



## **Column: Native American Heritage Day and the modern economy**

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**by Joseph Matthews**

Supported by 184 federally recognized tribes, President George W. Bush designated the Friday after Thanksgiving as Native American Heritage Day to pay tribute to Native Americans for their many contributions to the United States. The designation encourages Americans to observe the day through ceremonies and activities and promotes the understanding of Native American heritage and culture in the classroom. This year, it falls on Nov. 27.

Native American history, achievements, music, language and, of course, native arts and crafts, are to be recognized, but I believe the program would be incomplete without a mention of the traditional Native American currency, wampum.

In the world of finance, it is the history of wampum that contains lessons relevant not only to modern times, but current events. The value of wampum and its ultimate demise as a predominant medium of exchange in the New World bear remarkable similarities to today's currency fluctuations.

Wampum essentially consisted of stringed beads made from various mollusk shells. The finished product could be used as currency, and it also was seen as sacred in some native societies. For either reason, it also gave the bearer a certain status or rank.

Initially the beads were all white, with the earliest types coming from the channeled whelk shell, which were the most valuable. The conch and the cockleshell were two other popular sources of white beads. However, more decorative wampum strings or belts could be made from the purple layers of various clam shells including the quahog, and they too held value.

When European settlers arrived in the New World in the 1600s, however, they soon found that, to trade with the native people, they too would need wampum. It wasn't long before the

industrious Europeans were turning out their own wampum, which served well as a form of currency for a period.

However, the new arrivals also were the bearers of Industrial Age tools, such as the awl, which proved very efficient at boring holes in the shells so they could be attached to strings. In fact, they were so efficient, that the market was soon glutted with so much wampum that the strings and belts that once took time and labor to produce were devalued and went out of favor.

Can anyone say Yuan? How about Greenbacks? Or Euros?

There are many lessons to be learned from the Native American production and use of wampum. At its very basis, someone had to wade in the waters of places like Narragansett Bay or Long Island Sound to select the best mollusks to make the best beads. Then they had to painstakingly create holes in the beads so they could be strung into belts and it didn't hurt to have a good eye for design when different colors were used. Both the labor involved and the type of material gave the wampum strings or belts a very real value.

Ostensibly the best native craftspeople who made the most attractive belts would also find more value in their products than the less refined versions. But when a form of mass production was introduced into the process the natural result was currency devaluation.

With all the turmoil in today's financial markets, it would serve us well to remember these lessons when planning our investment strategies. A thoughtfully created investment portfolio can help counterbalance the ebbs and flows of inflation, economic cycles and the buying power of our currency.

There are many avenues available in Connecticut for those seeking to reconnect to Native American culture, including Friends of the State Office of Archaeology and Connecticut Indian Affairs Council, along with websites governed by each of the tribal councils. These websites, along with corresponding events organized by various committees, might very well be worth a look, if for no other reason than to broaden your understanding of this culture and its unique early form of currency. You may be surprised how its strengths and weaknesses are mirrored in today's financial markets.

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