

THE LOUISA ECONOMY IN THE YEAR 1765-1812

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continued from Vol. 7, No. 1, p. 31

Tobacco, an important crop, sold for about fourteen shillings per hundred pounds in 1765. This price was less than two-thirds of the price average for the preceding five years.⁴⁰ The size of the crop in Louisa was not known. Possibly the low price contributed to the social and political unrest later in the year. The price quickly recovered and remained fairly stable at about twenty-one shillings for the next seven years. In 1771, it dropped to twenty shillings and in 1768, it rose to twenty-four. In 1773, the price dropped about twenty percent to about sixteen shillings and remained there throughout the next year. It recovered significantly in 1775 to more than twenty-three shillings, possibly because of a smaller crop.

During the Revolutionary War, the price of tobacco averaged about twenty percent above the norm of the past several years, even when corrected for inflation. It varied widely from a high of thirty-three shillings in 1778 to a low of fifteen in 1781. Immediately after the war, the price rose percipitously, to twenty shillings in 1782, twenty-seven in 1783 and thirty-four in 1784. This was the highest price Louisa tobacco had sold for in over twenty-five years and it was the highest price to be received for well over a decade.

A price break occurred in December 1784 and carried over into 1785 when the price fell to twenty-nine shillings. It stabilized in 1786 and then fell again in 1787 to twenty-two shillings per hundredweight. This amount was the pre-war average price, but it represented considerably less income to the Louisa farmer or planter since inflation of some twenty percent had taken place since the late 1760's.⁴¹ The tobacco price continued rising briefly to twenty-seven shillings in 1788. From 1789 to 1795, the price slid slowly and erratically lower and bottomed out at slightly less than eighteen shillings per hundredweight. This constant slump, coupled with the relatively higher wheat prices during these years, undoubtedly contributed to the gradual change from tobacco to wheat farming in Louisa.

The price of tobacco recovered dramatically between 1795 and 1796 reaching thirty-two shillings per hundredweight that year. It continued to climb and reached fifty-six shillings per hundred pounds in 1798, the highest price ever attained in the period 1765-1812. Poor crops or low harvest may have contributed to the rapid rise.

40. See Table A2-5 for the complete price series for tobacco.

41. The inflation was not constant but rather went in spurts. It was difficult to measure precisely, but seemed to average about two percent per year.

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Table A2-5

*Mean Annual Price of Tobacco
In Shillings Per One Hundred Pounds*

1762	21.67	1787	22.89
1763	21.76	1788	27.17
1764	24.53	1789	22.22
1765	14.67	1790	23.24
1766	20.96	1791	18.58
1767	20.64	1792	21.22
1768	24.36	1793	20.92
1769	21.98	1794	18.89
1770	21.47	1795	17.99
1771	20.06	1796	32.03
1772	20.27	1797	44.32*
1773	16.72	1798	56.60
1774	16.99	1799	40.95
1775	23.12	1800	29.52
1776	17.39	1801	32.82
1777	24.64	1802	27.49
1778	33.69	1803	35.27
1779	29.81	1804	35.84
1780	31.22	1805	33.02
1781	15.82	1806	25.18
1782	20.56	1807	37.42
1783	27.18	1808	25.01
1784	34.72	1809	25.52
1785	29.89	1810	32.31
1786	29.09	1811	18.00
		1812	14.00

In 1799, the price fell to about forty-one shillings and continued to drop to thirty shillings in 1800, rising to thirty-three in 1801, dropping to twenty-seven in 1802, and then rising again to thirty-five in 1803 and 1804. This amount was an excellent price which caused concern in the county that there would not be enough tobacco plants available for the next season.⁴²

The price remained high in 1805, dropped to twenty-seven shillings in 1806, rose to thirty-seven in 1807, and then dropped back to twenty-

42. David Watson, "Diary", 1805 in Watson Papers.

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five for the next two years being influenced by the Jeffersonian Embargo. Prices reached thirty-two shillings in 1810, dropped precipitously in 1811 with the onset of the War of 1812 troubles, then reached eighteen shillings in 1811 and fell to fourteen in 1812.

Wheat prices varied also but not as much or as erratically as tobacco prices.⁴³ In the 1760's, wheat was not as important a crop as tobacco or corn. It carried a customary price of three shillings per bushel of sixty pounds. However, the price began to rise about 1770 and reached a pre-war high of four shillings sixpence per bushel in 1773. The price fell in 1774 and reached a low in 1775 when wheat sold for only two shillings sixpence. The price began to recover in 1776 and 1777 when it was somewhat over three shillings per bushel. Therefore for the remainder of the Revolutionary War the price rose steadily and substantially. It reached nine shillings in 1778, ten in 1779 and twelve in 1780 even when corrected for inflation. Wheat production increased throughout the war. Substantial quantities of wheat were available in Louisa in May, 1781 when Lafaeytte's army was in the county. Later in the summer, Louisa sent wheat supplies to the continental army and supplied Virginia militia units that passed through the county.⁴⁴ Unfortunately when the public claims were settled in 1782, Louisa farmers were allowed less than half of the preceding year's price, or about five shillings eightpence per bushel.

In 1782-1783, the price of wheat dropped to about three shillings ninepence per bushel. By 1785, it had climbed to five shillings per bushel. There seems to be no appreciable decrease in the size of the wheat crops in 1783 and 1784 from those of the Revolutionary period. The price of wheat remained fairly stable at about five shillings per bushel for the next decade. This was probably due to the ease of cultivating wheat and to the wheat fan.⁴⁵ In any event, the price of wheat remained fairly stable for about a decade at about five shillings per bushel, although there was a brief drop to three shillings eightpence in 1788.

From 1785 to 1795, there was a substantial change in Louisa agriculture. More and more farmers planted wheat rather than tobacco. This change was more prevalent on the large farms and small

43. See Table A2-6 for the complete price series for wheat.

44. This was based upon a study of the public claims for 1781. Louisa County, *Court Order Book, 1774-1782*; Louisa County, *Court Order Book, 1782-1783*; Louisa County, *Minute Book, 1784-1787*.

45. Although the year to year volume of a crop for which prices were available was generally not indicative of the size of the crop, the year to year volume of the wheat crop clearly followed the pattern suggested by other evidence. The volume for the 1783 and 1784 crop was similar to that of the Revolutionary War years and showed the increasing importance of wheat as a crop. This was even more pronounced in the years after 1794.

The wheat fans were seldom mentioned in inventories before the Revolution but they became more common in the years after 1790.

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Table A2-6

**Mean Annual Price of Wheat
In Shillings Per Bushel**

1768	3.00	1791	4.91
1769	3.00	1792	4.23
1770	3.23	1793	4.39
		1794	5.62
1771	3.23	1795	9.07
1772	4.40		
1773	4.52	1796	10.92
1774	4.14	1797	6.87
1775	2.50	1798	7.54
		1799	8.43
1776	3.52	1800	9.91
1777	3.11	1801	8.56
1778	9.80	1802	5.91
1779	10.04	1803	5.29
1780	12.15	1804	8.26
1781	6.67	1805	7.70
1782	3.80		
1783	3.74	1806	7.27
1784	4.60	1807	5.33
1785	5.00	1808	4.51
		1809	4.35
1786	5.14	1810	6.83
1787	5.06		
1788	3.66	1811	9.11
1789	4.89	1812	8.81
1790	5.06		

plantations. Many of these farmers seemed to understand the value of wheat instead of tobacco and some accurately foresaw the price increase that was to come in the late 1790's. The increase was due primarily to the rapid increase in the demand for American grain because of the Wars of the French Revolution and the Napoleonic Wars in Europe. The price rise of the late 1790's further spurred the development of wheat as a major crop, and resulted in a concomitant increase in the number of mills in the country. Therefore, by 1800 wheat was clearly the second most important crop in Louisa, and possibly the most important.⁴⁶

46. See note 45 above. Many farmers apparently thought along the same lines as David Minor when he wrote to his brother Garrett, "Query, will it not be to yours and my interest to aim at less tobo. & more small grain?" "D. Minor to G. Minor, January, 1790" in Watson Papers. The answer to the question was that it was to their advantage and the reason given was the war of England with Spain.

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Wheat prices rose to about five shillings sixpence a bushel in 1794, to nine shillings in 1795 and eleven shillings in 1796. They dropped back to about seven shillings in 1797 then rose to seven shillings sixpence in 1798, to eight shillings sixpence in 1799, and to ten shillings in 1800. With the advent of peace in Europe, the price dropped substantially bottoming out at five shillings fourpence a bushel in 1810. Even at this low price, farmers and planters received more for their wheat than at any time prior to 1794. Inflation had eaten up some of the price increase but an increase was still there.

In 1803 war resumed in Europe. During the next year, the price Louisians received for their wheat jumped to eight shillings threepence, or 60%. It fell back to seven shillings in 1805 and 1806, then dropped significantly to five, to four shillings sixpence, and to four shillings per bushel in 1807, 1808 and 1809 respectively. Again the effect of the Embargo resulted in the third lowest price for wheat since the end of the Revolutionary War twenty-five years earlier. After the trade restrictions were lifted, the price rebounded to seven shillings in 1810 and to nine shillings per bushel in 1811. The price held firm through 1812 rising to nearly eleven shillings per bushel in the war year of 1813. After the War of 1812, wheat continued to be of significance in the Louisa economy, especially in the Green Springs region of the county.

The third of the three major crops in Louisa, corn, was different from the other two in that almost all of it was raised for local consumption. This caused corn prices to be much more dependent upon neighborhood conditions than either tobacco or wheat. Most corn sales were between neighbors or the result of estate sales. This meant that the price of corn tended to be controlled by the local supply and demand far more than wheat or tobacco and even more than for lesser crops such as bacon and beef. Although in theory corn prices were controlled by custom, in actuality they fluctuated like all other commodities and they varied quite considerably in the years from 1765 to 1812.⁴⁷

In 1765 corn sold for about eight shillings per barrel of five bushels,⁴⁸ which represented the average price for the entire period from 1765 to 1775. With one exception the price remained between seven shillings threepence and nine shillings per barrel during these years. The exception was 1772 when a poor harvest apparently sent the price to nearly twelve shillings sixpence.

During the Revolutionary War, the price of corn rose as did the price of other commodities. It reached fourteen shillings a barrel in

47. Peterson, *Prices Received by Virginia Producers*, 50-51. He claimed that only ten percent of all corn raised was ever sold.

48. This, the official unit for corn, was fixed by statute in 1630 and remained unchanged for about two hundred fifty years. Hening, *Statutes*, I, 170.

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1777, nineteen shillings in 1778 and twenty-three shillings in 1780. The price seemed to fall in 1780, but that may have been due to an overcorrection in the rate of inflation. Nevertheless, in 1781 when Lafayette's army put a great demand upon the corn supplies in Louisa there were sufficient supplies to meet the demand. Farmers and planters that year received sixteen shillings eightpence per barrel.

After the war the price of corn fell immediately to nine shillings per barrel, but rose again in 1783 to eleven shillings. It remained about there for another two years, rose to fifteen shillings in 1786 and dropped back to twelve in 1787. For the next seven years the price seemed to fluctuate quite erratically. In 1789 it dropped to less than eight shillings a barrel, rose to more than twelve in 1790 and fell back to less than eight for 1791. This was the lowest price since well before the Revolutionary War. Surprisingly the next year the price rose about 140 percent to a high price of nearly nineteen shillings, the highest price since the Revolution. By 1795, it was back to about nine shillings per barrel. Then it rose to about fifteen shillings per barrel in 1796, a price it averaged for the next decade or so. Why the price should be so erratic for ten years then stabilize for the next ten was a puzzle. For the first ten years, it was probably due to uncertain conditions in Louisa and to poor crops followed by good crops. A change to more stable conditions and more even crops was a factor for the last ten years.

In any event, the price remained between fourteen and sixteen shillings through 1807. In 1808 it dropped to twelve shillings probably as a result of the Embargo which made wheat and other grains more available for home consumption at lower prices. The price recovered to fifteen shillings in 1809 then reached its highest price since 1779 in 1810 when corn sold for more than twenty-one shillings per barrel. This was probably caused by the increased demand for American grains in Europe. However, the price could not be maintained and it fell back to seventeen shillings in 1811. With the exception of 1812 when the price slipped to only nine shillings per barrel, it maintained this price throughout the War of 1812.

In addition to tobacco, wheat and corn, several other crops and farm products contributed to the overall Louisa economy. These included items such as bacon, beef, brandy, butter, cider, oats, peas, pork, rye, tallow, vinegar, whiskey and wool. None of these items was anywhere near as important as any one of the three major crops, but taken together they did provide a measure of the economic level of the county. To measure the overall activity of these items a farm products index was created, using the years 1782-1789 as a base. An index for each commodity was prepared, then averaged into a composite index, known as the farm products index. This index ranged in value from a low of 61 in 1766 and 1770, to a high of 200 in 1780. It was not as accurate from year to year as the price series for tobacco, wheat and

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Table A2-8

**Annual Values of the Farm Products Index
(1782-1789) = 100**

Year	Value	Year	Value
1765	67	1790	125
1766	61	1791	92
1767	110	1792	114
1768	65	1793	103
1769	66	1794	109
1770	61	1795	128
1771	80	1796	134
1772	76	1797	191
1773	78	1798	158
1774	77	1799	132
1775	103	1800	133
1776	89	1801	129
1777	143	1802	125
1778	197	1803	172
1779	129	1804	140
1780	200	1805	160
1781	126	1806	158
1782	143	1807	138
1783	101	1808	102
1784	84	1809	125
1785	110	1810	182
1786	122	1811	122
1787	119	1812	119
1788	109		
1789	92		

corn, but it did provide a good general picture of the overall activity of these commodities and sometimes indicated clear breaks and changes in the total economic pattern.⁴⁹

In 1765 the farm products index stood at 67, a level it maintained for about six years (with the exception of 1767 when an abnormally high price for brandy pushed the index to 110). However, about 1771 a sharp increase of about twenty percent in the index occurred raising it to about 78. This level continued for about four years until 1775 when

49. See Table A2-8 for the complete farm products index.

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the index again jumped, this time about thirty percent to 103. It dropped slightly the next year, then rose appreciably, reaching a high of 200 in 1780.

After the Revolutionary War it fell in an erratic manner, finally reaching the postwar low of 84 in 1784. For about the next ten years it varied between 92 and 125, averaging about 110. From 1795 to 1802 it varied between 125 and 134 except for two years, 1797 when it peaked at 197 and 1798 when it was 158. These two high points correspond closely to the high price of tobacco and corn in these two years.

After 1802 the index stood considerably higher, averaging nearly 150 for the eight years through 1810. The most noticeable change in this period was the very rapid drop in 1808 to 102 from a level of 138 the year before. This, of course, was the year of the Embargo, and the recovery afterwards was clearly seen, with a level of 125 in 1809 and 182 in 1810. With the onset of the War of 1812, the index fell significantly — to 122 in 1811 and 119 in 1812.

Another measure of the economic level of the county was the price Louisa people had to pay for goods they could neither raise nor make. These included items such as coffee, iron, molasses, rum, salt and the various types of sugar (brown, loaf and plain). These goods were important, but again not as important as any of the major crops, and they were included in an index similar to the farm products index. This index, called the purchased goods index, varied more than the farm products index ranging from a low of 84 in 1788 to a high of 538 in 1778. Probably it was less reliable than the farm products index, although it indicated certain economic features which no other price series or index did.

It started in 1766 with a level of 117 (no figures were available for 1765) and fell slowly through 1769 to a level of 90. For the next six years it varied between 92 and 151, averaging about 120. Then the Revolutionary War price rise set in and the index skyrocketed. It went from 108 in 1775 to 264 in 1776, 538 in 1777, 399 in 1779, 480 in 1780 and 379 in 1781. Remembering that these values have already been corrected for inflation, the full significance of the price rise in the Revolutionary War can be seen. When the war ended, the purchased goods index came down, to 226 in 1782 and finally to 105 in 1783.

For the next thirteen years between 1783 and 1795 the purchased goods index remained fairly stable, ranging from a low of 84 in 1788 to a high of 181 in 1785. During this time it averaged about 118 or only four points above the prewar average of 114. Towards the end of the period there was a slight rise so that by 1795 the index stood at 124. However, in 1796 the index jumped over fifty percent to 193. It fell back to below 140 in 1797, then rose again to 166 in 1798. Falling ever so slightly to 164 in 1799, the index reached the average level it had for the next twelve years. During this time (1799-1811) it ranged from a

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high of 197 in 1808 to a low of 130 in 1807. Again the effect of the Embargo was clearly seen, the index was 130 in 1807, 197 in 1808 and 164 in 1809. As the War of 1812 approached the index rose again to 177 in 1810, 170 in 1811 and 205 in 1812.

When these price series and indexes were compared with each other they showed that there were six different economic periods during the years 1765-1812. These periods ranged from four to fourteen years and each had certain distinct characteristics.

(To be continued)

A General Return of the Regiment of Militia*

June 1st, 1789

In the County of Louisa, under the command of Garritt Minor, County Lieutenant, Colonel, 1; Lieut.-Colonel, 1; Major, 1; Captains, 12; Lieutenants, 12; Ensigns, 12; Sergeants, 36; Musick, 1; Rank & file, 631; Swords, 9; Epontoons, 1; Muskets, 5; Guns, 81; Bayonets, 1.

GARRITT MINOR,
County Lieutenant

*Calendar of State Papers, Vol. II, p 634.