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Enterprising Pilgrims Left Entrepreneurial Legacy for Today's Economy

By Patrick A. Cozza

Thanksgiving usually is a celebration of gratitude and feasting in the tradition of the Pilgrims. But that satisfactory sense of plenty may not resonate with Americans this year, considering the current economic problems. And, in truth, that satisfaction certainly was not shared by the Pilgrims at that "First Thanksgiving." Like many Americans today, they were feeling some discontent and desperation.

When the Pilgrims landed in North America in 1620, they brought with them the strong entrepreneurial spirit that is an important part of the United States' economic and cultural consciousness. Entrepreneurship still is the foundational rock of capitalism, just as solid as the famed Plymouth Rock. And in today's challenging economy, we should take a lesson from our Pilgrim legacy.

New World venture capital was difficult to obtain, much like credit is today in the wake of the financial crisis. To fund their enterprise, the Pilgrims entered into a partnership with English investors. They accepted a high credit interest rate: a seven-year contract, at the end of which all lands and profits would be split evenly between the investors and the colonists.

To achieve their strategic objective, the inventive Pilgrims used skills that are valued today. For example, in a recent survey, businesses said that innovation is one of their top three priorities; 40 percent said it's their first priority (The Boston Consulting Group, 2007).

The first winter in the Plymouth Colony was hard, and more than half of the Pilgrims perished. Part of the difficulty was that the equalization-of-assets policy created conflict and dulled the motivation to work. When Governor William Bradford authorized privatization in 1623, each family received its own portion of corn and land and became its own business concern. The result was increased corn harvests and more general success for the colony.

The Pilgrims demonstrated that entrepreneurial expertise produces results. Today, more than 54 percent of Fortune 500 companies list entrepreneurial skills as a valuable attribute for new recruits (Zell Lurie Institute, 2008). Some things just don't change.

There is a need for entrepreneurs at this moment in U.S. history, and they require solid financial knowledge and skills to develop successful businesses. We should utilize proven financial education programs, such as those offered by organizations like Junior Achievement, to inspire America's future entrepreneurs to effective action. Then they can be forces for positive change in the world, just as the Pilgrims were.

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Junior Achievement of New Jersey reaches more than 30,000 young people annually with educational programs focusing on entrepreneurship, financial literacy and work readiness. Visit www.janj.org for more information.

