

STORIES of New Jersey

MARK NEWBIE, AMERICA'S FIRST BANKER

The first bank in the new world was opened and operated by Mark Newbie, a Quaker, an ex-tallow chandler of London. His bank was a room in his simple home near Camden, New Jersey; his capital was 300 acres of land and his currency consisted of copper coins which today are valuable only to collectors.

Mark Newbie, in 1677, unable to endure the persecution of his sect by the forces under Charles II, decided to liquidate his prosperous business in London and join a group of sympathizers who had congregated in Ireland while they made plans for the journey to the colonies. One of the group had been sent on ahead to make a report on conditions in the new world.

Newbie was a thrifty and far-seeing man. As the reports came back of conditions in the new world he realized that his old trade would be of little help to him as a means of livelihood. During the three years spent in Ireland he had taken note of the circulation of some copper coins, known as St. Patrick's pence. These had been issued as a memento of a terrific slaughter of the Protestants by the Catholics during the reign of Charles I. The original coins were made of silver, but copper replicas in two sizes, though not legal tender, were accepted by some people as half-pence and farthings at a discount. It occurred to Newbie that these coins might be useful in the wilderness across the sea where trade was loosely organized; so he invested a share of his savings in all the St. Patrick's pence he could get.

In the spring of 1682 a small sailing vessel sailed up Newton Creek and deposited a group of 25 courageous men and women near the site of what is now Collingswood, N. J. Among them was Mark Newbie, with his coin collection. There was at this time no authorized currency in the colonies. The Spanish dollar was the basis of exchange. Trade was carried on by barter, with wampum, with Spanish doubloons, pistoles and dollars, French guineas, Portuguese johannes, Dutch ducats and stivers, English guineas, crowns and shillings, or whatever currency fell into the hands of the colonists. The local merchants with English connections acted as bankers. This custom prevailed until Robert Morris formed the Bank of North America in Philadelphia in 1781.

In May 1682 Newbie was chosen as a member of the General Assembly meeting at Burlington. He was appointed to the Governor's council, and became one of the commissioners for the division of land and a member of the committee of ways and means to raise money for the government. His St. Patrick's pence were rattling in his pocket, and it occurred to him that the time had come to put them to use. He suggested to the Assembly that the souvenir copper coins could be put into circulation for use in small transactions. He offered to secure them by placing 300 acres of his land in the hands of a commission so that the money could be redeemed on demand. His offer was accepted.

This was the first authorized issue of currency in the colonies. The settlers found it convenient to use the coins from Ireland, and Newbie became in effect the first American banker. The bank proved popular from its beginning. Although the charter specified that no more than five shillings need be accepted in one transaction, trade among the settlers was stimulated to no