



#### Wampum belt

As early as the seventeenth century, Native peoples in northeastern North America used wampum belts to record significant events. In the absence of coinage, colonists used individual pieces of wampum as money.

The word “Canada” is reputed to come from the Iroquois-Huron word *kanata*, meaning “village” or “settlement.” It is thus fitting to begin the story of the Canadian dollar with “money” used by Canada’s First Nations.<sup>2</sup> The Aboriginal peoples of eastern North America placed a high value on strings and belts fashioned from beads of white or purple shells found on the eastern seaboard. Early English settlers called such articles “wampum,” an abbreviation of an Algonquin word sometimes spelled *wampumpeague*. French settlers called shell beads *porcelaine*.

Wampum was highly valued, partly because of the difficulty in making shell beads even after European tools became available in the seventeenth century. By one estimate, it took 119 days to make a 5,000-bead belt (Lainey 2004, 18). Strings and belts made from purple beads were roughly twice the value of those made from white beads, since the purple shell was much more difficult to work.

# The First Nations (ca. 1600-1850)<sup>1</sup>

Wampum is particularly associated with the Iroquois nations and features prominently in the legends surrounding the formation of the Iroquois Confederacy. The use of shell beads by the Aboriginal peoples of the St. Lawrence River was described by Jacques Cartier in the sixteenth century and by Samuel de Champlain in the early seventeenth century.

Early Europeans viewed wampum as a type of money. A mid-seventeenth century observer writes,

Their money consists of certain little bones, made of shells or cockles, which are found on the sea-beach; a hole is drilled through the middle of the little bones, and these they string upon thread, or they make of them belts as broad as a hand, or broader, and hang them on their necks, or around their bodies. They have also several holes in their ears, and there they likewise hang some. They value these little bones

1. This section draws heavily on Lainey (2004) and Karklins (1992).

2. Anything that is typically used as a medium of exchange to buy goods and services can be considered to be money. Other functions of money include serving as a store of value and a unit of account.

as highly as many Christians do gold, silver and pearls . . . (Reverend Johannes Megapolensis, Jr., 1644 in Karklins 1992, 67).

Wampum became an essential part of the fur trade as European settlers used shell beads to buy beaver pelts from the Iroquois and other inland peoples. Wampum had all the hallmarks of a useful currency. There was strong demand for it among the Native peoples, beads were difficult to make, and they were conveniently sized. Indeed, for a period during the mid-seventeenth century, wampum was legal tender in colonial New England, with a value of eight white beads or four purple beads to a penny (Beauchamp 1901, 351).<sup>3</sup> In 1792, legislation was passed in Lower Canada to permit the importation of wampum for trade with Native peoples.

While useful as a medium of exchange, the significance of wampum to the Aboriginal peoples of eastern North America far transcended its monetary role. Wampum had considerable symbolic and ritualistic value. In an oral society, the exchange of wampum helped convey messages and was used to cement treaties between Indian nations, as well as with Europeans. Wampum was also exchanged in marriages and funerals and used in spiritual ceremonies.

By the mid-nineteenth century, the exchange of wampum in diplomatic and other ceremonies had fallen into disuse, although there

are reports of its use in Iroquois funeral ceremonies into the twentieth century (Lainey 2004, 82). The use of wampum for ceremonial purposes has been revived in recent years.

While shell beads were also valued on the west coast, copper shields were the ultimate symbol of wealth among the Haida people. High-ranking chiefs could own many shields, which were often exchanged at increasing values at potlatch ceremonies.<sup>4</sup> Like wampum in the east, copper shields and other copper items were a key element in the culture of the peoples of the north-west coast. Haida symbols are featured on the 2004 \$20 note, linking our heritage to the present.



**Haida shield, nineteenth century**  
The copper shields used in the potlatch ceremonies of the west coast Native peoples represented wealth. Some of the largest pieces were highly valued and were even given names.

3. Legal tender money describes money that has been approved for paying debts or settling commercial transactions.

4. Canadian Museum of Civilization (2005).