

THE BEGINNING OF BRITISH TRADE AT MICHILIMACKINAC

The Canadian fur trade, with the closely related topic of inland exploration, has proved a tempting subject to many able historians. The complete history of the fur trade, nevertheless, is yet to be written, and there are still many gaps in the story. Of these perhaps the most obvious is the first two decades of the British period—before the formation of the Northwest Company. After 1783 the narrative is a continuous record of the organization, rivalry, and amalgamation of large fur-trading companies, and its main outlines are common knowledge. Before 1783 the trade was carried on by individuals, few of whom left personal records. The official accounts are scanty and widely scattered. The purpose of the present article is to assemble such facts as can be ascertained about the beginning of British trade at Michilimackinac during the years between the British conquest and the opening of the Revolutionary War. The geographical name must be used as it was used in the eighteenth century. For the fur-traders of that period—French and British alike—the district of Michilimackinac included the borders of Lake Superior and the unbounded stretch of country north and west of the Great Lakes. The trade of a quarter of a continent was centered in the little stockaded fort on the south side of the Straits of Mackinac with its garrison of two hundred soldiers and its few wooden buildings. Even before the French ceded Canada, Michilimackinac had become more valuable than any other trading district, and during the early years of British administration the traders who frequented that neighborhood became the dominant personages in the industry.

The fur trade passed into British hands at the capitulation of Montreal on September 8, 1760. Three clauses of the

capitulation directly affected the fur trade.¹ Article 37, which guaranteed the private possessions of the French inhabitants, expressly included furs and merchandise; and Great Britain was bound by this, as by article 26, relating particularly to the furs which had accumulated in the hands of the West India Company's agent at Montreal, to provide transportation for these commodities to France, the owners paying the regular freights. Individuals who owned furs in the distant posts should have leave during that year and the next to send canoes to fetch their property. By article 46 the French merchants who chose to remain in the colony were to enjoy all the privileges of trade accorded to British subjects, both in the settled areas and in the countries above. The Peace of Paris in 1763, which confirmed the cession of Canada, made no important change in these articles of capitulation.

The earliest report upon the Canadian fur trade was sent to the secretary of state by Major General Thomas Gage, the British commander at Montreal, in March, 1762.² He gave a lengthy account of the French industry from the *voyageur* who conducted the trade in the Indian villages to the agent for the French West India Company at Montreal. This company enjoyed the privilege of purchasing at a fixed price all the furs collected by private individuals and marketing in Europe, free of import duties, the entire produce of the colony. The exchange of furs and merchandise was carried on partly at the distant forts and partly at the Indians' wintering grounds. The main avenue of commerce between Montreal and the Far

¹ Adam Shortt and Arthur G. Doughty, *Documents Relating to the Constitutional History of Canada, 1759-1791*, 7 (Ottawa, 1918).

² Shortt and Doughty, *Documents Relating to Canada*, 91. The original is in C.O. 5/62, f. 169, in the Public Record Office, London. Among the inclosures with the original report is "A List and Account of the Posts where the Trade with the Savages, was carried on, in the Upper Country" (f. 189), which is not printed by Shortt and Doughty.

West was the canoe route by way of the Ottawa, Mattawa, and French rivers, the Georgian Bay, and the north shore of Lake Huron to Michilimackinac, from which point smaller canoes carried the merchandise to the interior. The northern and western limits of the territory covered by the traders from Montreal could not be determined; on the south and southwest they extended their operations over the basin of the upper lakes and the Illinois district as far south as the junction of the Illinois and Mississippi rivers. With this report Gage inclosed a list of the trading posts in the upper country. These were grouped under the headings "Posts sold to particulars," "Free Posts," and "King's Posts." The last group need not concern us here, as these posts were situated on the lower lakes and the St. Lawrence River. Michilimackinac itself was one of the four free posts, where any individual might trade after purchasing a permit from the king's agent. The other posts on or near the three upper lakes were private trading districts — Temiskaming, Sault Ste. Marie, Michipicoten, Nipigon, Kaministiquia, La Mer d'Ouest, Chequamegon, La Baye des Puants, and St. Joseph.³ They were rented to individuals for sums varying from 3,000 to 25,000 livres annually, and totaling 122,000 livres. The most valuable of these were La Baye, extending westward from Green Bay to the sources of the Mississippi, 25,000 livres; La Mer d'Ouest, west of Lake Superior, 20,000 livres; * and Sault Ste. Marie, 18,000 livres. Gage,

³ Gage's list should be compared with two lists that differ considerably both as to the location of the posts and as to their value. These are in the "Memoir of Bougainville," in *Wisconsin Historical Collections*, 18: 183-188; and in Duncan M'Gillivray, *Sketch of the Fur Trade of Canada, 1809*, a pamphlet which is reprinted under the title "Some Account of the Trade Carried on by the North West Company," in the Canadian Archives, *Reports*, 1928, p. 58-73.

⁴ Benjamin Frobisher quoted the rent for this post at ten thousand livres per annum in his "Acct. of the Indian Trade, 10 Nov. 1766," among the Hardwicke Papers, British Museum Addit. MSS. 35915, f. 203.

unlike General James Murray, who described the fur trade as insignificant,⁵ was fully alive to the value of the industry and ready with suggestions as to how it should be conducted by the British. Two aspects of the French system seemed to him particularly open to criticism — the sale of monopolies and permits, and the extension of trade to the Indian villages. Monopolies increased the cost of goods to the Indians and restricted the trade; the practice of selling posts and permits was particularly liable to abuse; and the traders who frequented the Indian villages could not be adequately controlled by the government. Gage advised as alternatives removing all monopolies and restrictions upon trade, securing a revenue by a tax upon skins imported into England, and confining the western trade to five posts — Kaministiquia, Michilimackinac, La Baye, Detroit, and Ouïatanon.

This advice was practically equivalent to replacing the French system of trade by the English system then in force in the middle Atlantic colonies. Here trading monopolies were no longer granted. The extension of British territory by the Seven Years' War had been, on the economic side, a victory for the manufacturers, who hoped for an enormous increase in their sales of woollens and hardware through commerce with the natives. The more numerous the Indian traders, the better the interests of British industry were served. The restriction of trade to the forts had been practiced for years by New York and other colonists, who had conducted at Albany a trade with the Indian tribes of the Middle West. The system had its advantages, for it forced the Indian to undertake the arduous and dangerous journey from his wilderness dwelling to the outskirts of the colony; and it seems to have worked well so long as the market was not forestalled. It was, moreover, greatly to the advantage of the members of the Iroquois con-

⁵ Murray to Pitt, October 22, 1760, Murray Papers, vol. M898D, bundle 2, in the Canadian Archives.

federacy, within whose domain the exchange was carried on, for they enjoyed prestige and more tangible benefits from acting as intermediaries. They exercised a suzerainty over many of the smaller, isolated tribes to the westward and used this authority to augment the British trade. Sir William Johnson, the adopted kinsman and powerful friend of the Mohawk tribe, was superintendent for Indian affairs in the northern district and it is not surprising to find him a consistent and vehement advocate of the system of trading at posts within the frontiers of New York.⁶

While the administration of the newly conquered territory was being considered by the Lords of Trade,⁷ British traders were finding their own way to the wealth of the Canadian forests. They began to come immediately after the conquest and, without waiting for official declarations of policy, they pushed on by the old French canoe routes to the Far West. They came from two directions — from the colonies to the south and from Great Britain. No sooner had Sir Jeffrey Amherst received the capitulation of Montreal than he wrote to the governors of the northerly Atlantic colonies inviting colonial merchants to enter the new fields that had been opened to their commerce. He promised to build a road to Canada by way of Lake Champlain and to protect colonial traders who used it. It is probable that he was thinking mainly of procur-

⁶ This system was established by Johnson during his visit to Detroit in 1761 and was enforced, theoretically at least, by Amherst. See Amherst to Johnson, July 16, 1763, in C.O. 5/63, f. 361. Other correspondence between Johnson and Amherst indicates that Johnson had at first attempted to confine the trade to Oswego, Niagara, and Detroit. Two other forts, Pittsburgh and Michilimackinac, were added later. Johnson was opposed to the inclusion of the latter post. See C.O. 5/63, f. 215, 691, 705, 737. Volumes 3 and 4 of the *Papers of Sir William Johnson*, published by the division of archives and history of the University of the State of New York (Albany, 1921, 1925), contain many letters of the same character.

⁷ The most important papers have been printed in Shortt and Doughty, *Documents Relating to Canada*, 127-168.

ing supplies for the garrison and inhabitants of the conquered colony, but many of the traders who responded to his invitation remained in the country to engage in the fur trade.⁸ Of these the best known is Alexander Henry, who had been furnishing supplies to the British army after the surrender of Quebec and had accompanied the expedition against Montreal with a view to investigating the new market for his goods. A few months later, when he was considering the possibilities of trade to Michilimackinac, a fortunate accident threw him into the company of Jean Baptiste Leduc, seignior of Les Cédres, who had been engaged in the fur trade at Michilimackinac. Fired by Leduc's glowing account of the potential riches of this trade, Henry engaged a Canadian guide who knew the route, returned to Albany for a load of trading goods, and in August, 1761, was on his way to Michilimackinac. His record is by far the most detailed account we have of the earliest British trade, and his experiences were, for the most part, typical of the adventures of other early traders.⁹ He was only one of many former colonists who became Canadian fur-traders—the names of Thomas Walker, John Welles, Peter Pond, and other "old subjects" appear frequently in the early official lists.

English exporting houses also had agents with the British forces in Canada, especially with the army and navy at Louis-

⁸ Amherst to Governor Wentworth, September 13, 1760: "the like Letter to the governors of Massachusetts Bay and New York"; "Copy of Genl. Amherst's Proclamation to the Inhabitants of Canada, Sept., 1760": "Le Commerce sera Libre, et sans Impôts, à un Chacun; mais les Commerçants seront tenu de prendre des passeports des Gouverneurs, qui leur seront expédiés Gratis"; Governor Bernard to Amherst, September 27, 1760; Amherst to Pitt, New York, December 8, 1760: "Dry goods and Merchandise have been sent there [*to Canada*] from this Country to the amount of £60,000, the Canadians barter their Skins with the Merchants, and are very happy with their change of Government." C.O. 5/59, f. 291, 435, 571; 5/60, f. 1.

⁹ Alexander Henry, *Travels & Adventures in Canada and the Indian Territories Between the Years 1760 and 1776* (Bain edition—Toronto, 1901).

bourg and in the St. Lawrence River and Gulf.¹⁰ Some of these agents began to speculate in the paper money that had been left in Canada, buying it for almost nothing from the *habitants*, and holding it in the hope of making a handsome profit when the king of France should redeem his pledges.¹¹ No doubt the American merchants did the same thing, but one hears more of the old-country merchants because they formed a committee in London to further their interests. Members of their London exporting houses were able to keep the matter of the "Canada bills" constantly before the secretary of state, whose business it was to remind the king of France of his obligations.¹² In June, 1766, a first payment of 2,500,000

¹⁰ Fowler Walker, "Considerations on the present state of the Province of Quebec," March 1, 1766, B.M. Addit. MSS. 35915, f. 20.

¹¹ The situation in regard to French paper money is described in Governor Murray's report of June 5, 1762, in Shortt and Doughty, *Documents Relating to Canada*, 76; and in "Extracts of Sundry Letters from Messrs. Mackenzie & Oakes Merchants in Quebec to James & Charles Crockatt merchts. in London," March 4, 17, 1761, Chatham Papers, vol. 98, in the Public Record Office. The earliest report on the activities of the British merchants is contained in "Memorandums from Brig. Gen. Murray to Maj. Gen. Amherst, delivered to the General by Lieut. Montresor, 3 Mar., 1760," C.O. 5/57, f. 753: "The Merchants here alluded to, Lt. Montresor says, are those that have followed the Army during the Campaign, who have converted the money they have got for their goods, in bills of Exchange on Europe." The matter is referred to in Murray to Amherst, December 24, 1759, Murray Papers, vol. M898A. In a letter to Halifax, dated February 14, 1764, Murray reports that Perthier at Quebec is buying paper money for Rybot, a London merchant, that Porlier at Montreal is buying it for Isidore Lynch of London, and that all the English merchants are purchasing some of it. Murray had attempted to stop the practice. Canadian Archives, Q. 2, p. 32.

¹² The merchants' committee was formed early in 1765, according to a letter from the Canada Merchants to Pitt, March 29, 1765, Chatham Papers, vol. 6. The following extract from the letter shows how the general trade to Canada was identified with the paper money speculation: "The Merchants Trading to or interested in the Trade of Canada having appointed a Committee to manage an Application to Parliament for Redress, on Account of the Non Execution of the Declaration subjoined to the late Definitive Treaty with regard to the Debts due to the Canadians . . ."

livres was made and in 1768 a final settlement was reached. The lists of paper-money proprietors that appear from time to time among official papers afford an interesting commentary upon the activities and London connections of the British merchants. It is, however, more interesting to note that some of them began early to take an interest in the fur trade. Mackenzie and Oakes, writing to James and Charles Crokatt in 1761, complained that the French were being allowed to bring down and export quantities of furs from the upper country, and that British subjects were forbidden to go into the interior, although the governors extended this privilege to favored individuals.¹³ From a comparison of the lists of paper-money proprietors with such lists of the early fur-trading merchants as can be procured, it is evident that several of these original speculators turned their capital and talents into the Canadian

From this time to 1768 the official papers relating to the "Canada Bills" are frequent. The activities of the committee are often referred to in State Papers Foreign, France, vols. 269-275, in the Public Record Office. One of these documents, entitled "Proprietors of Canada Bills to Conway," April 28, 1766, is signed by fifteen individuals: *Brook Watson, Robt. Allen, Daniel Vialars*, Hen. Guinand, Anthy. Andre, Richd. Bosanquet, Gregy. Olive, Joseph Massen, *Isidore Lynch, Wm. Greenwood, Robt. Hunter, Chas. Crokatt*, Wm. Neale, *Robt. Grant*, and *Francis Rybot*. The names that are italicized are those of members of the committee. Another list of thirty-four proprietors — Brook Watson, Swete Wood, John Gray, John Crainge, P. Ogier, A. Mavit, F. P. Fatio [*spelling uncertain*], Chalié, Rybot, Demattos, John Grant, Lynch, Fatio Bosanquet, Hunter, West, Carpenter, Christie, Capt. Lynch, I. Sabatier, P. Fraser, Boldero, André, Olive, Robt. Allen, Jos. Massen, John Strettell, A. Vialars, Lennan, Viana, Ellington, Guinand, Capt. Woden, Carter, and Demissi — is given in "Minutes of a general meeting of the Proprietors of Canada Bills," January 27, 1768, in the same collection.

¹³ "Extracts of Sundry letters from Messrs. Mackenzie & Oakes Merchants in Quebec to James & Charles Crokatt," March 4, 17, 1761, Chatham Papers, vol. 98. The extract of March 17 contains interesting information about the early rivalry between British and American importers: "By the vast quantities of goods sent here over the Lake Champlain in slays the market is entirely glutted and we beleive those concerned in it will have great Reason to repent the Experiment particularly after the arrival of goods from Europe by the way of Quebec."

fur trade.¹⁴ It would seem that these British investors at first became the outfitters rather than the actual "wintering" traders. From such beginnings it was not long until the Canadian fur-traders could outfit themselves completely at Montreal.¹⁵

General Amherst declared the trade open in September, 1760,¹⁶ and it is believed that some British merchants obtained passes for Michilimackinac in that year.¹⁷ When Henry went up in 1761 he reported the presence of traders before him in the Rainy River district, but he does not record their names. There is reason to believe that Henry Bostwick had the first passport from Gage for Michilimackinac.¹⁸ The traders had

¹⁴ The signatures of merchants trading to Canada appearing on letters and memorials form the only known record of the membership of the London firms that were engaged in the early Canadian fur trade. For the years from 1763 to 1774 such lists of merchants appear in connection with documents in C.O. 42/1, f. 169, 211; 42/7, f. 3, 5; 42/13; B.M. Addit. MSS. 35915, f. 201; and Canadian Archives, f. 3, p. 420; B. 8, p. 10. The latter document is printed in Shortt and Doughty, *Documents Relating to Canada*, 236.

¹⁵ For information on this point, as well as on other aspects of the trade, the writer is indebted to Dr. H. A. Innis of the University of Toronto, who generously permitted her to see some proof sheets for his book, published since this paper was written by the Yale University Press under the title *The Fur Trade in Canada: An Introduction to Canadian Economic History* (New Haven, 1930).

¹⁶ C.O. 5/59, f. 435. This is confirmed for Canada by Murray, who wrote to Pitt on October 22, 1760: "In my government I have open'd the fur trade to all ranks of men without distinction." The letter is in the Murray Papers, vol. M898D, bundle 2. Passes for the upper country were, however, obtained with difficulty. Henry, *Travels*, 12.

¹⁷ Gordon C. Davidson, *The Northwest Company*, 3 (University of California, *Publications in History*, vol. 7—Berkeley, 1918). Other modern authorities follow the contemporaries Duncan M'Gillivray and Nathaniel Atcheson in giving 1761 as the first year of the trade to Michilimackinac. M'Gillivray's *Sketch of the Fur Trade* was probably the basis for the volume *On the Origin and Progress of the North-west Company of Canada* (London, 1811), usually ascribed to Atcheson.

¹⁸ Henry, *Travels*, 12. The following interesting reference to the Rainy River traders is in "Thompson Maxwell's Narrative—1760—1763," in *Wisconsin Historical Collections*, 11: 215: "In the latter part of May,

need to be men of iron, for the journey was one long ordeal of hardship and danger. In addition to the natural hazards of the route there was the frequent suffering from cold and insufficient food, and constant peril from unfriendly Indians. The last was the most serious difficulty in the early years. These Indians had been the active allies of France during the war; they clung tenaciously to a belief that the king of France, their "great White Father," would rouse himself and sweep his enemies from the continent; and they had a lively distrust of the land-grabbing Englishmen. This menace smoldered in 1761 and 1762, and broke into open flame during the summer of 1763; the suppression of the Indian rising brought about a formal truce in 1764, but the isolated trader remained at the mercy of savages whose attitude toward him was at the best uncertain. The Indian problem was one which these traders had to solve for themselves, and for the first few years at least life and property were always in danger. Alexander Henry reached Michilimackinac in 1761 only by the expedient of disguising himself as a French *voyageur*; and the traders at Rainy River were plundered by the tribes of that locality for three successive seasons.¹⁹ Many traders were robbed or killed on the frontiers during Pontiac's War and for the next decade every year had stories of similar fatalities. Such incidents were the subject of frequent correspondence between the local commanders, the superintendent for Indian affairs, and the commander in chief, but it was seldom that the offenders could

1762, we crossed Lake Superior, to the Grand Portage, at the northwest corner of the Lake, guarding, as we went, the goods of the Northwest Company." Maxwell was a soldier in the garrison at Michilimackinac. His use of the term "Northwest Company" indicates an early combination of trading interests and the fact he states would imply that these interests had some influence with the government.

¹⁹ Benjamin and Joseph Frobisher to Haldimand, October 4, 1784. The letter accompanies a memorial of that date; it is published in Canadian Archives, *Reports*, 1890, p. 50-52, and quoted in Alexander Begg, *History of the North-west*, 1: 98-100 (Toronto, 1894-95).

be discovered or punishment meted out.²⁰ The traders' best defense was the Indians' need of the trade. By the British conquest the Indians had become dependent upon the white invaders. Without European weapons they could neither protect themselves nor earn a livelihood. Axes, kettles, blankets, clothing, and other articles of European manufacture had become almost necessities of life. These facts were known to the early traders, and they knew that if once they could convince the Indians that the triumph of Great Britain meant renewal and extension of the fur trade, life and goods would be secure.

In order to conciliate the Indians of Canada the new traders adopted the methods and personnel of the French trade. Henry, for example, intrusted the equipment for his expedition of 1761 to a French-Canadian guide. The canoemen were Canadians, and the scanty provision for their comfort was that to which they were accustomed. They carried Henry's merchandise by the old French route to Michilimackinac, and there showed him how to repack his goods and furnish his canoes for the winter among the Indian villages. His position resembled that of a supercargo who knows nothing of the art of sailing a vessel. After dispatching his wintering canoes "into Lake Michigan and the river Saint-Pierre, in the country of the Nadowessies, into Lake Superior, among the Chipeways, and to the Grand Portage, for the north-west" he spent the winter at Michilimackinac. During the year from May, 1762, to May, 1763, he improved his knowledge of the French trade by residing with Jean Baptiste Cadotte, a Canadian who had continued to

²⁰ The correspondence can be found in the series entitled "Military and Despatches," C.O. 5/83-91. The references are too numerous to be mentioned in detail and they are not individually important for the purpose of this study. Some at least of the traders were compensated by the British government for their losses during Pontiac's War. Manuscript "Letters and Accounts of the North-West Company," in the possession of the Toronto Public Library; Johnson, *Papers*, 4: 267-271, 464, 631; 5: 16.

live on his own property at Sault Ste. Marie and to trade there as he had before the war.²¹ Henry's apprenticeship to the Canadian trade was possibly more thorough than the apprenticeships of other British merchants, but it was in no other sense unusual. The conversion to French methods had been accomplished before the outbreak of Pontiac's War. Henry returned to Michilimackinac with the British commander who reoccupied the fort and proceeded to reap the profits of his years of apprenticeship. Other traders, marooned in Montreal by the governor's stringent refusal to grant passes to the upper country during the Indian war, awaited with much grumbling the reopening of trade in the spring of 1765.²²

Indian policy was likewise the crucial problem for the Lords of Trade, who deliberated for months about the administration of the new American conquests. From 1763 to 1768 the Board of Trade was at the height of its powers; practically all matters of colonial government and trade were referred to it, and it usually drafted the orders to which the king in council gave formal assent.²³ It corresponded regularly with the colonial

²¹ Henry, *Travels*, 47. Sault Ste. Marie is described by Bougainville as a picket fort established in 1750, in *Wisconsin Historical Collections*, 18: 192. It produced annually a hundred packages of furs. The trade at the post had been granted free of charge to the commandant, the Sieur de Repentigny, who had persuaded Cadotte to cultivate a farm in the vicinity and, upon leaving the West during the Seven Years' War, had left Cadotte in charge. Since the latter's grant of land antedated the British conquest, it was not affected by the prohibition of settlement in the Proclamation of 1763. La Jonquière to the French minister, October 5, 1751, in *Wisconsin Historical Collections*, 18: 103; Jonathan Carver, *Travels through the Interior Parts of North America in the Years 1766, 1767, and 1768*, 141 (London, 1781).

²² General Murray, acting upon instructions from Amherst and Gage, had forbidden the traders to go to the upper posts during the Indian War. He refused to reopen the trade until he should receive his formal instructions from England. See Murray to Burton, August 20, 1764, Canadian Archives, Q. 2, p. 339. The trade was declared open on January 24, 1765. C.O. 42/2, f. 605.

²³ Arthur H. Basye, *The Lords Commissioners of Trade and Plantations, Commonly Known as the Board of Trade, 1748-1782*, ch. 3 (*Yale Historical Publications, Miscellany*, vol. 9—New Haven, 1925).

governors and other officials; it called in consultation anyone who might possess information about colonial affairs; and it was particularly sensitive to the opinion of British merchants. At the request of the secretary of state, the board had begun to consider new governments in America in the spring of 1763.²⁴ Its deliberations had at first been guided by the joint objects of securing profitable trade for British merchants and a revenue for the government sufficient to cover the cost of administering the country. The Indian war of the following summer had rudely interrupted the reflections of the members of the board and they had hastily drawn up the Proclamation of 1763, which established a civil government in the settled area of Quebec and reserved the interior of the continent to the Indians. Trade in the interior was to be free to all subjects upon license from the colonial governors, and the traders were to observe such regulations as might be drawn up "by ourselves or by our Commissaries to be appointed for this Purpose."²⁵ The two superintendents of Indian affairs were retained, one for the country north and one for the country south of the Ohio. Each had a staff of local agents and commissaries, as well as interpreters and smiths to serve the Indian tribes. Matters other than Indian affairs and trade were controlled by the commander in chief at New York through the officers in charge of the forts. The board made an exhaustive investigation of Indian affairs and trade, but not until several years later did it reach any conclusion in the matter.²⁶ The super-

²⁴ Shortt and Doughty, *Documents Relating to Canada*, 127-168; minutes of the Board of Trade, C.O. 391/70.

²⁵ Proclamation of October 7, 1763, in Shortt and Doughty, *Documents Relating to Canada*, 168.

²⁶ The minutes of the Board of Trade, C.O. 391/70-81, give the most comprehensive account of the correspondence on this subject. The principal letters to the board are contained in the series C.O. 42/1-8, and the letters from it in the series C.O. 43/1-8. There is also an interesting volume of draft reports which contains a draft plan for regulating Indian affairs sent to Sir William Johnson on July 10, 1764, but never completed. C.O. 324/21, f. 447.

vision of northern trade, accordingly, devolved upon Sir William Johnson, the northern superintendent, who issued a set of regulations.²⁷ These were the same, in essence, as the rules he had laid down when the Canadian trade was first thrown open by Amherst. The fur trade was to be carried on only in the garrisoned forts and the merchants were forbidden to give credit to the Indians. Both rulings favored the practice of traders from the Atlantic colonies and went contrary to the established methods of the Canadians. Thus by 1765 the battle was fairly joined.²⁸

During these early years of uncertainty as to what course would be adopted in regard to the trade of Canada, some British traders had been shrewd enough to realize the profits that might accrue to individuals by the French system of monopolies. "In 1765, the period at which I began to prosecute it [*the trade*] anew," writes Henry, "some remains of the ancient system were still preserved. No person could go into the countries lying north-westward of Détroit, unless furnished with a license; and the exclusive trade of particular districts was capable of being enjoyed, in virtue of grants from military commanders." Henry was able in that year to secure the exclusive trade of Lake Superior from the commandant at the fort, and there he traded successfully for a year, making his headquarters at Chequamegon.²⁹ His pro-

²⁷ These regulations are referred to frequently, but the present writer has found only one copy, in a manuscript of later date. This is entitled "A paper with Sir William Johnson's Orders and Regulations respecting the Indian trade and Duty of Commissaries throughout the Department in Consequence of His Majesty's Order signified by his Secretary of State, and Objections by the Merchants, to each article in adjacent columns," dated March, 1768. C.O. 42/28, f. 329; Canadian Archives, Q. 5-1, p. 391.

²⁸ The issues are plainly set forth in a "Memorial of the Merchants and Traders of Montreal to General Murray" with fifty-seven signatures, dated February 20, 1765. C.O. 42/2, f. 557.

²⁹ Henry, *Travels*, 183. Chequamegon had been a private post, valued by Gage at 12,000 livres per annum and by Bougainville at 8,000 francs. It controlled the trade on the southwest shore of Lake Superior.

cedure is worth analyzing, for it was typical of the practice of most western traders. Cadotte went into partnership with him, without actually accompanying the expedition. Henry purchased goods for the trade at Michilimackinac, at twelve months' credit. The goods occupied four canoes and cost ten thousand pounds weight of beaver, the usual medium of exchange at the fort. The value in sterling, at two shillings and six pence per pound, was £1,250. He hired twelve men at one hundred pounds of beaver each — £150; and the provision was fifty bushels of maize at ten pounds of beaver per bushel — £62-10-0. The total investment was £1,462-10-0. Henry traveled toward Chequamegon, interviewing the Indians whom he met, until he had engaged a hundred families to hunt for him. To all of these he was obliged to give credit, "for that there were neither ammunition nor clothing left among them." The credit consisted of goods to the value of three thousand beaver skins. He sent a clerk to accompany the Indians to Fond du Lac as his agent and built for himself a wintering house at Chequamegon. He lived on fish and game, without bread or salt. When the Indians returned in the spring, Henry sold them his entire stock of trading goods, purchasing beaver skins to the value of £1,875, besides twenty-five packs of otter and marten skins. The Indians accompanied him to Michilimackinac carrying ten thousand pounds of beaver which he had been unable to purchase. His profits had been considerably over four hundred pounds sterling. The experiment could not, however, be repeated, on account of opposition from other merchants,⁸⁰ and Henry spent the winter of 1766 unprofitably at Sault Ste. Marie, until famine forced his party to return to Michilimackinac.

In the year of Henry's venture to Chequamegon another attempt was made, by a different method, to secure a similar monopoly. William Grant, a British trader who had early

⁸⁰ Henry, *Travels*, 184-195; Gage to Conway, June 24, 1766, C.O. 5/84, f. 301.

acquired prominence among the Canadian merchants, had cast covetous eyes upon La Baye, the most valuable of the former private posts.³¹ It was situated at the head of the Baye des Puants, now known as Green Bay, and it controlled the trade to the upper Mississippi by the Fox-Wisconsin portage. At the time of the conquest the exclusive trade of the district had belonged to Rigaud de Vaudreuil, the governor of Montreal, and a cousin of the governor of Canada.³² In January, 1765, Grant purchased the post from Rigaud de Vaudreuil and the Marquise de Vaudreuil at Paris for a hundred and sixty thousand livres.³³ Assuming that his title was good, Grant offered the receiver general three thousand livres as the rent due by the terms of the deed — although Gage had valued the post at twenty-five thousand livres per annum — and at the same time he dispatched men with goods to open the trade.³⁴ The receiver general referred the matter to the treasury and this department referred it to the secretary of state, who in

³¹ General Murray, commenting upon a rumor that William Grant and William and Alexander Mackenzie had been trying to secure appointments to the council at Quebec, called Grant a "conceited Boy" and William Mackenzie a "notorious smuggler and a Turbulent Man." Murray to the Lords of Trade, October 29, 1764, in Shortt and Doughty, *Documents Relating to Canada*, 231.

³² Johnson thought that Vaudreuil secured this post at the time of the British conquest of Canada, but Bougainville states that Vaudreuil was the owner in 1757. See *Wisconsin Historical Collections*, 18: 183, 274, 286. Murray, in a letter to Halifax dated August 20, 1764, reported that the grant had never been registered at Quebec; but later research revealed the entry: "Copy of a grant of La Baye, etc. etc. from the Governor & Intendant of New France to Mons^r. Rigaud de Vaudreuil & his Lady, Montreal, 15 Oct., 1759," attested by J. Goldfrap, Register's Office, Quebec, November 7, 1765. This grant was ratified by the king on January 15, 1760. Canadian Archives, Q. 2, p. 166; B.M. Addit. MSS. 35915, f. 189, 191.

³³ B.M. Addit. MSS. 35915, f. 193; "Papers relating to a French Claim to the Bay de Puants," in Canadian Archives, *Reports*, 1890, p. 310. Only eighteen months had been allowed under the Treaty of Paris for the sale of property by Frenchmen leaving Canada, but an additional year had been granted to the Marquis de Vaudreuil.

³⁴ Grant to Thomas Mills, July 8, 1766, Canadian Archives, *Reports*, 1890, p. 310; Gage to Shelburne, November 11, 1766, C.O. 5/84, f. 521.

turn referred it to the Board of Trade, which advised that the claim be disallowed. Advice to this effect had been received from Johnson, Gage, and Murray, and the other western traders had petitioned against the practice of granting monopolies.³⁵ All alike thought that the precedent was a dangerous one, and the Board of Trade was able to discover technical flaws in the claim good enough to justify its disallowance. So far as Grant was concerned the matter was settled, but he evidently recovered or did not pay over the purchase price of the post, for powerful friends of the Marquise kept urging the British government to make her some compensation. Finally, in July, 1769, the king granted her an annuity of three hundred pounds sterling.³⁶ This was a dangerous precedent too, for there were at least two similar claims for compensation. This incident afforded the merchants of Michilimackinac their first opportunity for combined action, and their protest met with gratifying success.

In the first year of the renewed trade, Captain John Howard at Michilimackinac fell into difficulties over enforcing Johnson's regulations.³⁷ The Indians were seriously disturbed by the restriction of trade to the fort, and by the refusal of credit. Since the Seven Years' War their trade had been greatly re-

³⁵ Mills to Grey Cooper (Treasury), August 24, 1766, in Canadian Archives, *Reports*, 1890, p. 310; Shelburne to the Lords of Trade, December 30, 1766, C.O. 42/5, f. 679; 43/1, f. 331, 332; 391/73, f. 73; 391/74, f. 13; the memorial of Fowler Walker to the Lords of Trade, June 26, 1766, B.M. Addit. MSS. 35915, f. 65, 197; C.O. 42/15, f. 385.

³⁶ Hillsborough to the Comte de Chatelet, December 24, 1768; to the Lords Commissioners of the Treasury, July 28, 1769, C.O. 43/8, f. 61, 71.

³⁷ Gage tells the story in a light favorable to Howard in Gage to Conway, June 24, 1766, C.O. 5/84, f. 301. Howard's own account is in a letter to Conway dated November 8, 1766, C.O. 5/85, f. 1. Canadian merchants' reports are referred to in C.O. 5/84, f. 311, and preserved in "Copies of the letters from Michilimackinac, July-Oct., 1765" and Wells, Frobisher and Company to Fowler Walker, Montreal, January 24, 1766, in B.M. Addit. MSS. 35915, f. 214-221, 224. See also "Memorial of the Canada Merchants for the Regulation of the Indian Trade," Nov. [?] 1766, Canadian Archives, Q. 3, p. 420.

duced; they had exhausted their supply of European goods; without guns and ammunition they could neither hunt nor make the journey to the fort. It has been seen how Henry at Chequamegon was obliged to carry trade goods to the Indians and to give them credit for immediate necessities. Howard's difficulty was similar, but on a larger scale; and it was augmented by the rivalry of foreign traders. The Indians were threatening to ally themselves with the French and Spanish west of the Mississippi and Howard agreed to conciliate them by the only means at hand — by permitting a few merchants to carry goods to the Indian villages. The selection of the lucky few of course aroused jealousy among the less fortunate who had to abide by Johnson's regulations. Their grievance led them to combine in sending a protest to England. Howard, it was alleged, had favored the French — the majority of the fortunate traders bore French names — and had made a handsome profit by the selection. The policy of confining trade to the forts was attacked as being particularly unsuited to conditions at Michilimackinac. The leader of the discontented traders was Thomas Walker, famous in Canadian history as the hero of the incident usually referred to as "Walker's Ear." The significance of the latter incident was the light it threw upon the quarrel between the commercial community and the military or governing class in the settled part of the colony. In the distant frontier post the same quarrel made itself felt. When official investigations took place the merchants secured a victory. Captain Howard was recalled for trial and, although his personal honor was vindicated, he was reprimanded and he did not return to the post. The new commandant and higher officials were ordered to see that Walker was given every opportunity of restoring his fortunes.³⁸

³⁸ Conway to the governors at Quebec, Montreal, Michilimackinac, and Detroit, March 27, 1766; to Gage, March 27, 1766, Canadian Archives, Q. 3, p. 5, 9; C.O. 5/84, f. 113. Thomas Walker was an Englishman by birth who went to Montreal from Boston in 1763. He engaged in the fur

Still more important than the success of the merchants was the fact that they established at this time a definite organization in London. A London barrister, Fowler Walker, was appointed in April, 1765, to act as agent for the province of Quebec at a salary of two hundred pounds per annum.³⁹ He coöperated with a group of London firms trading to Canada, known as the "Canada Merchants," who met frequently at the New York Coffee House. They had a small executive committee, the "Canada Committee," which spoke for the merchants before various government bodies. In connection with the French paper money the Canada Committee interviewed the secretary of state and even sent two representatives to Paris to advise the British ambassador. Representatives of the Canadian merchants appeared before the Board of Trade in the matter of the proposed import duty upon beaver skins and succeeded in having it removed. They supported the more moderate constitutional reforms proposed by the "old subjects" in Canada.⁴⁰ But their activity in connection with the regulation of the fur trade was, perhaps, their most finished piece of work. The correspondence on this matter pro-

trade and was appointed a justice of the peace in 1764. Shortly thereafter he was attacked in his house by masked men and suffered the loss of an ear. It was believed that ill feeling between Walker and the officers and men of the Montreal garrison had prompted the outrage, and six of them were arrested. Two years later, after an elaborate trial, the accused men were acquitted, but it has been generally supposed that they actually were the assailants. The affair did much to accentuate the animosity between the civilians and the soldiers at Montreal. Walker was later one of the principal supporters of the American invaders and in 1776 he left the colony with them. He died in 1785.

³⁹ W. Stewart Wallace, *The Maseres Letters, 1766-1768*, 123 (Toronto, 1919). Among the Hardwicke Papers is a collection of documents composed of Fowler Walker's correspondence, B.M. Addit. MSS. 35915. The earliest document signed by him is dated March, 1766. Several of the documents refer to the "Canada Merchants." Other references are in S.P.F., France, vols. 269-276.

⁴⁰ C.O. 42/7, f. 1, 3, 5; 391/71, f. 37, 49, 55, 68, 73, 75, 107, 149; entries for February 10, March 9, 1764, in *Acts of the Privy Council, Colonial Series*, 4: 623-652 (London, 1911).

duced the finest descriptions of the fur trade in its first twenty years. Merchants on both sides of the Atlantic were thoroughly aroused, for the future of the trade was seen to be involved and they threw all their influence into the attack upon Sir William Johnson's regulations.

The earliest statement of the Canadian merchants' case was Fowler Walker's "Considerations on the present state of the Province of Quebec" of March 1, 1766.⁴¹ The copy of this document preserved in the Hardwicke Papers was evidently widely circulated amongst members of the privy council, for it is indorsed on the cover: "lent by the Lord Chancellor to ye Kings Advocate — not among ye papers of ye privy Council." The author, writing at the time of the traders' attacks upon Howard and Governor Murray, envisages the difficulties of the fur-traders as a conflict with the military administration and makes a suggestion that had previously been made by the western traders — that a civil officer should be appointed to regulate the trade at Detroit and at Michilimackinac. The name of Simon McKenzie had been mentioned for this appointment, but no action had ever been taken upon the request.⁴² From this time the idea disappears from the memorials. The traders were becoming increasingly confident of their own power to regulate local disorders, if only they could manage the trade in their own way. In Walker's memorial occurs one of the rare accounts of the beginning of British trade in Canada. He is at pains to emphasize the fact that the traders are not "unknown vagrants" but men of affairs, having "large and creditable relations with merchants in Great Britain." The imports into Quebec from Great Britain he estimates at the sum of £240,000 for one year. The character of the trade enhances its face value, for the Canadians import manufactured goods almost exclusively, and they make a return in raw materials which affords yet another

⁴¹ B.M. Addit. MSS. 35915, f. 20.

⁴² B.M. Addit. MSS. 35915, f. 199, 201; C.O. 391/72, f. 319.

opportunity for British industry. These ideas, reiterated in the correspondence of the two years following 1766, were well calculated to impress the Board of Trade and ministries, responsive as were the Rockingham and Chatham Whigs to mercantile opinion.

With the next memorial Benjamin Frobisher, who might fairly be called the leading spirit in the early fur trade, comes on the stage. In November, 1766, he wrote an account of the Indian trade which set forth concisely and comprehensively the arguments for an unrestricted trade.⁴³ His arguments and even his phrases appear in many of the later memorials. If the western trade is confined to Michilimackinac, he argues, the Indians will be driven to revolt, and the inhabitants of Montreal will be greatly distressed. The traders cannot be supported for the winter in the fort, for the neighboring country does not produce enough food and the cost of transporting provisions from Montreal would be prohibitive. The Canadian traders must winter with the Indians, for these will not come to the forts as do the Indians of the more southerly districts. The western trade already extends to districts eight hundred leagues beyond Michilimackinac, toward "La Mer de l'Ouest."⁴⁴ The French king farmed this district to his subjects for about ten thousand livres per annum — Gage's report gives twenty thousand livres — and it now occupies from eighty to ninety canoes and carries British manufactured goods to the value of thirty-six thousand pounds sterling. If the trade were confined to the fort it would not occupy twenty canoes. Such a result would be agreeable to traders from some of the neighboring provinces, particularly New York, "who not having the same advantages of Water Carriage, and many other things equally material," would be to some extent com-

⁴³ B.M. Addit. MSS. 35915, f. 203.

⁴⁴ Frobisher still uses the French phrase. This statement places the beginning of trade to the Far West at a date earlier than that given by more recent authorities.

pensated if the Canadians were denied the privilege of wintering with the Indians. But it is immaterial to Great Britain which of her provinces secures the trade; the preference should probably lie with Quebec, since that province consumes so much manufactured goods in proportion to its population. Frobisher would throw upon the traders the responsibility for protecting themselves and for maintaining order in the interior. Very few of them are injured or robbed by the Indians, and those mostly by their own fault. Most of them, being men of property settled in Montreal, can give adequate security for their own good behavior. His conclusion is a warning that the trade which belongs properly to Canada is going to the Hudson's Bay Company and to the French from the Mississippi. These latter can, by different branches of the Mississippi, penetrate to Lake Superior and to all parts of the Northwest. By sending the furs of these districts to Europe they reduce the market price of furs and rob Great Britain of trade and Canada of the principal source of its revenue. Moreover, since the Spaniards allow everyone to winter with the Indians, the Canadian-French will be tempted to move across the Mississippi, where they will constantly endanger British relations with the Indians. Frobisher's emphasis upon the Indians and upon the revenue was well designed, for these were the chief problems in the still unsettled administration of inland America.

In Great Britain the consideration of western problems was renewed upon the accession of the Chatham ministry in the summer of 1766. The Board of Trade investigation, which had been so active during 1764, had been checked by the Stamp Act troubles of 1765 and by the procrastinating tendency of the Rockingham Whigs. It was resumed toward the close of 1766 by Shelburne, as one of the secretaries of state, with the Board of Trade under Hillsborough as an assisting body. Shelburne made a fresh and exhaustive examination of the whole subject. Frobisher's report was only the first of a series of documents

upon the Indian trade and related matters. The merchants of Montreal wrote in December, 1766, to the merchants of London repeating Frobisher's arguments in French and English and supporting them by seventy signatures, of which thirty-four were English and thirty-six French.⁴⁵ In February, 1767, General Gage reported in favor of permitting traders from the northern district to winter among the Indians.⁴⁶ He admitted that this was a change of front; he had formerly advocated Sir William Johnson's system, but his subsequent experience as commander in chief had convinced him that the only way to check the trans-Mississippi traders was to extend the activities of their British rivals. In the district south of the Ohio traders had been allowed to winter with the Indians and disturbances had been less frequent than in the northern district. Gage's opinion of the Canadian traders was much less flattering than Frobisher's, but he admitted that the French system of trade had much in its favor.⁴⁷ It might even be wise, he added, to consider renewing the private monopolies, since the responsibility for certain districts could then be fixed upon worthy individuals and the government might derive a handsome revenue from the rental of trading sites.⁴⁸ Sir Guy Carleton, Murray's successor as governor of Quebec, was presented soon after his arrival with a memorial from the Montreal merchants advancing Frobisher's arguments.⁴⁹ A few months later Carleton visited Montreal to investigate the fur trade and, in letters to

⁴⁵ B.M. Addit. MSS. 35915, f. 228.

⁴⁶ C.O. 5/85, f. 113.

⁴⁷ Of the Canadian traders Gage wrote: "They are generally of no Character, and of desperate fortunes" and "a set of People, who for the most part, are near as wild as the Country they go in, or the People they deal with, and by far more vicious and wicked." C.O. 5/84, f. 301; 5/85, f. 113.

⁴⁸ C.O. 5/85, f. 113, 163.

⁴⁹ Memorial to Carleton on the Indian Trade, by merchants of Montreal, with fifty-seven signatures, September 20, 1766, Canadian Archives, Q. 4, p. 200.

the Board of Trade written shortly afterward, he declared himself a convert to the views of the Montreal merchants.⁵⁰ "Which shall be most for His [Majesty's] Service, and the good of His People," he inquires, "to suffer the Canadians to lead his old subjects into these Countries, and push together that trade we found them possessed of, which we may reasonably suppose was then but in it's Infancy, or confine them to a few Forts, where those Indians can never come?" He had just had a somewhat acrimonious exchange of letters with Sir William Johnson which indicated, as was indeed the fact, that the superintendent of Indian affairs was still opposed to so radical a change in policy. He was, however, compelled to make an exception in favor of the Canadian traders north of Lakes Huron and Superior, and this concession was confirmed by Shelburne in June, 1767, "till a final arrangement can be taken."⁵¹ The geographical limitation could mean but little, and it was generally disregarded at Michilimackinac. From an account of the fur trade at that post during the summer of 1767, it is evident that the traders secured licenses to winter at all the districts served by that fort.⁵²

While the Canadians were enjoying their temporary victory, the investigations in London were proceeding. Toward the end of October members of the Canada Committee, with other American merchants, were ordered to attend a meeting of the Board of Trade on the subject of Indian trade and they had great hopes of having their grievances redressed. They held a preliminary discussion with Fowler Walker and were supplied by him with documents to support their contentions.⁵³

⁵⁰ Carleton to Shelburne, March 28, 1766 [1767]; to the Lords of Trade, March 28, 1767, Canadian Archives, Q. 4, p. 111, 198.

⁵¹ Johnson to Carleton, January 27, 1767; Carleton to Johnson, March 27, 1767, Canadian Archives, Q. 4, p. 115, 122; Shelburne to Johnson, June 20, 1767, in Johnson, *Papers*, 5: 566 (Albany, 1927).

⁵² See *post*, n. 62.

⁵³ B.M. Addit. MSS. 35915, f. 186. After October 6, 1767, the minutes of the Board of Trade report many discussions on Indian affairs in

Shelburne had by this time resolved not only to free the trade from "vexatious restrictions," but to place it in the hands of the colonial governments, subject to such regulations as might be decided upon by the king in council.⁵⁴ Some of the distant forts might be abandoned, others placed under the control of the provinces, and the imperial troops should garrison only those which commanded the Great Lakes navigation and the Mississippi frontier. Certain new governments were projected within the western territories — Detroit, the Ohio, and the Illinois. The offices of Indian superintendents were to be discontinued or carried on with diminished establishments. This plan was under consideration at the Board of Trade when the Chatham ministry was forced to resign.⁵⁵

Shelburne's successor was Lord Hillsborough, who had been at the Board of Trade when the affairs of western America had first been under consideration. Even more than his contemporaries he was impressed with the need for economy. With this as a controlling idea he revised Shelburne's scheme for western administration, abandoning the plan for new frontier provinces and retaining the scheme of provincial control.⁵⁶ The superintendents were to remain as a charge upon the imperial revenue, but their establishments were to be greatly reduced and the control of trade was not to be included among their duties. The Indian boundary line was to be pushed a little farther west and beyond it settlement was to be prohibited

America. See C.O. 391/74, f. 286, 314, 320, 323, 325, 328, 367, 370. The Canadian merchants were in attendance on October 27. An interesting presentation of their views is given in "a paper with Sir Wm. Johnsons Orders and Regulations . . . and objections by the Mchts. to each article in adjacent columns," dated March, 1768, C.O. 42/28, f. 329.

⁵⁴ Shelburne to the Lords of Trade, October 5, 1767, in Board of Trade, Plantations, General, vol. 27, in the Public Record Office. See also Shelburne to Gage, November 14, 1767, C.O. 5/85, f. 401.

⁵⁵ The draft report of the Board of Trade, dated March 7, 1768, is in C.O. 324/21, f. 503.

⁵⁶ Hillsborough to Carleton, June 11, 1768, to Gage, May 14, 1768, Canadian Archives, Q. 5-1, p. 398; C.O. 5/86, f. 117.

as before. Each province was to license its own traders, taking bond for their good behavior, and to supervise the administration of justice and maintain the forts in that part of the interior country which was frequented by its traders. The imperial government might establish general regulations for the trade, if these should be necessary, and it would garrison the Great Lakes forts and maintain the navy in those waters. Hillsborough's plan, so far as it affected the Indian trade, was a victory for the Canadian fur merchants. They had rid themselves of the incubus of Sir William Johnson's regulations and they were in a fair way to out-distance the New York traders in the race for the far-western trade.

It would be as well to sketch briefly the subsequent attempts to regulate Indian trade before returning to the records of events at Michilimackinac.⁵⁷ Hillsborough's plan was communicated to Carleton in the summer of 1768. Shortly afterwards the Quebec council appointed a committee to draw up trade regulations and forms for licenses and bonds. This was done, apparently, to the satisfaction of the traders, for no further complaints have been recorded. In Lieutenant Governor Hector Cramahé's correspondence and in Gage's are revealed several attempts to arrange a meeting of interprovincial commissioners for the purpose of drawing up such common regulations as were necessary.⁵⁸ As a result of the indifference of the colonies and their reluctance to incur additional expense, the projected meeting never took place. Gage was instructed by the secretary of state to discourage all future suggestions of concerted action by the provinces.⁵⁹ The governor of New York attempt-

⁵⁷ Canadian Archives, Q. 6, p. 82; Q. 7, p. 62-72.

⁵⁸ C.O. 5/88, f. 291; 5/89, f. 331; 5/90, f. 29; Canadian Archives, Q. 8, p. 43, 53, 60-74, 79, 82, 125-126. Cramahé was the lieutenant governor of Quebec and was in charge during Carleton's absence in England. The jealousy between the traders of Canada and New York was further demonstrated over the delimitation of the boundary line between the two provinces. Canadian Archives, Q. 9, p. 91.

⁵⁹ C.O. 5/90, f. 43.

ed to call a meeting of commissioners from New York and Quebec to discuss outstanding problems of the northern trade, but this plan was shelved too, greatly to Cramahé's relief, for he realized that their differences were too great to be solved by a diplomatic compromise. The system of provincial control, however satisfactory it may have been to the Canadian traders, did not solve all the problems of western administration; and the disorders there increased until 1774, when the Northwest, as far south as the Ohio and as far west as the Mississippi, was added to the province of Quebec. It is not proposed to discuss here the connection between the fur trade and the Quebec Act,⁶⁰ significant though that is, but to turn again to the Far West and examine the course of the trade under the favorable regulations the traders had secured.

Gage's letters show that 1767 was a profitable year at Michilimackinac as well as at other western posts.⁶¹ This conclusion is borne out by an interesting record of fur-trade returns for Michilimackinac in that year — the only year before 1779 for which there is any statistical record.⁶² It was probably compiled by Benjamin Roberts, Sir William Johnson's commissary at the post, for he has made the following annotation on the document: "This being the first year the traders were permitted to winter amongst the Indians at their Villages and Hunting Grounds it was s^d necessary they sh^{ld} enter into fresh security with the Commissary, of this, the only post they had liberty to winter from." The first list gives the number of canoes gone wintering from the post, with the dates of departure, the traders' names, the names of those who went

⁶⁰ This aspect of the subject has been dealt with by the present writer in an article entitled "The Quebec Fur-traders and Western Policy, 1763-1774," in the *Canadian Historical Review*, 6: 15-32 (March, 1925).

⁶¹ C.O. 5/85, f. 409.

⁶² This document, which comes from C.O. 42/14, has been transcribed and edited by Charles E. Lart and printed under the title "Fur-trade Returns, 1767," in the *Canadian Historical Review*, 3: 351-358 (December, 1922).

bail for them, the value of their goods, and their destinations. The dates of passes are in July and August, with only two in September. Most of the traders' names are French, but the names of Thomas Curry, McGill, and Pangman appear among them, as going, respectively, to "Caministiquia," Milwaukee and La Baye, and the Mississippi. Among the names of those who gave security, the majority are French, but the English names are frequently repeated, indicating a concentration of capital in the trade. Alexander Henry was sending five canoes "by Lake Superior" with goods valued at £2,600. Alexander Baxter had eight canoes "by Lake Superior," of which six were going to "Fort Daphne & La Pierce" in the Northwest. His merchandise was valued at £3,200. Forest Oakes sent three canoes to Nipigon and two to La Baye with goods worth £2,206. Finlay sent two canoes to Lake Michigan and four to the Mississippi,—two of these were in charge of Pangman,—an investment of £1,596. Todd sent two canoes "by Lake Superior" to "Caministiquia" with Thomas Curry, one to St. Joseph, and two to La Baye, the whole valued at £1,771. McGill sent six canoes to La Baye with goods worth £2,100. Benjamin Frobisher was the largest investor, but he was still trading chiefly in the district south of Lake Superior. He sent out fourteen canoes, two "by Lake Superior to Petit Ouinipique," one to Milwaukee, ten to La Baye, and one to the Mississippi. These represented an investment of £3,805. There were other traders, whose names are less familiar, with considerable investments: Groesbeek, with six canoes worth £2,455; and the Chevalliers, with eight canoes, all but one at St. Joseph, worth £2,425. The value of the cargoes varied greatly, from £100 to £600, with £325 as an average. These nine traders dispatched 63 of the 121 canoes sent out, and their goods amounted to £22,158, in a total of £38,964. There are some indications that the traders were working together, at least to the extent of going security for one another. Frobisher went surety for McGill twice. There are two partnerships

mentioned — Charles Chevallier and Du Plessis, and Spicemaker and Blondeau, Junior.

Of equal interest are the districts to which the traders went. Eighteen canoes went to Lake Superior, fourteen by Lake Superior to the Northwest, five into Lake Huron, twenty-four into Lake Michigan, forty-three by Lake Michigan into La Baye, and seventeen by La Baye into the Mississippi. These divisions are somewhat arbitrary, but it is evident, grouping the two last, that the trade to La Baye occupied nearly half the total number of canoes sent out and that the trade to the Northwest, though extended far afield, was yet in its infancy.

On the back of the fur-trade record mentioned above is a return of peltry sent from June to October, 1767. As the actual list contains no date later than August 19, it is to be presumed that most of these shipments were the products of trade in 1766. The list names the merchant dispatching the furs, states whether their destination is Albany or Montreal, and records the number and kind of skins. There were twenty-nine shipments to Montreal and thirteen to Albany, a total of forty-two. Of the shippers' names, twenty-seven are in the lists of those sending out canoes to the interior in 1767. It is surely significant that, of these twenty-seven, twenty-three were merchants who traded to Montreal and only four were Albany traders. These four dispatched between six and nine canoes in 1767, out of a total of 121. Is it too daring to infer that the Albany merchants, who had carried on something like one-third of the trade in 1766, almost abandoned the post in 1767? It would seem as if the political victory of the Canadian merchants had enabled them practically to oust their rivals from the trade at Michilimackinac.

For the years following 1767 there was, until recently, no detailed information available comparable to the Michilimackinac "Returns" of 1767. But now abstracts of the licenses issued at Quebec and Montreal from the year 1767 through the end of the period under consideration, with the exception

of the year 1771, have been compiled under the direction of Dr. Wayne E. Stevens and photostatic copies have been made from some of the original licenses in the Canadian Archives, through the coöperation of a group of western historical societies under the supervision of the Minnesota Historical Society.⁶³ An alphabetical index has been made for this material and Dr. Stevens has written an introduction which gives a clear and comprehensive account of the official regulations for the trade. The early licenses are on individual sheets, usually printed forms with certain details in handwriting. When a form is completely filled out, the information covers the name of the applicant, his destination, the number of his canoes, the names of his canoemen, the nature, amount, and value of the cargo, the amount of his bond, and the name of his guarantor. It has been difficult to isolate the Michilimackinac licenses, since there is no uniformity in the descriptions of the destinations. For the purpose of this study, all the country around Lake Superior has been included, as well as everything to the north and west of it. La Baye has been included, but St. Joseph and the other posts at the southern end of Lake Michigan have been omitted. Under this grouping the Canadian traders to Michilimackinac took out thirty-six licenses in 1769, forty-five in 1770, thirty-six in 1772, twenty-two in 1773, twenty-eight in 1774, forty-seven in 1775, and nineteen in 1776. There were in addition fourteen undated licenses. Though it is obviously impossible within the limits of this article to analyze these returns completely, a few observations may be set down. The number of partnerships increased, especially among the traders who later formed the Northwest Company. These were evidently limited and temporary arrangements, for the grouping of names varies and the individuals who belonged to a partnership frequently sent out separate expeditions to different districts. In 1769 there

⁶³ There is only one Michilimackinac license for 1768. For an account of these abstracts, see *ante*, 6: 395.

were four partnerships, among them Bostwick and Oakes, Dobie and Benjamin Frobisher,—the latter also took out a separate license,—and Todd and McNeall. In 1770 there were four partnerships, among them Benjamin Frobisher and Dobie. In 1772 there were six, among them Benjamin and Joseph Frobisher, Todd and McNeall, and Henry and Cadotte. The two noted in 1772 were Henry and Cadotte, and James and John McGill. In 1773 there were six, including Henry and Cadotte, James and John McGill, James McGill and Charles Paterson, and Blondeau and Adhémar. The year 1775 had seven partnerships, including Henry and Cadotte, Paterson and Kay, and the large one of which we have records elsewhere — James McGill, Benjamin Frobisher, and Maurice Blondeau, which sent twelve canoes to Grand Portage and joined forces on the Saskatchewan with Henry and Cadotte and possibly with Peter Pond.⁶⁴ In 1776 — to complete the record from the early set of licenses — there were five partnerships, among them Finlay and Gregory, and Dunn, Grant, and Porteous. It will be noted that Henry's partnership with Cadotte was continuous from 1765 and that it was carried on into the larger organization of 1775. All the Nor'westers-to-be had shown an early tendency to combine forces, but this was especially marked in Benjamin Frobisher. It is known from Fowler Walker's correspondence that Frobisher was in partnership with Wells in 1765;⁶⁵ in 1767 he was coöperating with McGill at Michilimackinac; according to one of the undated licenses he was connected with Solomons sometime between 1771 and 1775; he worked with Dobie in 1769 and 1770, going in the latter year to La Mer de l'Ouest; he was in business

⁶⁴ Henry, *Travels*, 251, 253, 263; Benjamin and Joseph Frobisher to Haldimand, October 4, 1784, in Begg, *North-west*, 1: 98-100. Dr. H. A. Innis, who has traced the history of this organization among the northwest traders from 1775 onwards, thinks that Pond did not join this venture. "The North West Company," in *Canadian Historical Review*, 8: 308-321 (December, 1927).

⁶⁵ B.M. Addit. MSS. 35915, f. 224.

with Joseph Frobisher — the first appearance of this name among the licenses — at Grand Portage in 1772; and he belonged to the large group that went to Grand Portage in 1775. The earliest appearance of a McGill as an applicant for a license is in 1772, when the name of John McGill, who had also been security for Maille and Tessie in 1770, appears. James and John McGill were in partnership in 1773 and 1774, and in the latter year James also joined with Charles Paterson in an expedition to Grand Portage. In 1775 he joined the large partnership to Grand Portage and John McGill had an independent venture to Michilimackinac. Todd and McNeill appear twice at Michilimackinac, in 1769 and 1772. It is possible also to check the story of western exploration by noting the districts for which the traders were bound, but the destination written on a license ought not to be regarded as absolute evidence upon this point. "Grand Portage," "La Mer de l'Ouest," and "Michilimackinac and Beyond" seem to have been interchangeable, and the description "Michilimackinac" probably included posts beyond. It was the last garrisoned fort, and once a trader had shown his pass there he might carry his trade where he would.

From other sources this information can be supplemented to some extent. In 1767 Alexander Henry turned his attention toward the north shore of Lake Superior, selecting as his base Michipicoten, formerly a "private post" valued by Gage at 12,000 livres.⁶⁶ This was also the year in which Clause made the first attempt to penetrate the country toward Lake Nipigon and cut into the trade of the Hudson's Bay Company.⁶⁷ For the first two or three years this trade was unsuccessful, but by 1777, when John Long entered upon it,

⁶⁶ C.O. 5/62, f. 189.

⁶⁷ Louis R. Masson, *Les bourgeois de la campagne du nord-ouest*, 1:11 (Quebec, 1889). The name of Clause does not appear on the Michilimackinac "Returns" of 1767. That document mentions two traders who went to "Nippigon & La Carpe" — Marcaut and Menard — and their guarantors, Guillaud and Forest Oakes.

it had attained considerable proportions.⁶⁸ At Michipicoten Henry had three winters' successful trade. From trading in these regions he became interested in the copper deposits, and in 1769 he joined a company formed by Bostwick and Alexander Baxter for mining the copper in the neighborhood of Lake Superior.⁶⁹ This venture, though not belonging strictly to the history of the fur trade, had certain connections with it. The other merchants regarded the mining company with jealousy, for it secured a valuable grant on the shores of Lake Superior, and it was regarded as another attempt to monopolize the fur trade. Henry was, in fact, carrying on his trade at Michipicoten, though this suffered considerably during the early seventies, when he was mainly occupied with the new industry. When the partners included in their project the erection of a fort at Sault Ste. Marie, probably on Cadotte's property, the other merchants protested to Gage and to the Board of Trade and the activities of the mining company were restricted. It failed eventually, and Henry in 1775 made his first expedition to the Northwest.

Some information is available, too, about the beginning of trade to the north and west of Lake Superior. Some traders from Michilimackinac went as far west as Lac la Pluie in 1765, but they were plundered by the neighboring Indians. In 1766 their venture met with a similar fate, but in 1767 they were allowed to proceed after leaving some trading goods with the local Indians and their canoes traveled beyond Lake Winnipeg. In 1769 Benjamin and Joseph Frobisher, with others, formed an agreement with Todd and McGill of Montreal for the purpose of carrying on this trade. They were plundered, but a second attempt, presumably in 1770, was more successful, and

⁶⁸ John Long, *Voyages and Travels of an Indian Interpreter and Trader*, 10, 73 (Thwaites edition — Cleveland, 1904).

⁶⁹ Henry, *Travels*, p. 212-229; Louise P. Kellogg, "Copper Mining in the Early Northwest," in *Wisconsin Magazine of History*, 8: 146-159 (December, 1924).

the canoes reached Fort Bourbon. Benjamin Frobisher's account of this enterprise would indicate that a company existed almost continuously from this time until 1774 or later. He wrote, in 1784, "Taught, however, that separate interests were the bane of that trade, we lost no time to form, with those gentlemen and some others, a company, and having men of experience and abilities to conduct it in the interior country, the Indians were soon abundantly supplied, and, being at the same time well treated, new posts were discovered as early as the year 1774, which, to the French, were totally unknown."⁷⁰ Curry had rediscovered the old French route to the Northwest by the Kaministiquia River, and this was commonly used, as well as the route by Grand Portage and Lac la Pluie.⁷¹ Once established, the northwestern traders advanced rapidly. Curry reached Cedar Lake, near La Vérendrye's Fort Bourbon, in 1770. James Finlay built Fort Lacorne near the forks of the Saskatchewan, not far from the old French Fort Nipawee, in 1771. Joseph Frobisher built Fort Cumberland on the Saskatchewan and Fort la Traite on the Churchill in 1772 and 1773. Thomas Frobisher in 1773 and 1774 built a fort at Ile à la Crosse Lake.⁷² Peter Pond, who had wintered on

⁷⁰ This account of the early traders to the Grand Portage is based upon the Frobisher letter of 1784, in Begg, *North-west*, 1: 98-100. The "Returns" of 1767, in the *Canadian Historical Review*, 3: 353, mention Blondeau, Le Blancell, and Campion as "Gone by Lake Superior to y^e North West" with Spicemaker and Blondeau, Junior, who were Albany traders, Alexander Baxter and Groesbeeke as guarantors. The total value of the merchandise was £3,500. Lawrence J. Burpee, in his *Search for the Western Sea*, 304 (London, 1908), argues that James Finlay must have been one of this group, but the 1767 "Returns" show that the ventures sent out by him in that year went to Lake Michigan and the Mississippi.

⁷¹ Masson, *Bourgeois*, 1: 13. This fact is corroborated by the "Returns" of 1767; Isaac Todd was Curry's guarantor. See *Canadian Historical Review*, 3: 352. The Kaministiquia route is referred to by Henry, in his *Travels*, 234, and by Alexander Mackenzie, in his *Voyages*, viii (London, 1801).

⁷² Masson, *Bourgeois*, 1: 15.

the upper Mississippi in 1773-74, turned toward the Northwest in 1775 and formed there a working agreement with the Frobishers and Henry's company. From 1775 onwards there is a continuous record of working agreements and temporary companies amongst the group of traders who finally organized the Northwest Company in 1783. With this stage, therefore, the earliest period of the fur trade may be said to close.

Upon reviewing the early years of British trade in Canada, one observes that several tendencies were leading toward the organization of a strong company to carry on western trade. The most immediate cause was the increasing need for large investments of capital. The fur-trader had to advance continually into new districts if he was to secure the largest and best packs of furs. The journey from Michilimackinac to the interior and back again occupied two years; the goods for the trade were often several months on the way; and the payment for the furs sent to England might not be received for several months more. In this way the capital invested was often tied up for three or four years. There was, moreover, growing expenditure in the western territories. New arrangements had to be made for securing food en route. Carver noted in 1767 that certain tribes of Indians — the "Assinipoils," "Killistin-oes," and "Mahans" — went annually to Grand Portage and Fort La Reine, on Lake Winnipeg, to take Indian corn to the Northwest traders.⁷³ Alexander Henry made a similar observation about the Assiniboin at Fort des Prairies on the Saskatchewan in 1776.⁷⁴ Forts had to be built for storing trading goods and furs, and, though possibly not until after 1775, clerks had to be maintained there permanently. More and more the principal traders had to spend time and money on exploration. As the old myth of "La Mer de l'Ouest" disappeared with increasing knowledge, the lure of the Pacific became

⁷³ Carver, *Travels*, 107-109. The Indian tribes noted are probably the Assiniboin, Killistinons, and Mandan.

⁷⁴ Henry, *Travels*, 278.

stronger. Jonathan Carver was the first to give it public expression; the objective of the expedition which he was ordered to join was "the River Oregon, or the River of the West, that falls into the Pacific Ocean at the Straits of Annian."⁷⁵ Carver was not a fur-trader, but an explorer sent out by Robert Rogers, the commandant at Fort Michilimackinac. The expedition in which Carver had a part and the larger scheme of Rogers with which it was connected failed because the government could not at this time finance the exploration of its western territories. The task devolved upon the fur-traders, who were to be for many years the explorers, surveyors, and map-makers of the West. This public service called for an organization more extensive than that of the individual trader.

Another public task that was left to the fur-trader was the administration of justice. Throughout the period need was felt for some form of civil administration at Michilimackinac. The merchants themselves had suggested the appointment of a civil officer in 1765. The commissary of Sir William Johnson, who acted as a civil officer for the regulation of trade, was never *persona grata* to the Canadian merchants, for they looked upon him as the representative of their enemy. The commandant of the fort could do little to maintain order beyond its walls. There are records of individuals accused of capital crimes being taken to Detroit or Montreal for trial, but this method could not touch the minor crimes, which were the bane of the fur trade. The disorders increased with the number of traders. All the contemporary writers remarked upon them

⁷⁵ Carver, *Travels*, ix; Carleton to Shelburne, March 2, 1768, in *Wisconsin Historical Collections*, 18: 291. A bibliography of material on Carver would be out of place here, but attention should be drawn to T. C. Elliott, "Jonathan Carver's Source for the Name Oregon," in *Oregon Historical Society, Quarterly*, 23: 53-69 (March, 1922); and Louise P. Kellogg, "The Mission of Jonathan Carver," in *Wisconsin Magazine of History*, 12: 127-145 (December, 1928).

— Henry, Carver, Frobisher, and Alexander Mackenzie. In an unorganized community the advantage lay with the unscrupulous trader, who could often corrupt the Indians to serve his purpose. Some of the respectable traders met this situation by organizing a group powerful enough to protect its members and to administer a rough and ready justice against its enemies. For the civil government of the Far West, as for exploration, the imperial government evaded responsibility. Amherst had wished to establish a civil government at Michilimackinac and he was in consultation with the authorities in Great Britain when they were considering western affairs in 1767 and 1768, but the scheme for new western provinces came to nothing. The most complete plan for a civil administration was that of Major Robert Rogers, a colonial officer who succeeded Howard at Michilimackinac in 1766. His plans, of which incomplete copies have been preserved in the Johnson manuscripts and the Hardwicke Papers, are fully set forth in the Colonial Office Papers. The extent of the French district of Michilimackinac, with the possible value of its produce and the road it opened to the East, had intoxicated Rogers. In 1767 he drew up a plan for a separate government under his own administration and sent it to the Board of Trade, with a sketch map showing the extent of the district under the French. He inclosed also a signed memorial of local merchants in support of his project. The last document indicates that he had many friends among them; he had advocated regulating the trade according to their policy.⁷⁶ But his scheme, sound as it was in many particulars,

⁷⁶ Johnson, *Papers*, vol. 5, contains much correspondence about the Rogers affair at Michilimackinac. An incomplete "Plan of Robert Rogers" for a new government at Michilimackinac, the original of which is very badly damaged by fire, is printed in Johnson, *Papers*, 6: 43-58 (Albany, 1928). The copy in the Hardwicke Papers is accompanied by a covering letter of Rogers to Fowler Walker, dated March 7, 1771. See B.M. Addit. MSS. 35915, f. 234. The complete set of papers is with Gage's correspondence, where it is headed "Papers sent by Rogers to the Board of Trade, R[eceived] 11 Nov." See C.O. 5/85, f. 341-396. Ac-

was compromised by his own wild conduct. He was impeached later in the year on the charge of threatening to desert to the Spaniards with the garrison and such of the traders' goods as he could carry with him; he was tried at Montreal for alleged treason, and acquitted, but his connection with the government of Michilimackinac was never renewed. Curiously enough, he was afterwards well received at court and in 1771 his proposals for western exploration were seriously considered.⁷⁷ But his political scheme was never entertained by the imperial government. The revenue from the western territories had not been established upon a footing broad enough to support a civil administration. Economy must therefore be observed and, since the civil problems were for the most part connected with the trade, the traders had to govern themselves. Again the organized company was the logical outcome.

The idea of a fur-trading monopoly was, in a measure, derived from French experience. Like the methods of trade, it had its roots in pre-conquest experience. The French, unable to extend the arm of government to the distant posts, had farmed them out to wealthy individuals, who could be held responsible for the good order of their districts. Gage commented favorably upon this method and wished that it might be adopted by Great Britain. Rogers referred to it in similar terms. The early experiments of Alexander Henry and William Grant had shown that individual monopolies could hardly be tolerated, but the monopoly of a company was a different matter. The mining company received a monopoly, for its own purposes, of the shores of Lake Superior for sixty miles inland. In the history of the fur trade, too, the monopolizing company was not far in the future.

This development has an interesting parallel in the early

comparing these manuscripts, at f. 400, is Rogers' map of Michilimackinac, no other copy of which seems to have been preserved.

⁷⁷ Robert Rogers, *Journals*, 256 (Hough edition — Albany, 1883).

French fur trade. For a few years at the beginning of the seventeenth century the trade at Quebec was thrown open to all comers. A period of chaos resulted, in which the tasks of government were neglected, the Indians were debauched, and the honest traders suffered while the unscrupulous prospered. In 1612 the trading monopoly was restored, to the benefit of commerce and civil government.⁷⁸ Though no one mentioned the parallel in 1775, it would seem as if history, in circumstances somewhat similar, was about to repeat itself.

The northwestern fur trade during the years from 1760 to 1774 had two principal phases — on the political side, the struggle to secure from the imperial government trading regulations favorable to Canadian methods of trade; and on the economic side the development of an organization suited to conditions in Canada. On the political side important victories were secured in 1768, when the system of provincial control was inaugurated, and in 1774, when the Quebec Act extended the territorial limits of the province. On the economic side there are no great landmarks, but the tendencies are plain enough. The first was the adoption by British merchants of French methods of trade; and the second was the combination of the western traders. The latter was only indicated by 1775; several years were yet to pass before the Northwest Company took its final shape. It is significant that the political and the economic changes were carried through by the same men. This is, of course, not absolutely true, but the Montreal-Michilimackinac group, of which Benjamin Frobisher was during these years the leader, was the active body in both phases of the industry's history. Perhaps the experience gained in the political conflict cemented friendships and established habits of coöperation that led to the economic combination of later

⁷⁸ This episode has been described by Henry P. Biggar, in *The Early Trading Companies of New France*, 69-85 (University of Toronto, *Studies in History* — Toronto, 1901).

years. The two phases must, at least, be considered together. The period is one of those, characteristic of early colonial history, in which economic and political history cannot with justice be treated separately.⁷⁹

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⁷⁹ Two publications that have been valuable for this study, although not heretofore cited, are Wayne E. Stevens, *The Northwest Fur Trade, 1763-1800* (Urbana, Illinois, 1928); and Captain Ernest Cruikshank, "Early Traders and Trade-routes in Ontario and the West, 1760-1783," in Royal Canadian Institute, *Transactions*, 3: 253-274 (1891-92).



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