four bushels for their goods, when they had expected twenty hogsheads (1: 217).

Outraged by what he saw as Newport’s poor bargaining, Smith “glanced in the eyes of Powhatan many trifles,” until the paramount chief “fixed his humour upon a few blew beads” (2: 156). A trope of English colonizing discourse was that the Indians were a “poor” people who lacked “skill and judgement in the knowledge and use of our things,” leading them to “esteem our trifles before things of greater value” (Harriot, 1955, 371). Seeing that Powhatan “importunately desired” the beads, Smith improvised a sales pitch, describing them as “being composed of a most rare substance of the colour of the skies, and not to be worn but by the greatest kings in the world” (2: 156). Powhatan, “half-mad to be the owner of such strange Jewells,” offered half a bushel of corn (1: 71). The next day, Smith offered more beads, and secured two more bushels.

It’s at this point of apparent success – the securing of corn supplies for trifles – that trade relations begin to break down. The colonists had violated the gift economy by refusing to relocate, or to honour the other terms of Smith’s first exchanges with Powhatan. They had violated the norms of both gift and economic exchange by inundating the native world with trade goods, driving down their value and producing a glut of copper and trifles. When Newport prepared to leave for England with a cargo of “phantastical gold,” Powhatan presented him with a farewell gift of twenty turkeys in return for twenty swords (1: 220). The Powhatan emperor now insisted on a strict notion of equal exchange: one of what you desire of mine for every one of what I desire from you. As Martin Quitt points out, “[n]othing could have signalled more clearly Powhatan’s understanding that exchange with the English had to be moved from unbalanced gift giving to balanced barter” (Quitt, 1995, 250). Barter is typically seen by economists as a “primitive” form of exchange involving haggling or “negative reciprocity.” But Caroline Humphrey suggests that we see barter as an “open-ended, potentially innovative, negotiable, transaction,” in which “need not only answers need but can also create a new demand” (Humphrey, 1985, 50). Powhatan was pursuing these open-ended possibilities, beginning with copper or beads, but discovering tools and weapons as exchangeable goods, while the English insisted monotonously on primitive trade in order to satisfy basic subsistence needs. Powhatan had abandoned gift-exchange norms in another, highly significant sense. With
the market for copper glutted, he was no longer interested in trifles but in highly utilitarian objects (Richter, 2007, 51-52). The turkeys-for-swords deal was a stunning display of the paramount chief’s negotiating prowess. The problem for the English was now twofold: restoring a high exchange rate for copper and coping with Powhatan’s flexibility and innovation.

The English attempted to shift the terms of exchange from the economic to the political, devising a strategy of assimilation modelled on the “surrender and regrant” policy pursued in Ireland (Canny, 1976, 32-34). Newport presided over a bizarre ceremony in which Powhatan was ‘crowned’ and acknowledged as an English chieftain, so long as he kneeled to the sovereign power of the English king. Powhatan refused to kneel, and in return for gifts of copper, a basin, a pitcher, and a bed gave only a pair of his old shoes and a cloak. Smith made it clear that he disapproved of the “strange Coronation” (2: 181). In a letter to the London Company, he pointed out that the sudden switch to a policy of gift-giving and symbolic rather than economic exchange threatened “the confusion of us all” (2: 189). In every exchange there was an inherent instability, a tendency of the terms of trade to alter almost imperceptibly, to shift or mutate in time and place. But an even more serious problem was that the Company’s monopoly was being undermined as a result of “leakage by unauthorized entrepreneurs” (Games, 2009, 129).

* 

The situation in Virginia was designed to be one of focussed exchange: formalized, restricted to relatively few contacts, and initiated by “high-ranking individuals” (Stewart, 1989, 66). But the Virginia Company was acutely aware of the danger of broad-based exchanges proliferating in “a series of web-like or chain-like personalized relationships” (Stewart, 1989, 65-66). It was particularly anxious about the presence of visiting seafarers, warning the colony’s leaders to “take Care that your Mariners that Go for wages Do not mar your trade” (Barbour, 1969, 53). The Company was confronting what is now known as the principal-agent problem, in which “rational agents pursue their own private interests, most often free riding off of collective resources provided by principals” -- like the East India Company captains who conducted their own private exchanges on official trading voyages (Erikson and Bearman, 2006, 203). The focussed exchange of elite men trading under government-granted monopolies was giving way to a new ethos of “free trade.”
English traders, artisans, shopkeepers, and craftsmen held long-standing grievances at the granting of monopoly charters to private corporations, which they argued was a form of “engrossing” otherwise prohibited by statute. Corporations were permitted the “sole buying and selling” of a commodity to be “brought into few hands,” when this ought to be “free and common to all the Citizens” of the commonwealth (Tawney and Power, 1924, 266). In 1604, Sir Edwin Sandys told the House of Commons that since “all free subjects” were entitled to inherit land, they should also be entitled to “the free exercise of their industry, in those trades whereto they apply themselves,” including the overseas trade (qtd. in Tawney, 1969, 183; Rabb, 1998, 95). Mariners were early adopters of the emerging free trade ethic. Private trade by mariners shipping goods on their own account was permitted by Northern European maritime law in lieu of wages, a form of “vernacular capitalism” known as portage (Pope, 1995, 39). Newport’s crews triggered a third inundation of European trade goods by holding night markets on board the Mary and Margaret, trading directly with the Indians.

Within six weeks, only twenty of the two or three hundred “hatchets, chisels, mattocks, and pickaxes” that came on the second supply remained (1: 240). The sailors also traded butter, cheese, beef, pork, aquavitæ, beer, biscuit, and oatmeal for furs. According to William Strachey, the mariners demanded payment in bills of exchange from colonists at a mark-up of “four or five for one” for pilfered goods (Strachey, 1973, 71; 72). All that the London Company could do was to condemn the “covetousness” of persons driven by the desire for “private lucre” and “sordid gain” (Virginia Company, 1987, 256). Exchange, Marx writes, “bursts its local bounds,” breaking through all “individual and local” limitations (Marx, 1982, 183). The commodity is “a born leveller and cynic,” always ready “to exchange not only soul, but body, with each and every other commodity” (Marx, 1982, 179). The London Company’s attempts to impose social control foundered the moment the mariners and colonists realized that everything was “saleable and purchasable,” that circulation was “the great social retort into which everything is thrown” (Marx, 1982, 229).

Powhatan grasped the centrality of the criterion of exchangeability, but as paramount chief he was able to avoid contamination by the virus of trade. His last offer to Smith was “40 bushels” for “40 swords” (1: 245). When Smith asked how he had become so “forgetful” and ungenerous, Powhatan laughed, telling him that he “could eat his corn, but not his copper” (1: 246). Powhatan had become “the consummate trader,” denigrating the other party's goods
while “boost[ing] the worth of his own” (Quitt, 1995, 254). Smith resorted to glozing terms, assuring him that he had acted in good faith, “believing your promises to supply my wants,” seeking to “satisfy your desire, and to testify my love” (1: 246). Powhatan’s response was to shift to the terms of a gift economy in which Newport had always been more adept than Smith, giving “what I desired, ever taking what I offered him” (1: 248). His other bargaining tactic was to insist on the political over the economic, telling Smith that the English had come not for trade but “to invade my people, and possess my Country” (1: 246). Smith ended by telling Powhatan that it was “not our custom to sell our curtesy as a vendible commodity,” implying that Powhatan’s expressions of love were made only for the goods they might obtain (1: 249). But this was precisely the English custom in the myriad individual bargains, the higgle-haggling and hard bargaining that constituted the “reticulate pattern” of inland trade (Agnew, 1986, 48). The porous boundaries of exchange in this pattern meant that Smith’s regulatory authority had drained away.

**A True Relation** is a key document from a vital moment in the transition from a traditional society based on status to a market society based on “rational self-interest and voluntary contractual obligation” (Wayne, 1982, 104). From the perspective of commerce, we are in essence “the agents of our own obligations,” responsible only to “items given and received in exchange” in “a mutual concurrence of free and independent wills” (Sacks, 2001, 43; 42). The true relation is a purely economic one, in which “persons exist for one another merely as representatives and hence owners, of commodities” (Marx, 1982, 178-179). It is “as the bearers of these economic relations that they come into contact with each other” (Marx, 1982, 179). In this relationship of “reciprocal isolation and foreignness,” Smith represents copper, Powhatan corn (Marx, 1982, 182). Both are recognisably human only in so far as they exhibit a willingness to make promises, to contract and exchange. Smith could neither exercise nor answer to a higher authority: cut loose by Powhatan, he was forced to “shift” for himself (1: 249). In doing so he bequeathed a legacy to future colonists and Americans: the lonely, embattled, anarchic world of free market men.
References


