

Securing the Commonwealth: Debt, Speculation, and Writing in the Making of Early America. By JENNIFER J. BAKER. Baltimore, Md.: Johns Hopkins University Press, 2005. 230 pages. \$50.00 (cloth).

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This smart, engaging book uses the topic of paper money and bank notes to revisit the larger subject of “theories about risk taking, debt, and credit” (1) as it emerges in a wide range of writing from the 1690s through the end of the eighteenth century. Each of its six chapters features texts by at least one canonical author, among them several books and pamphlets by Cotton Mather, Benjamin Franklin’s *Autobiography* (1793), Royall Tyler’s play *The Contrast* (1790), Charles Brockden Brown’s novel *Arthur Mervyn* (1799–1800), and Judith Sargent Murray’s *The Gleaner* series (1798). Jennifer J. Baker, a literary critic, has a capacious understanding of what constituted literature in the eighteenth century: she supplements her interpretations of these and other major authors with coverage of an astonishingly large constellation of writers who worked in various print genres and print media. In accord with her pronounced contextual bent, Baker also grounds her readings in succinct, authoritative summaries of technical matters concerning paper currency and its depreciation, the retirement of public debt, and the establishment of state and national banks.

Baker explores several key themes as they emerge in this literature. Its advocates began to argue early in the eighteenth century that paper money was economically productive because it supplied a convenient measure of commodity value in specie-short colonial settings. Several Chesapeake authors who promoted greater economic diversification favored paper currency on these grounds, for example. Because emissions of paper bills were a form of public borrowing, this view that paper money was economically productive adumbrated later Hamiltonian arguments that public debt could be a boon to the national economy. Baker also argues that some writers who contemplated the complex social interdependencies created by chains of credit came to value debt, including public debt, as a source of social and political cohesion. Some, like Brown and Murray, even argued that the shared experience of marketplace risk and debt-related vulnerability could directly stimulate sympathy and compassion.

The positive qualities of mind held to accompany borrowing and lending is possibly the book’s most intriguing theme. Writers gradually developed an enhanced capacity to think in terms of probabilistic outcomes and to embrace the risks that accompanied reliance on uncertain future events. Daniel Defoe, Franklin, and others began, for example, to distinguish between reckless and useful “speculations”; they conceptualized the latter as constructive economic “projections” (48) about likely outcomes based on sound empirical extrapolation from experience. In particular investing and borrowing was predicated, they argued, on the rationally founded belief (not certainty) that debtors would be able at a future date to perform their promises. Good borrowers and the lenders who found them trustworthy had sound reasons for holding that they would be able to augment their wealth: hence it was reasonable to promise to pay later for what one could not now afford. By the end of the century, some writers proposed the closely related idea that a credible promise to repay loans, whether made by individuals or governments, need not be fully backed by current assets and that, if judiciously managed, permanent debt was actually economically desirable.

Baker also examines the larger cultural ramifications of the new premium on these qualities of mind. She astutely points out that they formed the basis for new norms of manliness: prudential reasoning, the ability to project beyond present limited capacities, the willingness to tolerate uncertainty, and the capacity to perform one’s promises all coalesced in the man of commerce. He offered a new model of manly integrity. The capacity to make sound economic projections also went beyond mere calculation: it involved the “imagination,” which was now no longer uniformly stigmatized as mere whim or unproductive, feminized “fancy” but affirmed as an active agent of

useful “conjectural” (6) thought. This view of imagination led some writers to stress the affinities between the creative capacities that sustained financial projections and fiction writing. Baker attends throughout the book to how writers created links between the social utility of paper money and the value of writing for publication.

Baker’s book also repositions the standard accounts of social and political alignments in the existing scholarly literature on eighteenth-century economic thought. The conventional neo-Beardian lineups and oppositions between procommercial creditors and rural debtors, and advocates of hard money and paper currency, are not Baker’s main concern. She holds that the staunchest advocates of classical republican ideals contributed along with avowedly procommercial Whigs to the positive reevaluation of debt and future-oriented, speculative action. She also takes issue explicitly with the current scholarship’s dominant emphasis on “anxiety and opposition” (2) as the primary response to credit relations and to public debt in particular. Overall, then, her account is decidedly more in the spirit of Joyce Appleby than J. G. A. Pocock.

Most convincing on this score are the book’s two chapters on the Revolution, which center on strikingly successful readings of Franklin and Tyler. She succeeds brilliantly in showing that Tyler’s play endorsed “managed indebtedness as a desirable and permanent condition” (111) and that the real virtue of the play’s hero, Colonel Manly, resided not in his economic independence but in his ability to successfully take on commercial risk, including debt. Baker disagrees with interpreters of Franklin, including Michael Warner and Grantland S. Rice, who insist that he distinguished sharply between his private and print personas and promoted only the “disembodied” (89) impersonality of the latter. Baker shows instead that for Franklin and others, including Hamilton, personal presence was still extremely important: the legitimacy of public projects and public credit, especially, still depended on the endorsement of known and eminent individuals. The *Autobiography* itself, she argues, traces a trajectory from the tactics of “self-effacement” and anonymity appropriate to a young man dependent on the largesse of others to the mature Franklin’s open, highly “visible” (90) personal sponsorship of and investment in the projects of others, including government initiatives. Other readings are also wonderfully good. For example Baker successfully turns upside down conventional conclusions about Crèvecoeur’s supposed ambivalence about writing and commercial publication.

But Baker is not always so persuasive. She has an especially difficult task in her two chapters on early-eighteenth-century New England and the Chesapeake. Despite her insightful and sympathetic reading of Cotton Mather, for example, Baker does not succeed in turning him into a forward-looking economic thinker. Elsewhere in this pair of chapters, it sometimes takes long, rather tenuous chains of evidence for Baker to link particular passages and texts to her central arguments about debt, probabilistic thinking, and social cohesion. Not even all the late-eighteenth-century writers she considers can easily be enlisted in full support of the social and economic benefits of debt. It is true, for instance, that ardent republican leaders in the revolutionary era argued strongly that merchants and citizen-soldiers should be willing to accept payment in continental dollars despite their well-founded fears about depreciation. Yet their motives were political and related to the immediate exigencies of paying for war: these writers did not necessarily make a systematic case for economic benefits of paper money and public debt. Nor did they appeal to self-interest, but instead called for the exercise of self-sacrificing virtue. In short many remained squarely within the republican paradigm of thinking about commerce and credit.

Even authors who systematically described economic rationality and interdependence still harbored, with few exceptions, some ambivalence about the most radical implications of their ideas. A perfect example is Murray, who, as Baker convincingly shows, clearly endorsed prudent investment and the capacity to make rational calculations about likely future returns. But Murray elsewhere retreated from acknowledging the risks that are by definition incurred in all lending and

borrowing and cautioned against taking on debt not backed by existing capital. Baker unconvincingly wishes away Murray's backpedaling as a momentary "fantasy of economic stability" (150). In short Baker sometimes strains too hard to bring authors of varied intellectual persuasions into a single camp and underplays the ambivalences displayed by some of them.

Still, *Securing the Commonwealth* is a thought-provoking gem of a book. Fresh insights punctuate even the less than fully convincing readings and the best are brilliantly original. All historians and literary critics with an interest in eighteenth-century economic culture will want to read it.