

Scotch Merchants ^[1]

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by James P. Whittenburg, 2006; Revised November 2022.

Often intended as an insult, the term "Scotch merchant" referred to men, by no means all of them Scots, who functioned as factors and agents for large mercantile companies headquartered along the American coast, in England, or in Scotland. They purchased crops of any size and extended credit to even small-time planters, encouraging the extension of [tobacco](#) ^[2] production far into the interior of Virginia and North Carolina. Hamilton and Company was the most important so-called Scotch merchant firm in North Carolina. In 1761 this company opened a store just outside of [Halifax](#) ^[3], about 60 miles inland from [Edenton](#) ^[4], the region's principal port. From that base of operations the company supplied credit, enslaved people, and consumer items to planters as far west as [Granville](#) ^[5] and [Orange](#) ^[6] Counties and dispatched the tobacco it acquired to Virginia warehouses in carts and wagons.

In times of economic distress, many [colonial](#) ^[7] merchants called in the credit extended to planters, employed lawyers to bring debt suits against those who could not or would not pay, and had court clerks produce the writs that led to the attachment and ultimate public auction of the debtor's property. Although the image of such greedy merchants reducing honest planters to [poverty](#) ^[8] was surely an overreaction to an economic crisis over which neither had much control, the Scotch merchant consequently became an icon of villainy in the popular culture of the late colonial era.

References:

Harry Roy Merrens, *Colonial North Carolina in the Eighteenth Century: A Study in Historical Geography* (1964).

James P. Whittenburg, "Planters, Merchants, and Lawyers: Social Change and the Origins of the North Carolina Regulation, 1765-1777," *William and Mary Quarterly* 34 (April 1977).

Additional Resource:

"The Two James Hunters of Fredicksburg, Patriots among the Virginia Scotch Merchants." *The Virginia Magazine of History and Biography*: ^[9]<http://www.jstor.org/stable/4245516?seq=1> ^[9].

Subjects:

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[Colonial period \(1600-1763\)](#) ^[11]

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Authors:

[Whittenburg, James P.](#) ^[13]

Origin - location:

[Chowan County](#) ^[14]

[Halifax County](#) ^[15]

[Granville County](#) ^[16]

[Orange County](#) ^[17]

From:

[Encyclopedia of North Carolina, University of North Carolina Press.](#) ^[18]

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