

Preface

In the early 1990s, at the University of Delaware, I created a stand-alone junior-level undergraduate course on the economic history of colonial America. I have taught that course there almost every year since. I created it to teach my research on colonial-era transatlantic indentured immigration and convict transportation. As part of that course, I included a unit on American colonial and revolutionary-era paper monies, because such monies were novel experiments and I wanted some macroeconomic content in the course. I selected several articles from the *Journal of Economic History* and the *Journal of Political Economy* published in the 1980s that addressed these paper-money experiments and taught them to my students. Through the 1990s I slowly stopped using these articles because, as I taught them over and over again, they came to make no sense to me. I had far more questions than I had answers. I started to look deeper into the topic and came to two realizations. First, scholars were forcing inappropriate modern models onto historical institutional structures—a sort of reverse anachronism. The primary goal seemed to be to champion a modern monetary model or in-vogue technique rather than to analyze and understand a historical economy.

Second, I discovered that the data being used were all over the map. Seemingly simple questions such as “How many Continental dollars were emitted during the Revolution?” had a wide range of answers in the secondary literature. Scholars seemed not to notice or care; they just chose what they initially ran across in the prior secondary literature, seemingly oblivious to the wide range of numbers to choose from and seldom justifying why they selected the particular numbers they used.

I found this troubling. One part of my efforts has been to get the numbers right, or as right as I could, and reconcile all the diverse estimates in

the secondary literature to get to the same data outcome. The other part started with flushing my head of a lot of those modern models and techniques, seeing them as inappropriate to colonial- and revolutionary-era institutional settings. I wanted to drop back into core economic theory and devise a monetary model *de novo* that was more appropriate to the institutions of colonial and revolutionary America. This also led to displaying concepts and data differently from the way they have been typically presented in the secondary literature.

Although I started researching the Continental dollar in the late 1990s, numerous ancillary projects intervened, most of which informed my understanding but do not directly appear in this book. I felt I needed to understand the difference between the colonial paper-money economies and the post-Constitution US dollar monetary economy to judge the intervening Continental dollar period. A number of studies not included here were published out of these investigations, namely Grubb (2003, 2005, 2006, 2007a, 2007b, 2010, 2011a). Some of this research does find its way into chapters 16 and 17.

In addition, after some aborted attempts to write this book, I decided that I needed a deeper understanding and demonstration of the value and performance of colonial paper monies to support how I thought the Continental dollar performed. This was because the Continental dollar and colonial paper monies were almost identical in their legal design and institutional structure. A number of studies not included here were published out of these investigations, namely Celia and Grubb (2016); Cutsail and Grubb (2019, 2021); Grubb (2004, 2012b, 2015, 2016a, 2016b, 2016c, 2017, 2018a, 2019a, 2019b, 2020).

Intermittent work on the Continental dollar over these years produced publications on various aspects of the topic that edited, reworked, and augmented show up in the book here. They include Grubb (2008; see appendix A); Grubb (2011b; see chap. 6); Grubb (2012a; see chap. 15 and appendix D); and Grubb (2018b; see chap. 3 and appendix B).

I have always found book-writing to be a mysterious undertaking. I understand how to write journal articles, but book-writing is unfathomable. A book has an infinite variety of ways to be organized and written, with no clear path that is obviously more proper or successful. I am running out of life, however, so I must give it a try before it is too late and entropy overtakes erudition.

I have tried to make sure that each chapter contains some original research, perspective, approach, and evidence, yet also that the chapters

hang together as a unified whole. I think evidence and data are of paramount importance; yet, they can get tediously in the way of the story, so I moved the most tedious data to the appendices. Although the research was carried out over a period of two decades, most of the final assemblage was done during the COVID-19 pandemic of 2020–22. While that pandemic was a misanthrope’s paradise that morphed into a solipsist’s nightmare, it did provide the isolation I needed to organize and polish the project.

I am often asked, “Where do new research ideas come from?” I honestly do not know. The best I can tell the questioner is to know your core economic theory well (as opposed to particular models or techniques), then dive deep into original texts and documents; you will see new connections, new perspectives, and new patterns in the data. Maybe it is best summed up in a bit of doggerel I wrote:

The urge to create is so great
 Function and form, bend and shape
 Beyond the norm, beyond the ape
 Jove-like it comes from an unknown place
 Not me, not what, not when that I can pace
 But come it does to make the human race

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