EVERYWHERE in the Middle West the French preceded the boldest English adventurers and claimed the land west of the Alleghenies by priority of discovery and construction of forts.

The Iroquois also claimed all the Ohio Valley region by conquest of the several Indian tribes that inhabited it. By the treaty at Lancaster, in 1744, they ceded their rights in it to the British, who contended that cession was sufficient warrant for claiming it.

The population of the thirteen colonies, which increased from an estimated 250,000 in 1700 to 1,370,000 fifty years later, was forcing settlement in the Ohio Valley.

In 1748 John Hanbury, a merchant, on behalf of himself and associates in the Ohio Company of Virginia, applied to the British Board of Trade in London, which represented the king in making land grants in America, for a grant of five hundred thousand acres along the Ohio River, between the Monongahela and Kanawha Rivers in the present West Virginia.

Of this, two hundred thousand acres were to be granted immediately, in consideration of settling two hundred families thereon in seven years; the grant to be free of land rent for ten years from the date of the grant, and rent to be paid only on cultivated land—the land, so long as held unused by the company, to be free of rent.

The grantees were to erect a fort and maintain a garrison; then as soon as this was done, the remaining three hundred thousand acres were to be granted, with like obligation, and
exemption of land rent. The royal governor, Gooch of Virginia, was ordered to make the grant, which he did in 1749.

The names of the grantees of this and other princely grants of land at that period were from the Social Register of those days, and included three members of the Washington family and four of the Lee. Other Virginia grantees included the names of Fairfax, Carter, Nelson, Thornton, Tayloe, Walker, Lewis, Preston and Henry, and others in England. They organized as the Ohio Company, with £4,000, divided into twenty shares of £200 each, which, alone, would indicate it was a promotion by people of wealth.

A year later they had located a trading-post on Will's Creek, the present site of Cumberland, Maryland. From there they cut a wagon road of approximately eighty miles in length through the wilderness, to about West Newton, the head of bateau navigation on the Youghcogheny River. This was within thirty miles of the site of Pittsburgh and access by water to the Ohio and Mississippi Rivers. It was over this road that Braddock marched to defeat and his death, in 1755.

Until organization of the Ohio Company, the British had made no attempt to possess the Ohio Valley. But without this land the English would be confined east of the Alleghenies, and without it the French would be cut off from any direct connection between the French settlements in Canada and Louisiana. [4] Importance of the control of the Ohio Valley can consequently be appreciated.

At a conference between the Indians and the French and English, at Logstown, on the Ohio River, in 1752, the chief declared to the French: "You are disturbers in this land by taking it away from us by force. This is our land and not yours. The land belongs to neither you nor the English; the Great Being above allowed it to be a dwelling place for us."

To this the Marquis Duquesne replied: "Are you ignorant of the difference between the King of England and the King of France? Go see the forts the French have established and you will see that you can hunt under their very walls. The English, on the contrary, are no sooner in possession of a place than the forests are felled, the land laid bare and the game driven away."
The French had thirteen thousand potential soldiers and maintained military posts at Ogdensburg, Kingston, Fort Duquesne (Pittsburgh), Detroit, Miami River in Ohio, St. Joseph and Fort Chartres. The French governor in Canada sent a force of 250 men down the Allegheny River to take the country between the Niagara and Ohio Rivers.

On reaching the Ohio, they nailed to trees at various locations a tin plate bearing the royal arms of France and buried at the foot of the trees lead plates bearing an inscription claiming ownership and sovereignty of the country. The Indians claimed the land and objected to these plates, some of which are now in museums.

Governor Dinwiddie arrived in Virginia in November, 1751. He was, two years later, ordered by the London government to erect a fort, and drive the French from the Ohio region, by force if necessary.

Upon the outbreak of the French and Indian War, Governor Dinwiddie called for volunteers, promising them two hundred thousand acres along the Ohio River in West Virginia, in addition to their pay. Allotments were to be five thousand acres to each of the higher officers, grading down to fifty acres for each private. At about the same time, he and the Council of Virginia granted to applicants 1,350,000 acres in the Ohio region.

At the outbreak of the war, the French and Indians captured the fort which the Ohio Company was constructing at the site of Pittsburgh, and operations of the company were otherwise disrupted, which, the company claimed, prevented fulfillment of its obligation to locate settlers on its grant within the stipulated seven years.

The large land grants were not popular with the people of Virginia. The House of Burgesses expressed disapproval of Dinwiddie’s western land and military policies and requested that, in the future, the governor make small grants, to prevent further extension of land monopoly by large companies. They could see no reason for sending armed men and money to advance the personal business of land speculators. [4]

Governor Francis Farquier, successor to Dinwiddie, in 1757 disfavored large grants, such as those of the Ohio and Loyal
Companies, to be held unused on speculation, as being destructive to the proper settling of a colony.

Further land grants were deferred until after the British captured Fort Duquesne in 1758, when settlers and speculators advanced west of the Alleghenies; the speculators being backed by English capital and political influence. [3]

The British victory encouraged in the Ohio Company promoters the hope of gaining advantages from the awakened interest in the western lands, and of obtaining renewal of the lapsed land grant. [4]

The London government, to pacify the Indians, and probably at the behest of eastern landholders had, in 1763, forbidden settlement west of the Allegheny Mountains. But the demand for land was so insistent that despite the prohibition, afterwards repealed, some thirty thousand persons located there as squatters during the next five years.

After the defeat of the French, and soon after the treaties between the British and the Iroquois at Fort Stanwix, and between the British and the Cherokees at Hard Labor, in South Carolina, numerous land speculations were set afoot in the Ohio Valley, promoted by prominent eastern speculators in western lands. [30]

The treaty between the British and the Indians at Fort Stanwix in 1768 was one of the most important Indian conferences in American history. It was attended by more than eleven hundred Indians of the Six Nations, and others. It was stated that merchandise valued at £10,000 was given as presents to the Indians. For this, they relinquished claims to the lands west of the Appalachians, extending from the Mohawk River in New York to the Tennessee River in Kentucky. [155]

In the 1760’s, about fifty members of prominent Virginia and Maryland families, including those of Washington, Lee and Fitzhugh, who already had vastly more land than they could put to use, organized the Mississippi Company. With the intercession of some prominent Englishmen, in London, they applied for 2,500,000 acres on the east side of the Mississippi, along the Wabash and Tennessee Rivers, to be free of rent for twelve years. They were to undertake to settle a meager two hundred families on part of that vast area—equivalent to 12,500 acres per
family. Each member of the promoting company was to receive 500,000 acres, as the first land dividend.

Groups of other prominent citizens in New York and Philadelphia, relying on British political and financial co-operation, became stricken with the prevailing craze for land speculation in the trans-Appalachian region. [3]

The popular craze was to get wealth at the expense of others by land speculation, which continues unabated to the present day. It is not so much the land speculators who are blame-worthy, but legislators who do nothing to prevent private appropriation of the publicly-created rent of land, thus making the Earth an object of gambling, and robbing the public treasuries of the land rents which the public has created. This necessitates higher taxes on everybody; and furthermore, holding land unused, at a price that restricts development and the production of wealth, is the underlying cause of vast unemployment, and resulting poverty and crime.

Colonel George Washington was a typical representative of these Virginia land speculators. He had a claim to land under Governor Dinwiddie’s proclamation offering two hundred thousand acres to volunteers in the French and Indian War. After the war, he bought the land rights of other officers, by which he accumulated title to 32,373 acres along the Ohio and Great Kanawha Rivers in West Virginia. [3]

He then sent an agent to Great Britain and Ireland who advertised in newspapers there, persuading families to migrate to America and locate on his land.

Simons [137] wrote: “Washington used his position as royal surveyor to locate lands within the limits which he was supposed to preserve from settlement. He had helped to maintain in London what would now be called a ‘land lobby’ to advance his objects. When Parliament, by the Quebec Act in 1774, extended the jurisdiction of the Province of Quebec over the country west of the Alleghenies, his interests were directly threatened, and had the Revolution not occurred and been won, he would have lost his land.”

Washington, at his death in 1799, had one of the largest fortunes in the country, consisting mainly of land. He owned sev-
enty thousand acres in Virginia and more than forty-nine thou-
sand acres on the Great Kanawha River in West Virginia, and
other near-west places. In addition he owned land in Kentucky,
Maryland, Pennsylvania, New York, in the National capital, and
other places.

Benjamin Franklin’s fortune, two years before his death, in
1788, was estimated at $150,000, mostly in land. [107]

Holders of large tracts of land in the seaboard sections, real-
izing that the opening of western land would reduce the ex-
pected increased demand for land in the East, and thereby re-
tard an increase in the value of their land, endeavored to thwart
the granting of land in the West.

General Gage, in their behalf, in 1770 advised London of the
many forts and garrisons which would be required, at great
cost, to protect settlers attracted there, and that there were mil-
ions of acres of good land lying unused in the Atlantic sea-
board country. But he did not say that this idle eastern land was
held at prices which pioneers were unable to pay.

John Murray, Earl Dunmore, became governor of Virginia in
1771, and was promptly taken in hand by the land speculating
element of that colony, led by Dr. Thomas Walker and Colonel
Andrew Lewis. Under their guidance he soon became avari-
cious to obtain some land grants for himself, and presently
petitioned the king for a hundred thousand acres of the recently
acquired Cherokee lands. [3] His petition was rejected, and
three years later, he was selling for the king land along the
Ohio River at 10s, or even less, per hundred acres.

In response to an inquiry, Lord Camden, lord chancellor, and
Charles Yorke, shortly to hold the same eminent position, re-
plied: “In respect to such places as have been or shall be ac-
quired by citizens by treaty or grant, from any of the Indian
princes or governments, your majesty’s letters patent are not nec-
essary, the property of the land vesting in the grantee by the
Indian grant, subject only to your majesty’s right of sovereignty.”
This was directly contrary to the attitude of the British govern-
ment in the early Virginia days, when it at that time denied
that the natives had any right of proprietorship in the land
which they had occupied, presumably for many centuries.
The first to act upon this opinion was David Franks & Co., of Philadelphia, organizers of the Illinois Land Company. In 1773 they acquired of the Indians two large tracts of land, one along the Ohio and Mississippi Rivers, and the other on the Illinois River. Two years later they obtained of the Indians two tracts on the Wabash River, and formed the Wabash Land Company, in which Lord Dunmore and several opulent men of Philadelphia, Maryland and London, were shareholders. [3]

It afterwards developed that this opinion by Camden and Yorke did not apply to land in America, but to land in India; that American promoters in London, of western American land grants had obtained a copy which they dishonestly used to their advantage, by omitting words showing that it applied to acquiring land titles from the Moguls in India. [95]

Thomas Walpole, London banker and member of Parliament, son of Horatio, Lord Walpole, and cousin to Horace, was keenly interested in obtaining American land. He had funds at his disposal, as well as certain political influence. [1]

Colonel George Mercer of Virginia was in London, soliciting renewal of the expired land grant of the Ohio Company. Samuel Wharton, a Philadelphia merchant, was also in London seeking a grant of land. They both had the co-operation of Walpole and certain members of the British nobility.

The application of Wharton, representing the promoters of the Vandalia and Indiana Companies, often mentioned in London as the Walpole Companies, afterwards consolidated as the Grand Ohio Company, was for a large part of the land in West Virginia, and part of Kentucky, comprising about thirty million acres.

This land was planned to be sold to settlers and speculators at £10 per hundred acres, about 50¢ per acre, with a perpetual annual land rent of a half-penny per acre in addition.

Terms of the grants to Walpole and associates were agreed upon in 1775, but just then occurred the battle of Lexington and the outbreak of the American Revolution, at the conclusion of which Great Britain had no further control of land in America.

Mercer and Wharton returned to America after the close of the
war, when future grants, or rather, the sale, of land devolved upon the Federal government or the States. Wharton applied to Congress for recognition of the proposed grant, but it failed of approval. The original Ohio Company made repeated efforts for reinstatement of its grant, but without success.

Colonel Mercer, and his predecessor lobbyists of the Ohio Company had, in the aggregate, spent thirty years, and Samuel Wharton, ten years, in London, prior to and even all during the American Revolution, in persistent yet fruitless efforts to promote gigantic land grabs in the Ohio Valley. The distinct object was to compel American pioneers, invariably but one jump ahead of poverty, to pay to them a fictitious price for a bit of land in a wilderness, on which to labor and rear a family. Such is the object of all land speculation, but otherwise upright citizens do not hesitate to indulge in it. Their minds are so centered on the prospective profits they do not realize the harm they do.

Virginia speculators were indignant at George III for forbidding, in 1763, settlement of the lands they had acquired of the Indians west of the Alleghenies. Ten years later, the government in London proposed sale of these lands at auction; then came the Quebec Act. The royal land policy was one cause of the revolt against England. No doubt the disallowance of their claims to Indian land grants helped the group of Virginia aristocrats and adventurers to decide, two years later, for revolution. [171]