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# **Riches, Real Estate, and Resistance: How Land Speculation, Debt, and Trade Monopolies Led to the American Revolution**

*By* THOMAS D. CURTIS\*

ABSTRACT. Why did the colonies of North America rebel against England in 1775? More than ideas of political freedom were at stake. It is unlikely that the colonists would have demanded independence if powerful land speculators, merchants, and urban artisans had not joined forces to protect their economic interests. England had levied taxes on the colonies, and the colonists had successfully overturned those measures. Taxation was a superficial problem. But in 1773, when England imposed a commercial monopoly on tea sales, and in 1774, when it cut off settlement in western lands, the colonists saw no choice but to rebel and create their own nation. George Washington, Thomas Jefferson, Patrick Henry, George Mason, Richard Henry Lee, and other wealthy Virginians who led the American Revolution stood to lose their huge investment in potential land sales if England maintained control of the colonies.

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## Introduction

Charles A. Beard's (1913) *Economic Interpretation of the Constitution of the United States* started a controversy that still is being debated by students of American economic history. Beard's approach to the study of the establishment of the American government was path breaking for that time. He emphasized economic considerations and at the same time attempted to eliminate the high degree of chauvinism that characterized much of the then current historical research. His book called forth countless rebuttals and, in more than one, he was accused of being a "Marxist." Much of the criticism was unwarranted because he did not try to establish a monocausal theory of the American Revolution as so many of his critics claimed. His thesis, to use Beard's own word, was "fragmentary"; the book was designed to suggest new lines of research rather than to treat the subject in an exhaustive fashion.

This study is very similar to Beard's in that a) economic events are emphasized, b) it is fragmentary, and c) it does not claim to present a monocausal theory of the American struggle for independence. Instead, it is an examination of the effects of England's colonial land policies on economic interest groups in North America from 1763 to 1775. The thesis is that Great Britain altered her land policies after the Seven Years' War (also known as the French and Indian War) and so brought diffuse interest groups in the colonies into a configuration of opposition. This joining of the southern planters, northern merchant land speculators, backwoods farmers, fur interests, and frontiersmen was a necessary precondition for a successful revolution. Even working in concert with each other, those interests had great difficulty gaining independence. If British economic policies had not enabled the interest groups to overcome their conflicting aims, they would not have been able to win a protracted war.

Before 1763, England had followed a colonial land policy, which was a part of her overall philosophy of mercantilism. This type of a system encouraged conflicting economic goals among the different interest groups and overshadowed other considerations that would bind them together. From 1607 to 1763, England politically and economically supported the interests of the wealthy landholders and

thus created an alliance between the colonizing power and this landowning group. But with the Proclamation Line of 1763, Great Britain shifted from a system of mercantilism to one of imperialism. Royal land policies become more restrictive and the wealthy land interests lost much of the political and economic power they had held. Eventually a system of withholding land was established and sales were made only on a competitive bidding system. This undermined the union between the British Crown and the large landowners.

The change in land policy was also unacceptable to most of the other colonial interest groups. If England's new policy had been favorable to them, the precondition to revolution would not have been established. That is not what happened. Restrictive British land policies alienated most important interest groups. The colonies with sea-to-sea claims, small-scale farmers, land companies, traders, New England merchants, and frontiersmen were all opposed to the British restrictions that hampered the achievement of their political and economic goals. The Proclamation Line of 1763 and subsequent policies caused interest groups that traditionally opposed each other to join into a large configuration of opposition directed against England's colonial practices. This configuration was basically concerned with land policies. Other colonial interest groups were concerned about taxation, political freedom, regulation of trade, and the monopoly power of British trading companies. These many colonial configurations finally joined together and the War for Independence followed.

Many forces caused the America Revolution. It is impossible to "prove" historically that one force or set of conditions caused the uprising. But it is possible to establish some of the preconditions of the war, and one of these was the opposition of the land interest groups to the new policies of Great Britain. By itself, the land issue would not have caused the conflict, just as the enforcement of merchant laws, taken by itself, would not have brought about the Revolution. But the alliance of opposition against England's land policies, along with the other political and economic alliances of the colonies, did establish the framework for the coming of the Revolution.

## **Chapter I**

### **The Economic and Political Background**

By the end of the 16<sup>th</sup> century, England was politically and economically ready to engage in overseas expansion. During her long reign, Queen Elizabeth had been able to bring about a stable government, which contributed greatly to the domestic tranquility of her subjects and encouraged rapid economic growth. The religious problem, which had been a crucial issue from the time of Henry VIII, was resolved in 1559. Elizabeth's solution was characteristically English and proved to be amazingly permanent. She established a national church that was free from Rome and subject only to the authority of the Crown. She then had the articles of faith purposely rewritten in an ambiguous manner so that all but the most stubborn extremists might conform.

During this same time, other important internal conditions were developing on the economic front. Under the leadership of Henry VIII, the English Crown had developed its own mercantilist policy. Henry realized that England's insular position could be a great advantage to the economic growth of the nation, if properly used. Therefore, instead of spending the major amount of his revenue on maintaining a large standing army, as his continental contemporaries did, Henry devoted his resources and attention to the task of establishing the Royal Navy. Going hand in hand with the Crown's policy of a strong royal navy was its encouragement of "booty" capitalism by private individuals (Weber 1958a: 67). Although "booty" capitalism was encouraged by all of the Tudors, it reached its high point under the leadership of Elizabeth. Such famous names as John Hawkins, Sir Francis Drake, and Thomas Cavendish are associated with this phase of England's mercantile policy.

A definite mercantile policy, by itself, was not enough to ensure the success of England's overseas expansion. Other important features were needed. One of these was that England's domestic system was developing the necessary capacity for external trade. It was during this period that England was developing and perfecting two domestic systems of production that were to greatly increase her capacity for external trade: the "putting-out system" and the "mill production" method of organization.

First, as noted by Weber (1958a: 67), the guilds of the Middle Ages were being replaced by the "putting-out" system, a system characterized first by control of the factor market by merchant employers and later by control of both the factor and the product markets.<sup>1</sup> Weber (1961: 22) described the more advanced type in this manner: "Masters with considerable invested capital purchased the raw material, turned over the work to their fellow guildsmen who carried on the process of production for them, and sold the finished product." The putting-out system reached its fullest bloom in the textile industry of England.

Second, although the putting-out system is probably the best known, it was not the only system of production being developed in England. The second important system is known as "mill production" or the "central workshop" method of organization. This production method of organization can be described as a factory, in the sense that an entrepreneur used fixed capital and capital accounting to operate it (Weber 1961: 128–129). The central workshop was used in the development of such important industries as coal, iron, and shipbuilding. Under this method of industrial organization, the shipment of coal from the city of Newcastle, the center of the English coal industry, increased nearly 14 times between 1564 and 1634. Iron output increased over fivefold from 1540 to 1548 (Nef 1964: 169). If we were to include in this figure the expansion made in the smelting of copper and lead and the making of brass, we would see that the growth in the metallurgy industries was indeed remarkable.

This type of industrial organization was doubly important in the shipbuilding industry, and it was England's merchant fleet that connected her factor market to her product market. Because England is small and an island, several transportation problems that retarded the growth of many of her continental counterparts were solved. There is hardly a point in England that is more than 100 miles from a serviceable seaport, and the main ports are connected to inland markets by navigable rivers and streams. From around 1550 to 1650, England's merchant marine increased nearly 600 percent and the Royal Navy became a first class fleet (Nef 1964: 160). Transportation, that essential ingredient for economic growth and unified markets, was quite adequate for the time. In fact, as Heilbroner (1962: 51) has pointed out, England alone enjoyed an internally unified market during the middle

and late Middle Ages. This was one powerful contributory factor to England's emergence as the first great European economic power.

The last internal precondition necessary for England's successful colonial activity was the commercialization of economic life. "By this we mean the general use of commercial instruments to represent share rights in enterprise, and also in property ownership" (Andrews 1958: 3). The joint-stock company represented the most rational means for the assembly of a large sum of capital to finance a commercial enterprise. The economic organization of the joint-stock company was greatly popularized by the success of the Dutch and English East India Companies. In England it became the most important means of colonizing because the Stuarts systematically bound up the use of joint-stock companies with their granting of royal concessions and monopolies.

External conditions of world affairs were also favorable for England's colonial expansion. The center of gravity of world trade had shifted from the Mediterranean to the Atlantic. This made her geographical position an enviable economic asset. But even more important was the fact that England entered the 17<sup>th</sup> century as the "Mistress of the Seas." Her victory over the Spanish Armada in 1588 and her successful attack on the Spanish port of Cadiz in 1596 left England as the world's leading sea power. Thus, the necessary transportation link between the parent country and future colonies in the New World was ensured.

The major question that remained was one of policy. Financial backing by both the state and merchants was imperative for the successful establishment of colonies in the New World. The early failures of Sir Humphrey Gilbert (to complete a voyage to the New World in 1578) and Sir Walter Raleigh (to establish a colony at Roanoke, 1584–1587) had convinced both the Crown and all interested parties of that. The use of the joint-stock company and the granting to them of royal monopolies achieved this combination of private and state backing. The English Crown felt that it was unable to make direct investments or subsidies because it had experienced a long period of rising prices, coupled with declining incomes. So during the early period of England's colonial activity, the Crown limited its support to the granting of trade monopolies and land grants under national charters and the giving of "royal blessings."

### Early Colonial Policies

Because of the English Crown's adverse attitude toward direct investment, the first successful English colony founded on the mainland of North America was established in the name of England by a group of private individuals in search of economic gain. The Jamestown settlement in Virginia "was a commercial enterprise, undertaken by certain private individuals for the purpose of enlarging the trade of the English kingdom and of bringing a profit both to themselves and to those who had invested money with them" (Andrews 1958: 3).

The Crown's contribution to this venture followed the accepted Elizabethan policy. King James I was exceedingly friendly toward the granting of charters but just as frugal as his more famous predecessor had been. On April 10, 1606, he granted a patent, or charter, to the Virginia Company (James I 1606), which provided for the colonization and the development of trade along the American coast by two subordinate companies known as the London and Plymouth Companies. As the charter enunciated, land was granted to each of them by the Crown in the following manner. The "Knights, Gentlemen, Merchants, and other Adventurers" of Plymouth were granted the land between the 38° and 45° north latitude, the southern company received the land between 34° and 41°, and the overlapping area, between the 38° and the 41°, could be settled jointly with the stipulation that neither company could settle within 100 miles of a settlement already established by the other. The total amount of land granted by this charter was limited not only by the north latitude lines but also by a north-south line that was to be drawn 100 miles inland from the coast. Thus, the total amount of land granted to the Virginia Company by this first charter, when compared to later grants, was small and was testimony to a conservative policy.

Just as the King definitely limited the amount of land granted, he also limited the political powers of the two companies. The wording of the charter shows that James I had no intention of allowing these companies to establish self-governing colonies. It specifically stated that the power of government could reside in the hands of the King or the King's royal council. Though the colonies were to have their



own resident councils, the royal council appointed the members. The right to govern was not granted to the colonists, but to representatives of the King. But the most important political clause of the charter provided that the colonists "shall have and enjoy all liberties, franchises and immunities as if they had been abiding and born within this our realm of England." In this manner, the common law of England, trial by jury, and other political rights were extended to the colonists.

The Charter of 1606 soon became outdated and needed modification. Only one of the subordinate companies, the London Company, was able to establish a colony; and this colony proved to be a very heavy drain on the resources of the men who had subscribed to the Virginia Company. Since most of these subscribers were prominent men in and around London, they were able to secure more support from the King for their venture. Also, it must be kept in mind that the economic motives of the Crown were similar to those of the subscribers. Both were looking for economic gains and the opportunity to advance England's welfare. In reality, the Crown was trying to get private investment funds to expand and open up areas of trade for Britain's merchants. The grants of land made by England served as centers of monopoly power to the companies. Because of the high initial costs of establishing a colony, such an enterprise could be profitable only if colonial products and markets and transportation between them and the mother country were monopolized either directly by the state or through companies serving as their agents. Therefore, it is not surprising that by the end of the third disastrous year of the Jamestown colony, James I was more than ready to grant to the stockholders a much more favorable charter in order to increase its chances of becoming profitable.

The charter was first revised in 1609 and again in 1612. Each revision saw the Crown lose power to the stockholders. In the Second Charter of Virginia, issued May 23, 1609, the King revised the land boundaries and defined the territory of Virginia as extending "from the Sea Coast of the Precinct aforesaid, up into the Land throughout from Sea to Sea, West, and Northwest" (James I 1609). This was the start of many long and bitterly contested boundary controversies that were not settled until after the Revolutionary War. (See Map 9, showing that

the land claimed by Virginia in 1783 included what is now the entire midwestern United States.)

The modification of the charter also brought about important political changes. The members of the resident council in England were now to be selected by the company and not by the King. Thus, England's first attempt at creating a governmental body to control and administer colonial affairs was short lived and ineffective. The council, instead of being a royal administrative body as it had been under the Charter of 1606, virtually became the directorate of the trading company (Beer 1908: 298–299). The charter was revised for the second time in 1612, including the island of Bermuda as part of the Virginia Company's territory and further increasing the governmental powers of the company. It was from the 1612 charter that the first colonial legislative body (House of Burgesses, in 1619) eventually evolved.

The Virginia colony was not the only colony to be established in the New World by the joint-stock system. The New England colonies also owe their founding to the English trading companies and their search for profit-making enterprises. Though historians have pointed out the obvious contrasts between the New England colonies and Virginia, this should not obscure the fact that both were begun by private, profit-seeking organizations. The Virginia colony has been used as a prototype of the corporate or charter colonies in the New World because it was the first, and it possessed all the necessary core elements. Virginia, as were all charter colonies, was organized by a joint-stock company, received a large land patent from the Crown, and agreed to share part of its profits with the King. The important statistics of the founding and development of the charter colonies are summarized in Table A.

Colonies that were not the progeny of trading companies usually were the work of private individuals, commonly called proprietors. A proprietary colony differed from a charter colony in that the Crown would grant land to an individual or to a small group of individuals. A proprietary colony offered definite political and economic advantages to the royal government. It established settlements without the use of royal funds, and it was an inexpensive way for the King to pay off old debts and to grant favors.

Table A  
English Charter Colonies

Name	Date first settled	By whom settled	Where settled	Ultimate disposition
Virginia	1607	Virginia Co. of London	Jamestown	Became royal colony in 1624
Plymouth	1620	Pilgrims (Separatists)	Plymouth	Absorbed by Mass. Bay in 1691
Massachusetts	1628	Puritans of Mass. Bay Co.	Salem 1628, Boston 1630	Charter annulled 1684, made royal colony 1691
Rhode Island	1636	Roger Williams et al.	Providence	Self-governing 1644, chartered 1663
Connecticut	1635	Massachusetts dissenters	Hartford 1635, New Haven 1638	Chartered 1652
New Hampshire*	1623	Massachusetts settlers	Coast	Made royal colony on separation from Massachusetts 1679

\*New Hampshire and Maine were granted to Sir Fernando Gorges and Captain John Mason in 1623. In 1629, Mason took the western part and called it New Hampshire. It was settled largely from Massachusetts, which claimed jurisdiction until 1679 (over Maine until 1820).  
Source: Batchelor (1957: 172-173).

Pennsylvania was granted to William Penn by the King in consideration for the debts, estimated at £16,000, due him and his father (Jernegan 1931: 209). The first proprietary colony to be established in North America was Maryland in 1633. Its founder, the second Lord Baltimore, Cecilius Calvert, was interested in establishing a colony that would be an asylum for English Catholics. Charles I granted him the land extending from the Potomac River northward to the 40<sup>th</sup> parallel. The most interesting aspect of this charter (and all such proprietary land grants in North America) was not the great landed estate, as such, but the wide political powers that the King granted. The proprietor was made almost independent of the Crown, as far as the government of the colony was concerned, with only a general check placed on his power. The most significant portion of this charter is as follows:

And we do grant unto the said now Baron . . . for the good and happy Government of the said Province, free, full, and absolute Power, by the tenor of these Presents, to Ordain, Make and Enact Laws . . . and duly to execute the same . . . by the imposition of Fines, Imprisonment, and other Punishment whatsoever. . . . So Nevertheless that the laws aforesaid be consonant to Reason and be not repugnant or contrary, but . . . agreeable to the Laws, Statutes, Customs and Rights of this Our Kingdom of England . . ." (Charles I 1632)

In general, the wording of this grant made the proprietor the political head of the province and was a direct attempt to establish feudalism in the New World. The only limits placed on the proprietor's power were those enumerated in the charter, and these limits were defined in general, not specific, terms.

Lord Baltimore was given the right to establish manors, to impose quit-rents, and to demand oaths of fidelity from those to whom he bestowed grants of land. The attempts to establish feudalism in the New World proved to be unsuccessful, but a few of the vestiges of it lingered on until the Revolutionary War. For example, the practice of reserving quit-rents was a major source of income for the proprietors of Maryland and Pennsylvania. As late as 1774, the Baltimores were receiving an annual revenue flow of over £8,500 from them (Batchelor 1957: 171).

Except for Maryland, all of the permanent proprietary colonies in North America were established after the Restoration. From 1660 through 1685 the foundations of New York, New Jersey, Delaware, Pennsylvania, and the two Carolinas were established. Table B summarizes the pertinent information of the proprietary colonies. The major long-run goal for establishing these colonies was the same as found in Maryland and the stock company colonies. As Curtis Nettels (1940: 146) has pointed out:

Uppermost in the minds of the Carolina proprietors was the purpose of making money from their huge province; their interest was that of landlord or real-estate promoter rather than that of merchant. Like Lord Baltimore they intended to sell part of their lands, to keep and develop large estates for themselves, and to collect quit-rents from all purchasers or receivers of individual tracts.

Nevertheless, economic, religious, and political motives were all involved in founding the proprietary colonies (as well as many of the company colonies). Perhaps colonization could not have been achieved without a mixture of motives. The investment of capital and labor, so necessary to the survival of colonies, particularly in their crucial early days, would not have been maintained if immediate pecuniary returns had been the sole motivation for establishing colonies.

Several observations can be made about the early years of England's colonial policy. In general, England entered into the role of a colonizing nation without any internal precedents whatsoever.<sup>2</sup> She had no fixed or preconceived idea of what would be demanded of her and what she would demand of her colonies. Her outlook was of a very short-run nature and depended primarily upon who was on the throne at any given time. She passed out land grants to both charter companies and proprietors as if she knew what she was doing and what she was giving up. This, of course, was not the case. Due to the fact that little was actually known about the geography of the New World at this time, England was planting the seeds of future land disputes: colony against colony, speculators against speculators, and the mother country against both.

Since the Crown felt that she could not afford to establish state-financed colonies, she was forced to turn to private promoters and, to

Table B  
English Proprietary Colonies

Name	Date first settled	By whom settled	Where settled	Ultimate disposition
New Netherlands (New York)	1621	Dutch West of London	New York	Became British royal colony by conquest 1664
Maryland	1632	George Calvert Lord Baltimore	St. Mary's	Proprietary till Revolution
Pennsylvania	1681	William Penn	Philadelphia	Proprietary till Revolution
Delaware	1638	Company of New Sweden	Delaware River	Captured by Dutch 1655, English 1664**
New Jersey***		Jersey Proprietors		Divided, East & West Jersey 1664; United as royal colony 1702
Carolinas	1660	8 Proprietors	Albemarle Sound 1650s, Charleston 1670	South Carolina royal colony 1719, North Carolina 1728
Georgia	1732	Oglethorpe & Parlmt. Trustees	Savannah	Royal colony 1751

\*\*Taken from Dutch as part of New York, Delaware was a part of the grant of New Jersey to Berkely and Carteret by the Duke of York. It was bought by Penn in 1682 and made a separate colony with Penn as proprietor in 1703.

\*\*\*Part of British conquest of Dutch in 1664. It was granted to the Duke of York, who granted it to Lord John Berkely and Sir George Carteret. Georgia was founded with a mixture of incentives: haven for the imprisoned and oppressed, buffer against French and Spanish, source of southern products, outlet for southwest fur trade.  
Source: Batchelor (1957: 172-173).

a certain extent, to become their partner. The Crown would grant to the private investors large tracts of land, which the investors could dispose of as they wished. Once the grant had been made, England, for all practical purposes, left the problem of land tenure up to the proprietors and stock companies. The Crown was not concerned about the equity of property distribution in the New World; it was concerned more about the flow of revenue it hoped to achieve from these colonies. In the case of the Virginia Company, the Crown was willing to give up some of its own authority in an attempt to make a colony more prosperous.

Although many noted historians have taken the stand that England did not have a colonial policy during this early period, the facts do not substantiate this position (Andrews 1958: 5). England's colonial policy was predicated upon the desire for economic exploitation of non-European regions through private sources. From 1606 until 1763, England followed a policy of territorial expansion in the New World without strict regulation of internal matters. Companies and proprietors were allowed to do what they wished with the lands granted to them as long as these actions increased profits. In most cases the only restrictions on land grants were time limitations to speed up the colonizing process, by forcing the holders of the grants to make speedy settlement before the rights to the land reverted to the Crown.

In its pursuit of revenue, England allowed the precedent of self-government to develop during these early years. It started with the Second Charter of Virginia, when James I granted to the stockholders of the Virginia Company the right to govern the colony. Subsequently this right was revoked when the King canceled the charter in 1624, but the planters continued to hold conventions without any royal interference. Probably even more significant in terms of precedent was that Charles, the successor of James, allowed the Virginia system of government to continue. It is true that this form of government was not of the type we know today, but the fact remains that the Crown very early allowed development of popular assembly in a royal British colony in America. This philosophy about the governmental relationships between England and the different colonies developed early in each of the other colonies. Winthrop (1908: 145), in his now famous journal, recorded that on January 19, 1635, all the ministers who could

meet at Boston did so to decide what to do if England tried to send a general governor to the colony. It was decided "that, if a general governor were sent, we ought not to accept him, but defend our lawful possessions, (if we were able)."

### **Land Tenure and Economic Growth**

By 1763, the American colonies had become one of England's most prized overseas possessions. From the small start of only 120 colonists at Jamestown in 1607, the population had increased to almost 2 million. Going hand in hand with the population growth was the economic growth of the colonies. The American iron, shipbuilding, and fishing industries were able to compete on more than even terms with those of the mother country. Even the carrying trade was taken over by colonial-made and registered ships by the mid-18<sup>th</sup> century (Gipson 1962: 16–17).

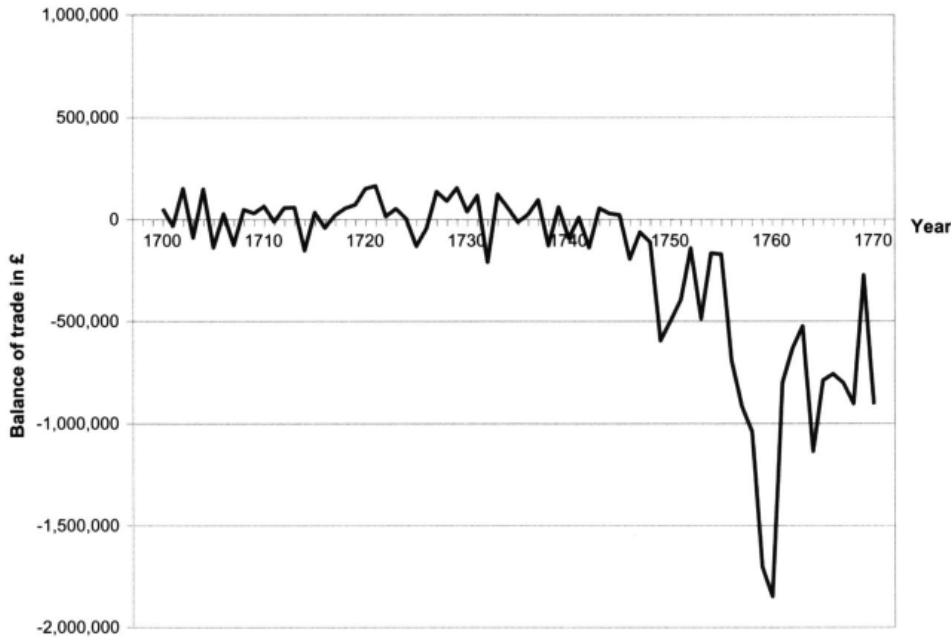
The general growth and prosperity of the American colonies can be seen through an examination of the trade statistics with Great Britain (Emory Johnson 1915: 120). During the 50-year period from 1700 to 1750, trade approximately tripled. The value of the American exports shipped to England doubled, and the value of goods imported by the colonies from England quadrupled. From the mercantilist point of view, England's balance of trade with her colonies grew from a slightly negative balance of trade during most of the period from 1700 to 1746 to a positive balance of trade during the years before the American Revolution. See Chart 1.<sup>3</sup>

The trade figures adequately demonstrate that the colonies had indeed been economically successful, but they do not impart specific knowledge as to why these colonies should have been so successful in economic activity while many of the colonies of other European nations were not. Although there were many contributing reasons for the great economic growth of the English colonies, one stands out above all the rest. The very success of England as a colonizing nation seems to be predicated upon her policy of colonizing through private rather than public funds. Also, the search for profits by both the Crown and private individuals or companies was a very powerful force in bringing about liberal land policies that were oriented toward trade



Chart 1

Balance of Trade of American Colonies with England, 1700–1770



Source: Emory Johnson (1915: I: 120).

and production. Whenever a choice had to be made between trying to implement static feudal land policies or dynamic policies aimed at making profits, the decision was almost invariably in favor of the latter.

From the beginning of England's colonization of North America, the Crown followed a very liberal land and immigration policy. The land charters are notable in that they contained no provision as to the means, methods, and procedures for the distribution of the land (Sakolski 1957: 21). Nor was there any mention of the land rights of the aboriginal people; however, it became common for individuals and companies to expropriate territory inequitably and often violently, with little interference from England. Inequitable appropriation was to be expected because the Crown was really doing nothing more than leasing these colonies to private companies in return for a payment. It was up to the proprietors and stock companies to organize their colonies into profit-making plantations. To further this goal, many

different systems of land tenure were tried, but all eventually evolved into some form of private ownership because it proved to be the most profitable to both parties.

In the early periods of settlement, both the Jamestown and the Plymouth colonies followed a form of joint or communal ownership of the land. But it was soon discovered that this type of system of land tenure did not provide the incentives necessary to attract and develop a sufficient number of enterprising colonial citizens. The stockholders of the London Company had foreseen the problem, and from the beginning they had tried to combat it by agreeing to give a share of stock and a small grant of land to any and all immigrants who completed seven years of labor for the company in the New World. But this was not enough to ensure the enduring success of the English settlement in Virginia or, for that matter, elsewhere in North America. Finally in 1613 Governor Dale gave each old settler three acres of cleared, arable land for his own use, and food production increased greatly (Scarboro 2005: 28–29).<sup>4</sup>

Due to climate, geography, and political factors, each section along the Atlantic Coast developed its own form of land tenure. The common element was that all sectors turned toward private ownership of the land and away from European feudal practices. The system of land tenure that developed in the northern section was the child of the staple crop. Stockholders of the London Company had been very disappointed in the return on their investment in Jamestown. Therefore, they did everything in their power to encourage the growth of tobacco as an export crop once a curing process had been developed. In order to increase the supply of tobacco, land was distributed to individuals in large tracts along the navigable rivers. By 1616, the company had initiated the “head-right” system, which provided a free tract of 50 acres of land for the immigrant and each member of his family, including servants, who would pay their own passage over to Virginia. Thus, land, the company’s most abundant resource, was used to bring settlers to Virginia. The Crown tacitly accepted this policy of land distribution by continuing it after Virginia became a Royal Colony in 1624 (Nettels 1940: 141, 165).

The land tenure system that evolved in New England differed greatly from that of Virginia, but the essential feature of private

ownership of the land was followed. The right of the colonies to grant land had been vested in them by the Crown through royal charters. The colonial grants took two forms: first, grants were made to individuals; and second, grants were made to groups that desired to form a community (Akagi 1924: 9–10). Grants made to individuals were generally small in size and carefully located so that no former grant was prejudiced. During the first 25 years of the Massachusetts Bay Colony's existence, approximately 100 of these grants were made, with the average size being 360 acres.

Although the individual form of land grant remained popular in New England until the Revolutionary War, it was not the more significant of the two. The more important method of disposing of colony lands was through grants to communities that wished to form new plantations and townships. Grants were made upon petition to the general court of the colony and were usually tracts six miles square. This in itself was not the final stage in the transfer of land titles. Individual ownership came through grants made by the new townships; this was their chief activity.

Actual division of the land among the settlers was predicated upon equality of division as to the quality and quantity of the land (Akagi 1924: 103–107). The excess land that was not divided up and passed out to the settlers was known as the "common and undivided lands." Common lands were under the exclusive management of the town proprietors and remained so until newcomers moved into the town. How the common land was divided among the newcomers differed from town to town; but, on the whole, "fairness" of division was given a prominent place.

The major proprietary colonies, Maryland and Pennsylvania, were much slower than any of the other colonies to grant land directly to settlers. Although the concept of a fixed money payment in commutation of certain feudal services (a quit-rent) and its use were prevalent throughout all of the colonies, it was most successful in these two proprietary colonies. But even in these colonies the payments were evaded wherever possible and were usually tardy. Even the powerful Calverts were able to maintain their proprietary system and collect their rents and fees only through compromise. They surrendered a large part of their claims by making tenancy approximate ownership

in order to secure a measure of respect of their rights to the soil (Bond 1912: 515; Kirkland 1951: 25).

The situation in Pennsylvania differed from that of Maryland by degree only. William Penn avoided the exercise of his feudal powers much more than the Calverts did, but he still tried to use the quit-rent system as Pennsylvania's general form of land tenure. There are two reasons why Penn was more liberal in his land policies than most other proprietors were. His religion had a great influence on his economic actions because Penn looked upon his colony as a "Holy Experiment." The second reason is less well known but may have been even more significant than the first. Pennsylvania as a colony was not founded until 1681, but the land that it encompassed was not virgin soil. For nearly 50 years it had been exploited by fur trappers and in some areas had been settled by Dutch, Swedish, and Finnish farmers. Therefore, Penn's first task was not so much to establish a settlement in the New World, as it was to establish his authority over these people who looked upon Pennsylvania as being their home.

In later years, Great Britain expanded her control over the different American colonies by making as many of them as she could royal colonies (see Tables A and B). Once a colony became a royal colony, the problem of land tenure then fell directly to the Crown. The general policy of the Crown was not to introduce any radical departures in the already existing land policies. Instead, the royal governors were instructed to confirm the existing land patents and to follow a policy of rapid settlement and cultivation. From approximately 1660 until the Proclamation Line of 1763, the British government pursued a land system that was a part of the general overall economic policy of mercantilism.<sup>5</sup>

The relationship between mercantilism and England's colonial land policy is often overlooked. Mercantilism was the first rational economic policy developed and followed by the Western world. The essence of this type of economic system, according to Max Weber (1961: 255–256), consists "in carrying the point of view of capitalistic industry into politics; the state is handled as if it consisted exclusively of capitalistic entrepreneurs." The land policy that Britain pursued was very much a part of her whole mercantilist system. After 1660 the

Crown did not seek to obtain revenue from her colonies directly through the land by means of quit-rents and land sales, but through the trade that would be forthcoming with the granting of royal monopoly concessions and the opening of the new lands. Nettels (1952: 107) has described this relationship in the following manner:

Although the land system of the thirteen colonies has not usually been considered an element of mercantilism, yet it was not divorced from it. Why did the English Government grant to its colonies a benefit that was not commonly bestowed on settlers by other colonial powers? Small-holdings inspired the colonists to work; their labor expanded production and increased production enlarged English commerce.

England relied on her control over trade instead of the land because it was easier to regulate the merchants. Her motives were fiscal, and the revenue could be collected more easily at the waterfront than on the farms. Also to be considered was the fact that the Crown had a firm traditional right to regulate commerce that dated back to the 1440 Statutes of Employment (Weber 1961: 256–257).

England's colonial land policy also contained elements of imperialism. The Spanish-French menace in North America had to be met if England was going to be able to build an empire in the New World. Once more the Crown's policy was carried out through private resources. England encouraged the rapid westward movement of her colonists because this strengthened her claims to the lands, and as Nettels (1940: 602) has so aptly pointed out, "the English colonist was a soldier as well as a farmer." Her main means of trying to gain this goal of the lands west of the Appalachian Mountains was through private grants of land to individuals or trading companies, not through the creation of new colonies west of the already existing ones.

A prime example of this was the large grant of land made to the Ohio Company in 1747. The grant was to be free of quit-rents for 10 years and title to the land would pass to the company as soon as it built a fort and settled 200 families. England also allowed the individual colonies to make land grants as long as the land granted fell inside the shadowy western boundaries of these colonies. Virginia, for example, during a nine-year period extending from 1745 to 1754 made a total of 34 grants to private promoters and companies. These grants ranged in size from 20,000 to 50,000 acres, and all were located in

the region of what is now known as West Virginia and Kentucky (Virtue 1953: 3).

### **The Gathering Storm**

From the turn of the century until the start of the Seven Years' War in 1756, England's relationship with her American colonies can be described as comfortable. But times and conditions were changing, and England was forced to reevaluate her colonial policies.

England's problems during the 18<sup>th</sup> century can be classified as either internal or external. Her two major internal problems were: 1) who was to rule at home—the King or Parliament, and 2) what would be her economic and political policies toward her colonies. Her major external problem was her titanic struggle with France over who would be the world's greatest European and colonial power. By the middle of the 18<sup>th</sup> century, these three problems had become inexorably entwined. Whenever England attempted to solve the problems of one, she soon found that she had uncovered new or long-buried issues in the others. By 1763, England had answered the question of internal power and settled the external one by winning the Seven Years' War. But her attempts to answer the problems directly associated with her colonies ended in failure and revolution.

Let us quickly trace the important events of this period. England's internal political changes had important effects upon her political and economic relationship with her colonies. At the time they seemed slight, but it soon became apparent that the effects were significant. Legally the power of the English Parliament had been established once and for all in 1688 when its members deprived James II of his royal rights and installed William and Mary as joint sovereigns. After this, the power of Parliament rose without interruption, while that of the King steadily declined. Within 50 years, the situation was such that it could be said that the King of England reigned, but ministers who were responsible to Parliament governed: the ministers were the real holders of power. The citizens who lived in England accepted this shift of power more than colonists did. Thus, as England became more democratic, her relationship with her colonies became more confused.

But whereas the relations with the king were thus carefully defined and clearly understood by the colonists, those with parliament were very unsettled . . . Everyone agreed that the colonies were the King's, but the notion that Parliament could legislate for all the king's dominions had hardly become, at the time of settlement, a maxim of the English lawyer. (Andrews 1958: 50)

The economic significance of this new relationship was that the King's mercantilist policy, oriented to bring in revenue from monopolies, was being replaced by a Puritan form of mercantilism that can be called "national" (Weber 1961: 257). This meant that England would become more concerned with the protection of already-existing income flows and less interested in irrational capitalist speculation. The trend was toward a more regulated land policy of an imperialistic nature.

The second great problem that was resolved by 1763 was that of France. For almost a century (1689–1764), England and France had waged war after war in an effort to see which one would attain global dominance. The final and decisive war between these two belligerents started in North America and then spread to northern Europe (where many nations were involved), the Caribbean, the Mediterranean, the coast of Africa, the Philippines, and India. It started over a dispute about land claims on the forks of the Ohio River; and, last but not least, the colonial leader in the first engagement of the war was none other than the young George Washington.

Even before the Seven Years' War was officially over, England was to decide which of the French possessions she wanted. Two factions in the British government differed. These factions can be described as those who were for a policy of regulated, but rapid, western expansion in North America and those who were not. Those for expansion wanted England to demand Canada from France, while those opposed to this policy wanted England to try to make a clean sweep of the French West Indies by asking for Guadeloupe. The first, Canada, would round out the territory of the American colonies and remove the French danger from them for all time; the second, Guadeloupe, was a greatly desired tropical possession because it produced products not raised in England (Alvord 1917, I: 49).

Both were wanted, but both could not be secured. France, through accepted diplomatic channels, had indicated that she was willing to

sacrifice one of these territories, but not both of them, to end the war. A decision had to be made, and it was a decision that was greatly to influence colonial policy. If Guadeloupe were selected, the existing mercantilist policies would have provided Parliament with a sufficient degree of control. But if Canada were selected, a new policy following “national” or imperialist lines would have to be developed. William Pitt summed up the problem when he asked the members of Parliament this question: “Some are for keeping Canada; some Guadeloupe; who will tell me which I shall be hanged for not keeping?” (Walpole 1845: 34)

By the time the war had ended, England had made her decision. The Treaty of Paris in 1763 found France relinquishing her possessions of Canada, the Mississippi River Valley east of the river, and some of the French West Indies (but not Guadeloupe). England and her colonies had won a great victory. On the surface, it seemed that a new era of harmonious colonial development and market expansion was about ready to take place. But this was not the case. The winning of the war and the terms of the treaty brought about new and different conditions and problems that England and the colonies were unable to solve in a mutually satisfactory manner.

The first point of disagreement came over the question of who was going to pay for the war and the preservation of future peace. The cost of the Seven Years’ War had increased England’s debt from £75 million in 1755 to over £145 million by 1766 (Fisk 1920: 93–138, on England’s fiscal problems). Parliament felt that since most of this increase was the direct result of a war the colonies had started, the colonists should contribute a larger share toward paying it off than they had in the past. The colonists disagreed with this point of view and felt that they had already paid for the war in “real” terms—Indian massacres, displacement, and property destruction. Also to be considered were the costs of maintaining the peace and regulating the new territory. To safeguard the vast frontiers, administer Indian affairs, and establish new colonies promised to be very costly. Once more, England felt that the colonies should help carry the financial burden, while the colonies wanted England to shoulder this responsibility.

The second important change brought about by the end of the war was in the attitude of the colonists. The treaty had removed the danger of the French. Many of the colonists now felt that much of England’s



assistance and the cost of the assistance were no longer necessary. William Burke had predicted this very change in attitude in 1760 during the debate over which territory England should demand from France. Burke had pointed out that if the danger of the French colony to the north and west were removed, the English colonists would move inland at a rapid rate and eventually throw off all political ties with the mother country. "A neighbor that keeps us in some awe, is not always the worst of neighbors" (Alvord 1917, I: 59). There is little doubt about the accuracy of Burke's prediction.

Third, the peace treaty itself had greatly altered the relationship between England and her original North American colonies. The treaty had vastly increased England's dominion, but in doing this, it had vastly increased her administrative problems. Her statesmen now found that they were expected to satisfy the claims of the colonies, land speculators (both private and corporate), the fur interests, the Indians, the Roman Catholic inhabitants of Canada, and her merchants at home, all at the same time. England attempted to face these problems squarely by abandoning her old liberal practices regarding land tenure and replacing them with restrictive measures.

### **Summary**

By 1763, the relationship between England and her American colonies was at a crossroads. Times and conditions had changed so drastically that there was little doubt in the minds of the English leaders that a new colonial policy had to be initiated if the best interests of the British dominion were to be served. Before 1763, England had encouraged private settlement and expansion for two reasons: 1) this held down expenses for the Crown; and 2) it promised a larger market for English manufactured goods. But a policy of this nature gave a great deal of freedom to the individual colonists in areas which England herself was beginning to want to control. Because of the change in attitude and world conditions, Great Britain ushered in a new policy that was imperialistic and that ran counter to long-established colonial practices and traditions.

## Chapter II

### Economic Interest Groups and Western Land Speculation

Before 1750, the question of what was to be done with the lands west of the Appalachian Mountains was hardly considered by the colonists or England. This land, though claimed by England, France, and Spain, was firmly controlled by French soldiers, their Indian allies, and the French *coureurs de bois*. Spain's major stronghold was in the Gulf of Mexico area.

Although England's claims to North America went all the way back to the 1578 patent issued by Elizabeth to Gilbert, they were very weak because they had not been exercised in the interior. The problems encountered in establishing the colonies along the coast had consumed almost all of the thoughts and energies of the English colonists. Thus, England's penetration west of the mountains during the first 150 years of colonization in the New World was very slight, and in the main, was limited to a few nomadic explorers and fur trappers.

By the middle of the 18<sup>th</sup> century, the above situation had changed. The population of the English colonies had grown to approximately one and one half million settlers, and the mother country's attitude toward the lands west of the mountains was becoming a strategic part of her foreign policy. Both of these factors must be examined.

Population growth provided an economic incentive for westward migration. As early as 1750 much of the fertile farmland east of the mountains had already been worn out or engrossed. The relatively inelastic supply of land, coupled with the ever-increasing population, brought about rising land prices in the older settled areas. Comments such as the following one, made by a German traveler in Pennsylvania in 1750, are quite numerous in the writing of that period.

The price of farms in Pennsylvania, especially round Philadelphia, is already quite high; from 30 to 50 florins are paid for an acre only a day's journey from the city, although the ground is still uncleared forest land. If a place is desired for a homestead, which is already in a habitable and cultivated condition . . . twice as much is asked for it as for uncultivated land, the price being about one hundred florins per acre. Rich Englishmen have already bought up from the Indians all the remote land far and near,

where all is as yet wild and wooded in order to sell it again to the Europeans who are coming to the country. Our German people who emigrate there do not get land enough for nothing upon which to build a cottage. The price of land is increasing from year to year, especially because the English see that so many people, anxious to own farms or plantations, are coming to the country every year. (Mittleberger 1898: 118)

Many of the immigrants, as well as old settlers whose land had worn out, refused to pay the high prices. They chose instead to move to the frontier area in the piedmont. This land was not nearly as fertile or suitable for farming, but the price was much lower and these people were poised for the thrust into the interior.

England looked upon this situation as nothing more than a favorable extension of her already-existing land policy. As early as the 1720s, England had considered the idea of encouraging westward expansion across the mountains as a method of forestalling the French claims to the interior (Virtue 1953: 4). At first, the time had not been ripe for such a venture, but by the middle of the 18<sup>th</sup> century it seemed to be. Due to the growth of population, many speculators were now turning their attention to these far western lands. England was able to use the profit goal of individuals and private companies once more for the facilitation of her own colonial policy. She promoted this new phase of westward expansion into the interior in the same way she had encouraged settlement of the original coastal colonies, through the granting of land patents to private individuals and land companies.

The major modification in England's method was that she also allowed and actually encouraged some of the colonies themselves to grant land patents in the western frontier. The Ohio and Loyal Companies of Virginia were the direct and immediate results of this modification. Virginia became even more active in dealing with the western lands after the arrival of Governor Dinwiddie in 1751. Governor Dinwiddie in slightly less than three years personally approved the grant of over a million acres of land. In fact, he was granting so much land that the Virginia House of Burgesses expressed disapproval and requested that he make smaller grants to curb some of the monopoly power that was developing in this western area (Sakolski 1957: 50).

The English colonies, by 1750, had definitely started a new phase of westward expansion into the interior of the country. The concept of

westward migrating occupation groups reveals the characteristics of this movement and the groups that participated in it. Frederick Jackson Turner (1920: Chs. 1–4) described this process of westward migration as the main force in the development of the American society. Turner's concept has certain weaknesses, but his typology of the groups involved in the migration makes an ideal starting point for our own discussion. We shall modify his typology so it is applicable to the specific problems in which we are interested.

Turner has described the frontier as a "moving way of life" that was one socioeconomic zone in a complex pattern of westward migration.

The Atlantic frontier was compounded of fisherman, fur-trader, miner, cattle-raiser, and farmer. Excepting the fisherman, each type of industry was on the march toward the west, impelled by an irresistible attraction. Each passes in successive waves across the continent. Stand at Cumberland Gap and watch the procession of civilization, marching single file—the buffalo following the trail to the salt springs, the Indian, the fur-trader and hunter, the cattle-raiser, the pioneer farmer—and the frontier has passed by. Stand at South Pass in the Rockies a century later and see the same procession with wider intervals in between. (Turner 1920: 12)

In this process, Turner saw six specific types of interest groups, each predicated upon its own particular economy. These groups were drawn to the west by a desire to appropriate land for use within a specific occupation. Each group can be assigned a "type" according to its occupation, which comes close to distinguishing the particular interest each group had in the land. These interest clusters, starting with the most primitive type of economic activity, were:

- 1) The people who initially occupied or penetrated the frontier were fur traders and explorers. They, to a small extent, introduced the Indians to European civilization. Their economic livelihood was based on the trade with the Indians, and they were in favor of keeping the wilderness unsettled.
- 2) Following directly behind the fur traders came the cattlemen. Although this economic group was more important to the western expansion of the next century, it did exist in the earlier time period. Then Boston and Jamestown had a "cattle frontier" on the western fringes of their settlements. The cowmen did

little more than the fur trappers in contributing to the conquest of the West, but they did help to call it to the attention of the land-hungry people of the East and to new emigrants.

- 3) The miners were little known along the eastern frontier area. In colonial Virginia and Massachusetts these seekers of "bog iron" and other valuable minerals explored the forests beyond the settlements. The importance of the miners during colonial times was short-lived and relegated to the very early period of colonial ventures. This group is an example of adventure capitalism (Weber 1958: 67). Adventure capitalism, in the mining industry, reached its height in the 19<sup>th</sup> century with the California 49'ers.
- 4) The pioneer farmers or "squatters" came next. The members of this group took it upon themselves to conquer the wilderness. These were the true frontier openers of American history. In the main, they were squatters who had no claim to land except that of physical possession. They were nomadic in their disposition. As soon as possible, the pioneer farmers would sell their land for the "improvements" that they had made on it and move on to start all over again (Billington 1949: 5-6).
- 5) The pioneer farmers sold out to the "equipped farmers," who formed the fifth occupational interest group. It was equipped farmers who settled down and developed the farm community as the center of its socioeconomic life.
- 6) The fifth interest group blends in with the sixth, the urban professionals on the frontier. It was made up of artisans, merchants, teachers, lawyers, and others who created settled communities. This group performed commercial, legal, and cultural services for the other groups. Its members were exporters of surplus farm products; importers of luxuries, furniture, and farm machinery; and the providers of legal and cultural services such as teaching in schools and publishing newspapers. This sixth economic group differs from the others in that free or cheap land was not the principal attraction for them. They came west because of the economic opportunities that were created by the migration of the other interest groups. (Veblen 1923: Ch. 7, discusses groups four through six in more detail.)

Turner's "frontier thesis" is an excellent starting point for an examination of the different interest groups that were concerned with the westward expansion into the Ohio Valley. However, his thesis must be modified and expanded in three ways.

First, Turner did not pay enough attention to the complex interrelationships or configurations of the groups he discussed. Turner was very much aware of these interrelationships and often referred to them in his writing. But he never made a detailed study of the land tenure problems of the colonial period. His thesis is built upon events happening over time and not upon the interrelationship of economic interests at any given time. Though he was aware of the struggles among class and occupational groups, he was primarily interested in the evolutionary process on the frontier and the effects on the development of American institutions. He showed less interest in the particular goals of each group and how these goals could lead to interest configurations. It is for this reason that we must expand the scope of his investigation. We must also add groups that Turner did not consider: the mother country, elite land speculators, English merchants, and the Indians.

A second reason why Turner's thesis must be modified is that it failed to take into account the property structure that each interest group desired. There was a basic conflict among them about how to treat western land. The fur traders desired to see the tribal property structure of the Indians preserved. The squatters or pioneer farmers needed the land to be open and free to any colonial adventurer who wanted it. The pioneer farmers and equipped farmers wished to replace the Indians' property structure with a concept of cheap land for anyone who would clear and farm it. The plantation owners of the South wanted a landed property structure that would give them exclusive control of the land. For these reasons our examination of the different interest groups that were concerned with the western lands must include two core elements: occupation and property structure.

Finally, the role of land speculator must be examined more thoroughly than Turner did. Land speculation, the purchasing of land at a low price with the expectation of selling it in the future at a higher price, was one of the principal methods by which the European

settlers altered the tribal property structure of the Indians. Land speculation was not a core feature as such, but it was a means by which the property structure was changed. Both northern and southern interest groups actively speculated in the western lands. In the North, this group was typically composed of the coastal merchants, and in the South, the planter class. These private individuals would often join together in forming land merchandising companies, which sought to make money from selling land to settlers and smaller private speculators (Harris 1953: 289).

Individual members of the land companies were also engaged in private land activities that were both speculative and investment oriented. Our analysis will try to keep those elements separate. This is especially true of the groups interested in establishing a landed property structure: the southern planters and the colonial proprietors. Both classes planned to dispose of their lands in two ways. First, they intended to sell part of it to realize speculative gains as the price appreciated. Second, they meant to keep the rest as a basis for forming a landed aristocracy. On the lands they kept, the proprietors attempted to develop large estates based upon the typical features of feudalism: the right to establish manors in the form of fiefs, the right to impose quit-rents, and the right to demand oaths of loyalty and fidelity from those upon whom the land was bestowed (Nettels 1940: 126). The typical planter, on the other hand, needed large quantities of land for economic production, as well as for aristocratic reasons. Planters modified the feudalistic features to fit their own specific goals and environment. A combination of the manor and the plantation was developed by the landed aristocracy of the South.

The northern merchants, though quite active in western land speculation and investment, were opposed to the landed property structure of the South. In the territory west of the mountains, it would reduce their political and economic power over the area. Instead, they wanted to see new colonies formed in the interior that were based upon a small-scale property structure of farmers and traders. This does not mean that they were in favor of free land for whoever settled it. On the contrary, they planned to sell the land to the settlers and lesser speculators at higher prices than they themselves had paid for it. For example, the Vandalia Company (seeking a grant of land mostly in

present-day West Virginia and Kentucky) planned to sell 100-acre plots to the settlers at the price of "about 50 cents per acre, with a perpetual annual land rent of a half-penny per acre in addition" (Chandler 1945: 439). There was a second reason why northern merchants were opposed to a large-scale, plantation-style property structure. A small-scale property structure would bring a larger population into the area for the merchants to service. Thus, the merchants were speculators just as the southerners, but they were opposed to the self-sufficient, plantation type of property structure the southerners wished to establish.

### **Interest Groups After 1763**

In the following section, the goals of the different interest groups will be analyzed, and the core elements of each will be discussed.

#### *The Indians*

The first interest group consists of the original owners, the Indian tribes. The goals of the Indian tribes were traditional. They wanted to continue the life their ancestors had lived with little modification. Their goals are of interest because, when combined with the fur traders, they played a very important role in England's land policy after 1763.

The socioeconomic structure of the Indian tribes east of the Mississippi River was dominated by the Iroquois confederation, north of the Ohio River, and the Cherokee nation, south of the Ohio. Their systems of government and land tenure organization were similar in many respects to the early feudal system in England (Harris 1953: 68). The northern tribes were the vassals of the Iroquois; and the southern tribes, except the Creeks, were the vassals of the Cherokees. The Iroquois operated upon the principle that all tribes that were not positively allied to them were at war with them (Trelease 1960: 21). Thus the history of the Iroquois was filled with wars that were waged to add new nations to the confederacy. Most of the smaller tribes eventually joined the Iroquois, but they did so with little enthusiasm because equal membership within the league was never offered. In the long run, these weaker tribes lost much of their independence,



and in a few years they were completely absorbed and lost their separate identity and culture (Trelease 1960: 22).

The trappers, who traded with the Indians for furs and hoped to maintain the wilderness, were the only Europeans whom the Indians accepted. The goals of the French colonizers were much closer to those of the Indians than were the goals of the English. The French were interested in furs and trade, while the English were more concerned with building homesteads. For this reason, the French, not the English, traded more with the Indians. Duquesne (quoted in Turner 1920: 14) summed up this conflict of interests in this question that he asked the Iroquois:

Are you ignorant of the difference between the king of England and the king of France? Go see the forts that our king has established and you will see that you can still hunt under their very walls. . . . The English, on the contrary, are no sooner in possession of a place than the game is driven away. The forest falls before them as they advance, and the soil is laid bare so that you can scarce find the wherewithal to erect a shelter for the night.

After the Seven Years' War, France's lucrative Canadian fur trade became England's. This, of course, changed the thinking of everyone who was interested in the fur industry. The goals of the Indians remained the same, but England was forced to reexamine her policy toward expansion into the interior of the nation.

The two major Indian tribes, the Iroquois to the north and the Cherokee to the south, also reoriented their policies. The leaders of the two Indian nations realized that, with France removed from the picture, the English colonists would be able to move west at a rapid rate. In order to protect their own hunting lands and fur industry, they did two things. First, they strengthened their alliance with England by cooperating with the Board of Trade's Colonial Indian Department, which was headed by Sir William Johnson. Second, they gave the English colonists an escape valve for their western expansion. The Iroquois realized that the best defense against encroachment of their own tribal lands was to channel the flow of the western migration into other areas. They did this by selling to the English government the lands of the Shawnee, Delaware, and Mingo tribes (Van Every 1961: 211–214). These tribes were weak. For generations, they had been

virtual vassals of the Iroquois. There was nothing for them to do except to move once more to the west.

#### *Fur-Trade Interests*

In the early days, every colony was engaged to a greater or lesser degree in the fur trade. But by 1763, there were only four fur-producing areas exporting large amounts to England: Hudson's Bay, New York, New England, and Canada. The total value of the English exports of furs from her American colonies (Canada is included after 1760) rose from £16,000 in 1700 to £54,000 in 1775, an increase of over 300 percent (Lawson 1943: 33–34).

There is some disagreement among the students of this period over the importance of the fur-interest groups as effective lobbying agencies with the English Parliament. Lawson has concluded from his study that the fur industry "played a most insignificant role, not only in the total English economy but even in the total colonial economy" (Lawson 1943: 70). This conclusion is based on his statistics, which show that fur imports accounted for less than 0.5 percent of the total value of English imports and only 3 percent of the total value of colonial exports (Lawson 1943: 70–71).

Nevertheless, the fur trade did have regional significance. Canada was the region most affected. At the time of the Revolutionary War, her fur exports to England accounted for over 65 percent of the value of her total exports. The Hudson Bay area was more of a game preserve than a colony and was under the direction of the Hudson's Bay Company, which was chartered by the English Crown in 1670. In addition, New York, because of her relationship with the Iroquois, found that fur-trading problems always loomed quite large in her economic expansion and contraction (Lawson 1943: 71–72).

The goals of the fur-trading interest were very close to those of the Indians. What was a way of life to the Indians was an investment function to the shareholders of the different trading companies, as well as a way of life to the individual trappers. Preservation of the wilderness was a necessity if profit margins were to be kept at an acceptable level. It was to the interest of the fur industry to try to retard the expansion of western settlement and ensure the supply of raw materials. On the demand side of the market, the fur interests in

England were quite strong and were able to get Parliament to pass measures that protected their markets (Weber 1961: 257–258).<sup>6</sup>

Although the goals of the French and English fur interests were the same, their methods of internal regulation were quite different. The French followed a policy of carrying the trade to the Indians, while the English relied more on a few military trading posts, using the Iroquois as middlemen (William Johnson 1927: 495–496). These internal differences were of no great concern to England before 1763 because she had only indirect control over the Indians and none whatsoever over the trading posts. But after she gained possession of Canada, England was forced to face the problems of administration of the industry. The merchants of Albany and Pittsburgh were for limiting the number of markets, while the merchants of Montreal, Detroit, and Quebec were for complete freedom of trade. To the former, the trader was more of an agent hired by the merchant, while the French system of organization made the frontier traders equal partners with the city merchants (Innis 1930: 116).

The different elements of the fur industry in the American colonies, though in agreement over ultimate goals, were not in agreement over internal management of production. It will be shown in the next chapter that this internal rivalry over the management of fur lands forced England to decide how lands would be used by each fur-interest group. In doing this, England further alienated the colonial interests of New York and Pennsylvania from those of Canada.

#### *Wealthy Colonial Land Speculators*

The large, wealthy colonial land speculators may be divided into two distinct prototypes. The first prototype is based on the plantation system of the South and the manors of the middle colonies, especially Maryland. The second is the result of the New England merchants. Geographic and climatic conditions played a very important part in the development of each, but they were not the only factors of great influence. It shall be demonstrated that the “style of life” exercised a great deal of influence over the actions of southern speculators and investors, while the “Protestant ethic,” which was absent in the South, greatly influenced the lives of the New England and northern speculators (Weber 1958: 55–56)

*Southern Land Speculators*

The influence of climate and geography over the South's way of life was unquestionably great. The climate of the coastal plain is characterized by long, hot summers that are not conducive to the raising of shallow-rooted vegetation. The deficit of grass and small grains curtailed cattle raising, which in turn restricted the supply of manure and made it hard to keep the land fertile (U. B. Phillips 1929: Ch. 1). The climate also affected the work habits of the people and was an important contributing factor in the introduction of slavery as the principal source of labor in this section of the nation.

The outstanding characteristics of the geography of the South are its slow-moving rivers and wide tidewater areas. The rivers provided a natural but efficient transportation system for western migration, unequaled by the colonies north of the Mason-Dixon line. The tidewater offered a large quantity of fertile land suitable for agricultural purposes. All that was needed to give rise to the western movement was the sustained demand for a product the South could raise profitably.

Though climate and geography contributed to the rise of the South's planter aristocracy and landed property structure, they were not the sole causes. To a large extent the plantation property structure of the South was a carryover from the English system of landholding. Many of the early grants were made to Englishmen who had lived their whole lives on manors and felt that this was the normal property structure to follow in developing the New World. The feudal concept was also quite acceptable to the Crown because it would guarantee its supremacy over the lands and could provide a new source of income. The plantation system was an attempt to transfer the manorial system to the New World, having been modified by time, conditions, and environment.

The fact that many of the settlers of Virginia were schooled in the manorial system and accepted primogeniture and entail . . . caused many of these people to look upon the plantation system as an ideal plan and slavery as a necessity. (Hedrick 1927: 14)

Even the system that was founded in Maryland soon became patterned along the lines of the southern plantation because this

proved to be the most profitable property structure for Lord Baltimore to follow. By the turn of the 17<sup>th</sup> century, the Maryland manors had assumed the features of the Virginia plantation in almost every major aspect (U. B. Phillips 1918: 78–79). Thus a capitalist subtype of manorialism developed in the American colonies.

England's demand for tobacco was the final element needed to ensure the growth of the plantation system. In 1612, James Rolfe proved that Virginia could grow tobacco from Caribbean seed as good as that of the West Indies. Demand for tobacco on the English market was great, and Virginia did the natural thing by adopting it as her staple crop. The hot climate, the navigable rivers, the wide and fertile tidewater, the carryover from the European manor system, the English demand for tobacco, and the shortage of a free labor supply gave birth to the South's plantation system. The supply of southern tobacco soon exceeded the demand for it on the English market, and the price fell drastically from 1 to 3 shillings per pound in the 1620s to 1 pence per pound in 1630 (Morgan 1975: 136). But this did not halt the growth of the system. Land and slaves were cheap and, besides, tobacco was the only cash crop of any consequence that the South had in this early period.

From a purely economic point of view, the southern planters did what any other agricultural group would do under the same circumstances. As the price of tobacco per unit fell, the plantation owners tried to maintain their previous consumption habits by increasing the total amount of tobacco they raised. This, in turn, further depressed the price of the commodity on the English market and provided stimulus to the planters to increase their production for the following growing season. In an effort to cut costs, the fertility of the land was rapidly used up. Little was done to preserve the soil, since it was cheaper to move westward than to try to use fertilizer or other methods of increasing the yields of lands that had been cultivated for a few years. The planters soon came to look upon the westward movement as a normal part of plantation life and devoted much of their energies and monies to the task of securing virgin land to the west. The planter who failed to acquire virgin land to the west was dooming himself to a constantly rising per-unit cost of production as the fertility of the soil declined. Therefore, from the cost side of the

picture, westward migration and land speculation were necessities to the large plantation owners.

It must be stressed that the planters were actually engaging in two financial functions, investment and speculation. The planter would try to engross the adjoining forestland as an investment because he knew that successive cropping in tobacco would soon exhaust the fields and that new grounds would have to be used. Each estate, "if its owner expected it to last a lifetime, must comprise an area in forestry much larger than that at any one time in tillage" (U. B. Phillips 1918: 80). The speculative aspect was to be found in the planters' western lands, which were often uncleared, untenanted except for a few squatters, and located a hundred miles or more to the west and not connected to the actual estate. It was in these lands that the planter envisioned "not modest immediate fortunes but unlimited future fortunes" (Van Every 1961: 281).

The economic end was not the only goal that motivated the southern plantation owner to invest and speculate in the land. Another very important factor was the "style of life" of the planters (Weber 1958a: 180–195; Bendix 1960: 103–116). The term "style of life" means more than just a social norm of a status group because it is regarded as an indication of the social honor of the individual and the group. There are two aspects of social honor, internal and external. The internal aspect is a feeling of self-worth that governs the actions of the actors. Weber's study (in Bendix 1960: 38–52) of the stock market is an excellent example of this. The external aspect is that the person becomes a bearer of the social honor of the status group to groups outside his own and may influence the actions of the other groups. Admittance into a certain style of life requires that specific conditions be met. The individual must have control over a large amount of land, receive revenue flows of an unearned nature, and follow traditional consumption patterns. The latter is quite important, since the individual's consumption is an easily observable method of demonstrating honor. A clearer understanding of the planter's style of life can be gained if it is related to the English aristocracy.

The southern planter society of the colonial period was an imitation of the aristocratic society of 17<sup>th</sup>- and 18<sup>th</sup>-century England. During this time the political and economic power of the aristocracy of most

European countries had weakened before the rising strength of the middle class. But this was not the case in England. The English aristocracy had actually become more entrenched for the following reasons. First, they had attached themselves to the people's cause when they helped expel the Stuarts. Second, the aristocrats had successfully held the Hanoverian dynasty in check through the manipulation of public opinion. And third, they maintained control over the House of Commons as well as the House of Lords through the purchase of seats in the lower house (Fay 1952: 2–3).

Many of the colonists who migrated to Virginia and the other colonies were not only impressed with the position held by the aristocracy in Great Britain, but they were also an extended part of it. The early important families of the South, such as the Byrds, the Fairfaxes, and the Lees, were all English noblemen. The same was true of the Cavaliers. Though exiled from England, they were still aristocrats who were eager to reestablish their old order in the New World. Through the use of primogeniture, entail, and engrossment, a landed property structure similar to the one of the English manor system was founded in the New World. Possession of large landed estates was just as much an emblem of nobility in the colonies as it was in England. The style of life of the English nobility had been transplanted in a modified, but nonetheless feudal, form to the New World.

George Washington is a typical example of a colonial planter who was very much aware of the social honor of the group and tried to the fullest extent of his ability to live up to the norms of the group (Freeman 1948: 388–399). Before the death of his older brother Lawrence, young George had been faced with the problem of how to gain his economic livelihood in a socially accepted manner. Since Virginia followed the feudal concept of primogeniture, he received only a small inheritance upon the death of his father. The family thought of sending him to sea to learn to be a sailor, but wiser counsel prevailed and George was able to turn his talents toward surveying and military efforts. These two professions complemented each other. In fact, if one could not be a planter on a large scale, they were “the only two other professions in Virginia which gave one social standing” (Fay 1952: 16). The surveying allowed him to speculate and invest in

western lands, and the military provided him with status. There is little doubt that Washington used his position as a royal surveyor to locate lands for his own personal use in western areas that he was supposed to preserve from settlement (Chandler 1945: 437).

His goal was typically twofold. He did not plan to sell all of the land he acquired. Instead, he proposed to be both investor and speculator at the same time. Some of the land he intended to keep as an investment and develop into estates patterned along the lines of the landed aristocracy of the mother country (Sakolski 1957: 54). These lands would yield a yearly flow of income. The rest of the land was to be treated as speculation and sold at a higher price than the purchase price. The two functions complemented each other. The value of his speculative lands increased in proportion to the number of tenants he established in the same general area. Washington saw the profitability of this two-fold operation when he was still in his teens and continued to follow it until his death.

Before he was 23 years of age, George Washington had become a well-to-do young man in his own right, without considering his inheritance from Lawrence or the property over which he later gained control through his marriage to Martha Custis. He resigned from the Virginia Regiment in November 1754 and immediately turned his attention toward the establishment of a proper residence. The new residence had to be acceptable to the status group of planters. This meant that the residence had to possess an amount of land large enough to be considered an estate and be worked by slave labor.

At this late date in Virginia history, it was practically impossible for a young man, even a well-to-do one like Washington, to acquire a very large land holding in the Tidewater area. Therefore, the thing to do was to buy an old, established plantation in the Tidewater and build up the bulk of the landed estate in property to the west. Washington actually did the process in reverse, since he already controlled or had valid claims to approximately 2,000 acres in the lower Shenandoah tract by the time he was 18. But he needed a proper, suitable manor in the Tidewater area to fulfill the style of life of the planter status group. This, of course, was achieved in 1755 when he leased Mount Vernon. His total number of slaves was



adequate, and after his marriage to Martha in 1759 there were more servants than work to be done (Freeman 1951: 22).

Washington's consumption habits easily fit in with those of his peers, and partially because of them he was constantly short of ready cash. In typical planter fashion he overestimated his yearly revenue flow and would purchase new lands in the west and order goods from English merchants based on these biased estimates. For example, the Virginia tobacco crop of 1758 had been very small and London prices low, but Washington was not discouraged in the least, and he sent a very large order to his London merchants. This large order was based on his estimate of the next year's tobacco yield and income he was to receive from the settlement of the Custis estate. And yet, hardly a year later, he was corresponding with the same London firm, explaining to them that at that time his finances were unstable because the estate had not yet been settled (Washington 1931: 319–336, 346–350).

The previous discussion demonstrates how both the economic goals and the desire for "honor" stimulated Washington's speculation and investment activities in western lands. The situation of the southern planters can be compared to that facing the Junkers during the late 19<sup>th</sup> century (Weber 1958a: Ch. 15).<sup>7</sup> The major difference was that the Junkers could not turn to more productive and cheaper lands, while the planters could and did. The planters were able to maintain their political and personal influence because they were able to maintain their economic base through enlarged property monopolies.

Land was not merely a badge of wealth; it was the outward sign and the economic foundation of the southern gentleman's style of life. Investment and speculation in the lands to the west were necessary to maintain that way of life. Without this, the soil-destroying qualities of tobacco and its low selling price on the English market would have soon undermined the economic base of the South's landed aristocracy and would have forced major changes in the way these planters lived. But the income provided through the leasing of lands that were acquired at practically no cost and the capital gains from selling some of the land at inflated prices provided the necessary funds for the maintenance of the plantation system during the 18<sup>th</sup> century.

Therefore, we conclude that the southern planters engaged in western land investment and speculation for more than just pure economic goals. Frequently the plantation system as an economic unit was unprofitable before 1800, but the social prestige was a powerful enough influence to make them keep the system (Hedrick 1927: 125–126). Being active in western land ventures carried with it a degree of honor that was a very necessary part of the South's style of life. Those who competed with the planter for those western acres were engaged in more than mere economic rivalry; they were engaged in a struggle over a whole way of life.

#### *Northern Merchant Speculators*

The other type of wealthy land speculator was the northern merchant interest group. The merchants were of a completely different breed than their counterparts of the South. They gained their funds for western land investment and speculation through rational capitalistic ventures oriented to market opportunities. The influence of the "Protestant ethic" over the general economic behavior of these people was very strong. The economic conduct of the northern merchants possessed an ethical content of its own that was absent in the southern planters. This difference will partially explain the divergence between the goals of the two different interest groups.

Max Weber (1958b: Chs. 1–2) made the most famous study of the role of religious ideas in determining economic behavior. He first saw this situation in his own family by observing the actions of his uncle, Karl David Weber, the founder of a small village enterprise. He observed that his uncle, in his business dealings and in his way of life, followed a "work ethic" that was typical of the average entrepreneur. The work ethic contained two core elements. First, these men and their families followed a reserved and frugal way of life. They lived well and did not deny themselves the necessities, but neither would they waste time or money on conspicuous consumption articles or entertainment. Second, they worked very hard and looked upon their labor as a duty that carried its own intrinsic reward. A man worked hard in his chosen occupation (*Beruf*) because it gave him personal satisfaction and was a sign of his virtue.

[O]ne's duty in a calling, is what is most characteristic of the social ethic of capitalistic culture, and is in a sense the fundamental basis of it. It is an obligation which the individual is supposed to feel and does feel towards the content of his professional activity, no matter in what it consists. (Weber 1958b: 54)

The concept of the social ethic of capitalism can easily be put into the American vernacular by the familiar phrase, "Anything that is worth doing at all is worth doing well," or that form of capitalism which is associated with the rise of the western bourgeois class and the development of business organizations oriented toward the production of goods rather than merely for trade in goods. (Weber 1958b: 21–24)

This work ethic was very prevalent in the town merchant class. An outstanding exemplar of the Protestant ethic is Benjamin Franklin. Without the benefit of inherited wealth or social position, Franklin soon acquired a fortune through the practice of industry and thrift. At an early age, Franklin decided to follow a "Scheme of Order" in his life that was predicated upon living in accordance with "thirteen virtues" (Franklin 1840: 105–117). Of particular importance to us are virtues 4, 5, and 6.

4. Resolution—Resolve to perform what you ought; perform without fail what you resolve.
5. Frugality—Make no expense but to do good to others or yourself; i.e., waste nothing.
6. Industry—Lose no time; be always employed in something useful; cut off all unnecessary actions. (Franklin 1840: 106)

From these three virtues we can see the origin of many traditional sayings that document the spirit of capitalism: "time is money," "credit is money," and "waste not, want not."

Franklin's "Scheme of Order" had two very important economic effects on his life as well as on the lives of others who lived by the same work ethic. First, the doctrine of worldly Protestant asceticism restricted spontaneous enjoyment of possessions and consumption, especially conspicuous consumption. The use of wealth for outward forms of luxury was considered an irrational use of capital. The only acceptable use of one's excess funds was investment in pursuits that promised still further rational acquisition. Second, one's occupation (*Beruf*) was more the performance of duty to a calling than just a necessary economic function based upon traditional work habits

and custom. Richard Baxter (quoted in Weber 1958b: 162), a very successful Presbyterian minister, summed up this outlook in these words:

If God shows you a way in which you may lawfully get more than in another way (without wrong to your soul or to any other), if you refuse this, and choose the less gainful way, you cross one of the ends of your calling, and you refuse to be God's steward, and to accept His gifts and use them for Him when He requireth it; you may labor to be rich for God, though not for the flesh and sin.

Consumption is limited, while hard work in acquisitive activity is the ethical norm of their economic activity. "The inevitable practical result is obvious: accumulation of capital through ascetic compulsion to save" (Weber 1958b: 172).

Although the northern merchants were just as interested in gaining control over western lands as the southern planters, the goals of the two groups differed. The planters basically hoped to make a profit from western land either by selling it at an inflated price for speculative gain, by renting it to others along the lines of a feudal manor system, or by using it themselves for a plantation. One thing is quite clear, the typical southern planter did not plan to sell all of his western claims for a speculative profit because at least a portion of it had to be retained and used as a socioeconomic basis for his style of life. The northerners, by contrast, had very little interest in building up landed estates in the west.

There were two aspects of the profit motive among northern merchants, neither of which included long-run possession of the land. The first aspect was the desire to make large speculative gains by selling the land to settlers and smaller individual speculators. The second aspect of the profit motive was more in the form of long-run investment than speculation. The merchants not only wanted to make a profit from selling the land, but they also wanted to make a continuous profit by servicing the needs of the settlers. Thus, the merchant group was opposed to the establishment of large landed estates since this diminished the population of the area, which in turn would cut down on the total amount of goods and services that area would purchase from the seaboard colonies (Hedrick 1927: 127-128).

The work ethic of the town merchant class gave rise to an accumulation of liquid assets. A large portion of this accumulation of capital went to finance speculative and investment activities in western lands. The city of Philadelphia soon became the center of land speculation in the North. It was here that the surplus capital of the merchants could be united with the men who made their economic livelihood from speculating in either land or trade with the Indians.

One of the most famous of all the Pennsylvania speculators was George Croghan, and his methods of operation were typical for merchant land speculation groups. From a small start in 1746, Croghan became one of the greatest speculators of all time in the lands to the west. Through the use of credit advanced to him by Philadelphians, he was able to expand his holdings to a point where they were completely out of proportion with his real assets. He did this by patenting land on the margin. He would mortgage his older land claims to the merchants with surplus capital and use the money to invest in more and riskier lands to the west. At one time or another, Croghan had dealings with just about every important northern merchant and many English ones too (Volwiler 1926: 338–339, Chs. 6–7; Livermore 1939: Ch.14).

Croghan was also typical in that he was not the least bit concerned with establishing large landed estates. Most of the southern land speculators, like Washington, planned to build up vast landed estates and granted long-term leases to settlers. In contrast to this, “Croghan planned to develop his lands slightly and then sell them. . . . He seldom held a tract of land longer than five years” (Volwiler 1926: 241). From this point of view, Croghan was really more of a land speculator than Washington because he was willing to sell all of his claims at any one time if the price was right.

The differences between the methods followed by Croghan and those used by Washington demonstrate the different goals of each type. They also represent the economic rivalry between the many private land speculators of the time. The rivalry was greater if northern and southern interests were after the same lands than they were when the speculators were from the same general area. This is to be expected, since the goals of the typical southern planter were farther removed

from those of the northern speculator than they were from another southerner. An excellent example of the rivalry between northern and southern interests was the dispute that Washington and Croghan waged over certain tracts of land in the Ohio River Valley (Volwiler 1926: 291–294). The dispute started in 1767 and did not end until after the Revolutionary War. Washington finally secured possession of the 40,000 acres in the Ohio region only after a long and bitter struggle.

#### *Land Companies*

Our examination of the land companies can be very brief because the previous discussion has already brought out the underlying “spirit” of land speculation that was typical of the men engaged in this activity and typical of the different land companies they organized and in which they participated. Also, the next chapter will examine the actions and goals of the different pre-Revolutionary War land companies in some detail, and to do so now would only result in a repetitious examination of the same material.

The typical colonial land company received its financial backing from two sources, internal and external. The internal sources of funds came from the planters in the South and the merchants in the North. The external flow of funds came from influential Englishmen whose political support of such land speculation ventures was needed just as badly as their money.<sup>8</sup> The colonial leaders would try to interest politically important Englishmen in specific land schemes, hoping that these men might be able to help them get the blessing of the Crown in the form of a land grant. For example, Benjamin Franklin was invited to be a member of the first Illinois company because of his influence in London. He was given the right to add the names of two or three influential Englishmen to the company rolls at his own discretion (Volwiler 1926: 264).

Once the land company's charter had been drawn up, the next move was to try to substantiate its claim to the lands described in its prospectus. The process of doing this was basically the same throughout all of the colonies. As a company tried to get royal approval of its venture, it would be taking positive action on its claims. The land would be “bought” from the Indians and surveyed as swiftly as

possible. The company would then move small groups of settlers to strategic locations in the area (usually forks of rivers or other natural transportation links) and establish villages and trading posts. This last step was actually one of the most important because demonstrating that some households were settled on it was a very important factor in determining the legal ownership of contested lands. Also, even if ownership right could not be maintained, the company would often benefit through the "improvement" factor because it could receive compensation for the improvements it had made. Colonial law recognized improvements on land as private property that could be sold even if the land belonged to someone else (Harris 1953: 11).

A typical pre-Revolution land company was the Vandalia Company. In the spring of 1766, a company made up of a group of Philadelphia merchants, British colonial agents, and prominent Englishmen was formed for the purpose of acquiring land in the Illinois country. Their ultimate goal was to establish a new colony in the interior of North America. If they could establish this colony on the land they hoped the King would grant them, the financial rewards would be very great. They would receive speculative profits from selling the land to the settlers and would continue to profit from providing the settlers with supplies from the East.

The first step after the company had been formed was to send a petition to the King for a grant of 1.2 million acres of land located between the Ohio, Illinois, and Mississippi Rivers. Next, the company tried to get the political, as well as financial, backing of as many prominent Englishmen as possible. The task of gaining English support for the venture was turned over to Benjamin Franklin, who was living in London. Upon hearing of the plan, Franklin wrote to the stockholders and agreed to "forward it (the petition for charter) to my utmost here" (Sakolski 1932: 11). The reward for his efforts was a share in the company and the right to name a limited number of people as shareholders. This last provision was more of a working tool for Franklin to use than an actual reward. But it did provide him with a method by which he could accomplish his task of gaining political support for the venture.

Through the distribution of shares, Franklin was able to interest a large number of wealthy Englishmen in the Vandalia Company. The

most prominent person was Thomas Walpole, the leading London banker of his day. Walpole became so interested in the project that before long he had become nominal head of it, and the deal became known as the Walpole Grant in England. With Walpole leading the way, the petition was referred to the Board of Trade by the British Cabinet and for a time it appeared as though the Board was going to approve the scheme. But Lord Hillsborough was opposed to it. After dragging along for six years without definite results, it was finally disapproved (Sakolski 1932: 17).<sup>9</sup>

The Vandalia Company was a typical land speculation company. It had selected the land it wanted and then petitioned the Crown for this land in the form of a grant. It had also seen to it that its land-grabbing scheme had the support of wealthy, influential Englishmen as well as colonists. If the grant had been approved, the shareholders would have been in a position to make large speculative profits through the selling of tracts of land to settlers and small speculators. The fact that the King did not approve the petition is yet another typical feature of the fate of the pre-Revolutionary War land company.

#### *The Squatters or Pioneers on the Frontier*

The economic interest group that was the most unpopular with all of the others was made up of the frontier people who “squatted” on land over which they had no legal claim. This interest group had one basic goal that was in complete conflict with the goals of every other group. The frontier people were small-time opportunists who felt that all land was free for the taking to whoever squatted on it. The typical procedure was to squat on uncleared land to the west of the “equipped farmers” and to partially clear the lands. They would then do a little farming, hunting, and trapping as a form of economic subsistence until the right moment arrived. Soon, the more established settlers to the east and the large land speculators would move into the area and try to substantiate their claims to the lands on which the frontier people had squatted. At this point, these people would sell their “improvements” to the legal owners and move west to start the process over again (Billington 1949: 96–97). The interesting economic point is that people with little or no capital assets were able to



appropriate land over which they had no legal or economic claim. By appropriating land temporarily, they could improve it through their labors and gain an above-normal rate of return on their labor.

The term "squatter's rights" developed during this period and became recognized as part of the legal institutions regulating the colonial land. The concept of squatter's rights evolved as a form of compromise between the squatter and the legal owner as a means of decreasing turmoil (Ford 1910: 119–120). Over time, two specific concepts unfolded that protected the squatter to a certain degree from the legal rights of the owner. These are known as "preemption" rights and the "improvement" factor. The preemption privilege worked in this manner. If a squatter had settled on and improved a plot of land, he was given preference to purchase it from the owner at the going price (Ford 1910: 123–124). If the squatter had the money and desired to put down roots at that particular spot, he was able to purchase the land legally. But if he did not have the necessary funds to exercise his preemption rights, the improvement factor came into play. Now it was the squatter who had something for sale, the improvements that he had made during the time he lived on the land. If the legal owner of the land would compensate him for the changes he had made over the wilderness, the squatter was legally obligated to move off the land. This is what happened in most cases. The squatter had made his living from the land and a small profit to boot once he accepted the improvement payment (Ford 1910: 123–124).

It is easy to see why the pioneer-squatters were in conflict with every other interest group and opposed by all landholders, both large and small. The large land speculators and land companies were constantly at odds with the squatters because of their land grabbing and claim jumping. The writings of Washington, Croghan, and other wealthy land speculators are filled with accounts of the problems brought to them because of these squatters. A second important interest group, the fur trappers and related merchants, opposed squatters as much as the land speculators did. The squatters or pioneers did two things that greatly reduced an area's fur-producing capacity within a very short time. They cleared the land, built cabins, planted crops, and, in general, established homes. This type of action by itself greatly reduced the number of pelts an area was capable of producing in a

season, but it was not the only thing they did. As far as the fur industry was concerned, it was their treatment of the Indians, a very necessary part of the "production" stage of the industry, which was the most destructive.

The pioneers hated the Indians, and when they moved into an area the Indians had to go. If they did not, hostilities were sure to come, sooner or later. In the long run, it was the Indians who had to give up their tribal hunting grounds and move further to the west, taking their fur-producing capacity with them. Even those Indians who chose to change their way of life and become Christians so that they could stay in their traditional hunting grounds were not safe from the hatred of the pioneer-squatters.

The colonial governments, as well as the British government, were concerned over the actions of these squatters. One of the main goals of the different colonial governments and the English Crown was to keep peace with the many Indian tribes. It was the desire of these governmental bodies that westward expansion be as peaceful and orderly as possible. Lands were not to be appropriated from the Indians because this would eventually bring trouble. Instead, the lands should be obtained from the different tribes through treaties and the exchange of goods and services of an "equal" value.<sup>10</sup> If this was done, the different government bodies would have greater control over the whole westward expansion movement at a much smaller cost because less protection would be needed. England recognized this and tried to bring about a greater degree of organization and supervision to the western migration with the formulation of the Proclamation Line of 1763. Therefore, individual interest groups and the governments of the colonies of England were opposed to the goals and actions of the squatters because they created administrative problems of the first order.

#### *Public Interests of the Colonies*

So far we have discussed the goals of private interest groups in the western lands without mentioning the different public interest groups that were vitally concerned with the western land question. The goals and interests of the different colonies cannot be completely separated from those of the private groups because the latter were an influential

part of the former. The goals of the Virginia planters without a doubt became at least a part of the goals of the colony of Virginia. And, in turn, the goals of the colony, be they wealth, political power, or prestige, became in part the goals of the individuals who made up the colony.

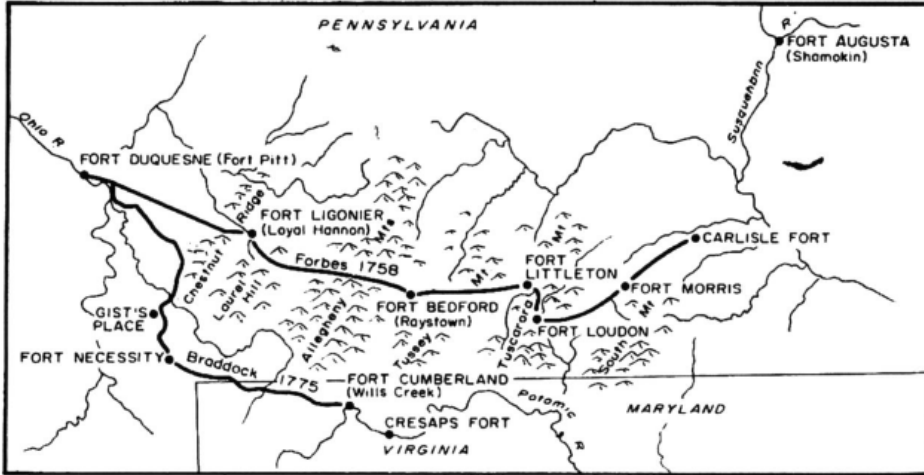
The colonies were faced with two distinct types of conflict over the land question. The landless colonies were jealous and resented the acreage of the sea-to-sea colonies. Because of the wording of their charters, six colonies (Massachusetts, Connecticut, Virginia, North Carolina, South Carolina, and Georgia) held claims to tracts of land that belted the continent. It was easy for the not-so-lucky colonies to see that in the future they would become less economically and politically important with each passing year if these sea-to-sea claims could be established. This realization seems to have been one of the major influences on Benjamin Franklin's thinking at the Albany Congress and his plan for more effective administration of the English colonies in America (Abernethy 1937: 114–115).

The other area of conflict consisted of boundary disputes. From the very earliest time, the different colonies constantly disputed not only the lands to the west but also their own borders. In many cases, the boundary problems were brought about by the uncertainties of the language used in the original charters. The boundary controversy between William Penn and Lord Baltimore is a perfect example of the problems raised by the use of unclear language. But most of the boundary disputes between the colonies were centered in the backcountry. In these disputes the goals of private interest groups gave direction to the boundary policies followed by the colonial assemblies. A large majority of the members of the colonial assemblies were wealthy "men of property" who were interested in the western lands. Thus, it can be inferred that the public interests consisted primarily of disguised private interests (Van Every 1961: 270–271). Quite early, the colonies learned that possession of a geographical area through the establishment of settlers and settlements was more important than vague, unexercised claims.

In 1713, 1715, and 1727 Massachusetts determined upon a policy of locating towns in advance of settlement to protect her boundary claims. In 1736 she laid out five towns near the New Hampshire

Map 1

Two Roads to Fort Duquesne (Pittsburgh), 1758  
 (George Washington aggressively pushes southern route, to benefit  
 Potomac region)



border, and a year earlier opened four contiguous towns to connect her Housatonic and Connecticut Valley settlements (Turner 1920: 76; Abernethy 1937: 10, 19).

The most famous and important dispute over the backcountry took place between Virginia and Pennsylvania. Their conflict was not actually settled until after the Revolutionary War. Both colonies had very strong interests in the Ohio country and at numerous times almost fought each other for them. George Washington became officially involved in this land conflict in 1758 when he was subordinate to General Forbes. Forbes had to decide which was the best way to move his army into the Ohio territory. If he advanced by the new road (proposed by Pennsylvania merchants) from Raystown to the backcountry, Philadelphia would become the main base for his supplies. If he used the older Braddock's Road, then the Potomac area would be called upon to furnish the needs of the army (Freeman 1948: 323). (Map 1 shows the two routes.) When Washington learned that Forbes had decided on the new road, he became very hostile toward him and his actions bordered on insubordination (Washington 1931:

252–261; Freeman 1948: Ch. 20). It can never be established to what extent Washington's own financial interests influenced what should have been strictly a military matter. But even a casual examination of his actions and writings during this period strongly indicates that facts other than military expediency were being considered (Freeman 1948: 328–329).

The best overall example of the difference in interests as to what should be done with the western lands is demonstrated by the failure of the Albany Congress of 1754. The year before, the Board of Trade had instructed the governor of New York to call a conference of the colonies to restore friendship with the Iroquois and to determine whether the colonies would “enter into articles of union and confederation with each other for the mutual defense of His Majesty's subjects and interests in North America, as well in time of peace as war” (Morris 1956: 7). Only seven of the 14 continental colonies sent representatives, with the strongest representation coming from New York and Pennsylvania. The southern section was absent by its own choosing, and this was enough to ensure the failure of any “confederation” that might be proposed by the congress.

At the congress, Franklin proposed his “Albany Plan” of government, which suggested that Parliament legislate a federal union into existence. Many areas of authority were reserved for the proposed continental government, with the western question being one of the most important. The proposed continental government would have the power to:

make all purchases from Indians, for the Crown, of lands not now within the bounds of particular Colonies, or that shall not be within their bounds when some of them are reduced to more convenient dimensions. (Franklin and Hutchinson 1754, ¶12)

The plan also would have given the federal government the power to regulate the Indians and Indian trade, to regulate new settlement, and to deal with problems of defense. These proposals would have curbed the power of individual colonies over the western lands and “in effect would have written off the trans-Appalachian claims of colonies like Virginia. . . .” (Morris 1956: 107).

The conference adopted the Franklin plan unanimously, with the delegates from Connecticut abstaining because Franklin had

convinced them that even if they could not support it, they should not actively work against it. But the exact opposite was true when the plan came before the different colonial assemblies. Every colonial assembly voted the plan down. It is interesting to note that the Pennsylvania Assembly, despite Franklin's own prestige, voted it down without even bothering to discuss it (Morris 1956: 108). The different colonies just did not want the protection of unity at the price they were asked to pay for it. The fur-trade interests were opposed to it because it would supervise and regulate the terms of trade with the Indians. The landed interests, both private and public, were against it because its enactment would have wiped out their sea-to-sea claims and hindered the speculative goals of the private interests. Even the frontiersmen and small landowners were opposed to it since it would have greatly limited their activities.

Even though the Seven Years' War had started and the frontier was aflame, the different colonies would not work together. Colonial disagreements over what should be done with the western lands, to a very large extent, caused the early failures of the English forces against the French and their Indian allies. The reactions to Governor Dinwiddie's call for arms to protect the frontier were consistently negative. Pennsylvania would send neither troops nor money; Maryland would give no support to the early war effort on the flimsy excuse of claiming that Virginia had not been attacked; and South Carolina refused to send aid and kept the Cherokees from sending it because she was eager to protect "her Indians and her Fur Trade" (Ambler 1936: 7).

### **Conclusion**

Before 1763 the different colonial interest groups had conflicting economic goals about what should be done with the western lands. The fur-trade interests wanted to see the traditional property structure of the Indians remain in force for the territory west of the mountains. The squatters or frontier openers wanted the land to be free for the taking to whoever squatted on it. The settlers, who wanted to see a small-scale property structure of many small private farms develop in this area, pushed for smaller land grants at a very low price. Finally,

the wealthy northern merchants and southern plantation owners felt that the Crown and the colonies should make very large grants to them so that they could use part to establish a landed property structure and speculate with the rest. Even the threat of French incursions during the Seven Years' War was ineffective in uniting these different interest groups into an integrated order.

Was it possible, then, that England would formulate a series of land policies that would draw these different groups together into a common interest configuration of opposition to herself? At first glance, it would seem that the answer would be "no." But this was not the case. In the following chapters the effects of the new policies upon the different interest groups of the colonies will be examined.

### **Chapter III**

#### **England's Colonial Land Policies, 1763–1767**

The year 1763 marked the end of one era and the beginning of another. With the signing of the Treaty of Paris on February 10, 1763, France acknowledged England's right to all of the territory east of the Mississippi River and to the province of Canada. England's great victory carried with it many new problems and responsibilities. What policy should she pursue to control her vast domain of new territory that stretched to the Mississippi? The old policies regarding land tenure, fur trading, and immigration had to a large extent been designed to help England gain control of territory without going to war with France. Now that the menace of the French had been removed, these old liberal policies were not adequate if England was to control effectively such a large territory. The earlier policies, which had been established along the lines of fiscal mercantilism and state monopolies, were also in conflict with the Puritan-controlled Parliament of the late 18<sup>th</sup> century. The time was right for a new colonial land tenure policy.

The new policy Parliament was to formulate had to face certain basic internal problems for the first time. 1) What should be done about the conflict between the Indians and colonial settlers over the western lands? Should the Indian hunting grounds be preserved for the natives and the fur trade, or should the frontier of the colonial settlers be allowed to advance westward as rapidly as possible? If the land was to be preserved for the Indians, the economic interests of the land speculators would be dealt a crushing blow, while those of the fur trade would rise. Also to be considered was the cost to England of maintaining a peaceful frontier. If the frontier was allowed to advance at a rapid pace, there were sure to be wars with Indians, and British regulars would be needed to maintain the peace. 2) What type of regulations should be placed on the fur-trade industry now that England controlled what had been the French interests? Should these regulations be imperial, federal, or local? 3) Finally, the question of public lands had to be faced. How should land acquired from the Indians be disposed of and by what authority?



Policies designed to deal with questions of such importance are usually very carefully thought out before they are enacted, but in this case England did not have the time to do this. Within three months after the signing of the peace treaty with France, the frontier was once more aflame with Pontiac's Rebellion. England hurriedly decided upon a policy that she hoped would allay the alarms of the Indians who had remained peaceful and induce the warring ones to give up their warlike behavior. The Proclamation of 1763, though written in haste, is one of the more important state papers of the 18<sup>th</sup> century.

### **The Proclamation of 1763**

The fundamental purpose of the Proclamation of 1763 (see Appendix A for text) was to alleviate the difficulties that England and her colonies were having with the Indians along the North American frontier. The document contained three major provisions. 1) It defined and established four new provinces and gave the residents of them the protection of English law. 2) It encouraged immigration into these new colonies by giving to the colonial governors the power to make land grants and specifically gave grants to the officers and soldiers who had served in the Seven Years' War. 3) It announced a new Indian policy that contained provisions affecting the economic interest of almost every group in the American colonies. The third provision was the major one and had received the most attention from the Board of Trade. The first two were added since the document "offered a convenient vehicle for the announcement of decisions which had been reached on several other matters" (Alvord 1908b: 22).

The added provisions in the Proclamation contained errors. Most of these errors were slight and of little importance, but one involving the continuation of Catholicism in Quebec was quite serious and far-reaching in its ultimate consequences.

The Treaty of Paris had promised the French-Canadians the right to their own laws and religion. The Board of Trade, under the leadership of Lord Shelburne, kept this fact in mind when it drew up the boundaries of the new provinces. The boundaries of Quebec were

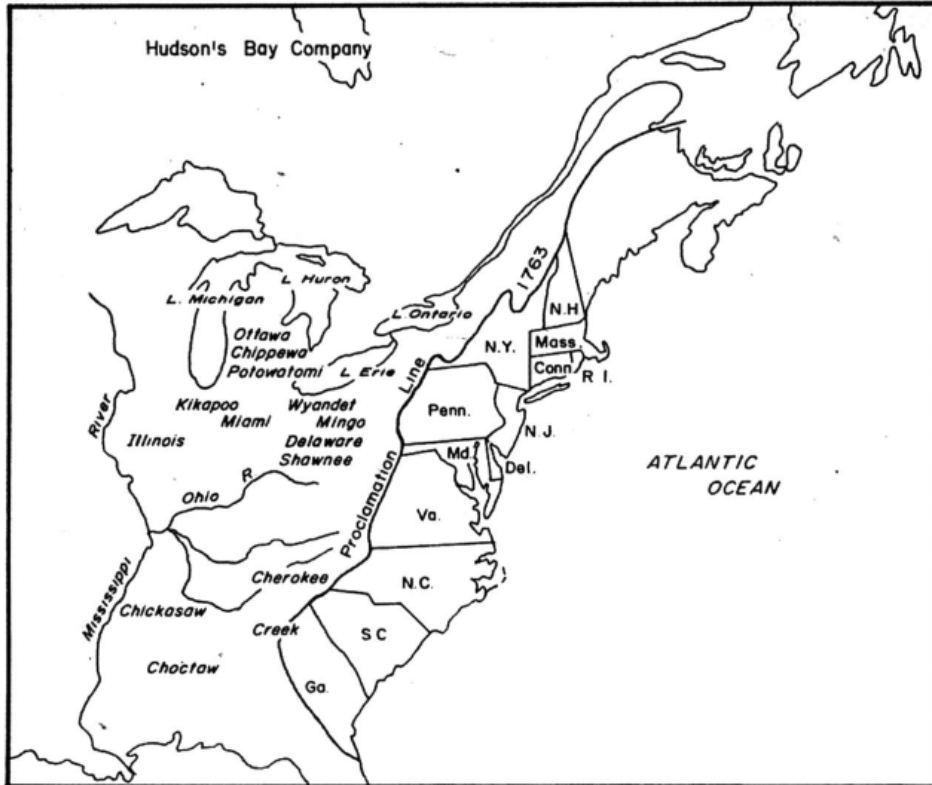
drawn so that the new subjects would be segregated and their laws could be continued in force. But before the Proclamation was issued, Lord Shelburne resigned from the presidency of the Board and Lord Hillsborough became his successor. Hillsborough mistakenly revised the Proclamation so that the province of Quebec was included in the first provision of the document in such a way that British law supplanted French law (Alvord 1917, I: 206–207). England later attempted to correct the error with the Quebec Act of 1774, but in doing so, it directly contributed to the grievances that brought about the Revolutionary War.

England's primary purpose in issuing the Proclamation was to end the hostilities with the Indians along the frontier. To do this, the members of the Board of Trade felt that it was necessary for the British government to centralize the management of Indian affairs. Acting on the advice of Sir William Johnson, they established a boundary line between the Indians' land and the colonial territories (O'Callaghan 1856: VII: 578). The crest of the Appalachian Mountains was selected not only because it was a good approximation of the actual frontier but also because it provided an unmistakable boundary line in the physical as well as in the cultural sense. According to the Proclamation (paragraphs 14–16), the lands west of the mountain crest were reserved for the Indians, and all English subjects who found themselves in this territory were "enjoin[ed] and require[d] . . . to remove themselves from such settlements."

The Board of Trade considered this line to be of a temporary nature until England and the different Indian tribes were able to work out a more realistic one based upon sound economic and political considerations. In the north, the Indians were east of the watershed, and in the central sections, colonists were already west of the line. The Proclamation Line of 1763 by itself was not the major element of Lord Shelburne's imperial land policy. It was instead an outward sign of that policy. The real core elements of the Proclamation of 1763 recognized the Indian title to the lands that had not yet been ceded; reserved these lands for the Indians until the King made treaties with them for it; forbade the purchase of Indian lands without first obtaining a special license from the Crown; and regulated the fur-trapping industry.

Map 2

Proclamation Line of 1763  
 (Limiting western settlement by colonists after Seven Years' War)



The Proclamation of 1763 reversed the previous British land and fur policies and ran counter to colonial practices that had become traditional. An examination of the different provisions of the document and the way in which these provisions were carried out will provide us with the necessary background to understand its economic and political effects upon the different colonial interest groups. The three provisions of the Proclamation that we shall examine in detail can be summarized under the following headings: 1) the imperial control and regulation of the fur trade; 2) the imperial control over the Indian lands to the west of the mountains; and 3) the temporary boundary line itself.

*The Imperial Regulation of the Fur Trade*

From 1763 and 1768 England's imperial fur-trade policy was organized around three central features that were to be enforced by the newly created Indian Department. The three major elements of the policy were:

- 1) The private monopoly elements of the fur-trading industry were removed. Anyone who wished to engage in and carry on trade with the Indians could do so, as long as he or she applied for a trading license from the governor or the commander-in-chief of the colony or territory. The only stipulation on the granting of the license was that the holder agreed to "observe such regulations as We The Board of Trade shall at any Time think fit, by ourselves or by our Commissaries to be appointed for this Purpose . . ." (Proclamation, ¶ 17; see Appendix A).
- 2) The actual process of exchange between the Indians and the white fur trappers had to take place at 11 military establishments. In other words, the Proclamation planned to restrict the trade between the colonists and the Indians to a small number of supervised markets.
- 3) The third feature in many respects is a part of the second. A set of prices was established so that the quality as well as the quantity of goods exchanged by the fur trappers for the Indian peltry would be "fair."

When these three features are taken as a whole, they provide us with an excellent example of one of the highest forms of "political capitalism": colonial capitalism (Weber 1958: 66). England was attempting to guarantee a profitable fur-trading market to all of her colonists who were interested in engaging in trade with the Indians.

The enforcement of this imperial policy was put in the hands of Sir William Johnson. As early as 1761 he had been asked by Sir Jeffrey Amherst to formulate an operative set of regulations that would protect the Indian from being imposed upon (William Johnson 1921: 514–516). In many respects the Proclamation accepted the policy ideas of Johnson as well as his administrative plan. The Board of Trade finally settled upon a plan that called for the creation of a separate

Indian Department. This department was to be composed of a Superintendent of Indian Affairs, with Sir William filling the position; three administrative assistants; "eleven commissaries to inspect into the trade, remedy abuses, and do business with the Indians at their respective posts;" eleven interpreters to assist the commissaries; and, finally, eleven smiths to make the repairs requested by the Indians (O'Callaghan 1856: VII: 637–641).

The Indian Department never came close to reaching its prescribed strength because, though the idea of the department was approved by the Board of Trade, the funds for its full implementation were not provided.

This phase of England's new imperial policy was doomed to failure from the very start because of the economy measures of the Grenville ministry and the pertinent fact that England was trying to unite two distinct systems of the fur-trade industry into one order. It was generally accepted that the maintenance of the Indian Department would be expensive, so the Board of Trade proposed that a tax be placed upon the Indian trade and thus make the department self-supporting. A tax of this kind had to be passed by Parliament. No one pushed hard enough for it in 1764, and during 1765–1766, the Stamp Act crises killed all chance of the passage of such a tax. Shelburne, in later years, tried to unite England's imperial fur policy with that of her land policy in the hope that the latter could help support the former (Alvord 1917: I: 277–286, 333–334; Bond 1919: 432–435).

Another reason for the failure of England's imperial fur policy (1763–1768) was the bitter rivalry between the two main fur-producing areas: the province of Quebec and the colony of New York. In general, both groups were in agreement with the Proclamation's order reserving the lands west of the mountains for the Indians because this ensured the source of supply of pelts to the traders and merchants. But there was complete disagreement over the way the industry should be regulated. England decided to follow the system of the New York traders. It was easy to supervise since the traders maintained permanent posts and the Indians brought their pelts in for exchange. The merchants from the province of Quebec complained that this kind of policy was not adapted to the northern trade. The French trappers and traders traditionally had taken their goods to the

Indian and lived with them throughout the long winters. Also, there was no Indian tribe in Canada that was powerful enough to act as middlemen for the traders as the Iroquois did for the traders of New York (Lawson 1943: 57–58).

The Quebec merchant firms used every argument that they could think of to try to persuade the Board of Trade to allow them special permission to go back to their original method of trading with the Indians. The argument that seems to have carried the most weight with the British ministry was built on a combination of humanitarian appeal and common economic interests. An excellent example of this can be found in the letter that was sent to Sir Guy Carleton (quoted in Innis 1930: 177) by 57 trappers and merchants of the Quebec province.

Unless there is a Permission for all Persons to winter with the Indians on their hunting Grounds, that the Trade must every year diminish, for many Nations of Indians . . . are at so great a Distance from any Fort, that it is impossible they should supply themselves, and return again to their hunting Grounds in the same Year; Consequently if it was their determination to be supplied from the English, yet every second Year of their hunting must be lost, which would prevent the consumption of our British Manufactures, stop the Current of our Trade, hinder us from making proper Remittances to our Correspondents, and in the end entirely break the Chain of our Commerce. . . . It is well known that the Support of an Indian and his Family is his Fusee [musket, rifle]; now if any Indian Family who perhaps winters at the Distance of Five or six hundred Miles from one of these Established forts, should by any Misfortune either break his Fusee, or the least screw of his Lock be out of Order, or want Ammunition, where could that Indian Family be supported from, or how get their Sustenance? They must either perish with Hunger, or at least loose [lose] their Hunting that year.

As time went on, the complaints from the Quebec fur interests became more specific that the regulations and the policy of control were more favorable to the interests of New York than they were to Quebec. Finally the Council of the Province of Quebec (quoted in Innis 1930: 178–179) went on record against the existing policy of the mother country when they put into their minutes the belief that “The Interests of the two Provinces in regard to the Indian Trade differ too widely, to expect they will ever perfectly agree upon general Regulations for carrying it on. . . .”

Within a period of less than five years the "Regulation of the Indian Trade" provision of the Proclamation of 1763 had been tried and rejected. The reasons for the failure of this regulation were many, but two of the more important ones were the lack of money and insufficient understanding on the part of Great Britain as to the problems involved between the two principal interest groups. The Indian trade provision might have worked if the funds had been provided so that the Indian Department, under the direction of Sir William, could have achieved its recommended strength. But even this probably would have been effective only in the New York area and not in the northern province. The real failure rests with England's attempt to apply political restrictions over one economic group based on their appropriateness for another group.

By 1768, the numerous complaints led to a change in policy. England decided that the regulation of the fur trade should once more be entrusted to the colonies themselves (O'Callaghan 1856: VII: 981–984). This meant that the powers of the provinces, especially Quebec and New York, were increased once more. The two provinces were assigned general areas in which they could establish their own regulations over the fur trade. The results of this change in policy by England were competition between the provinces, general confusion, and grave injustices done to the Indian. In fact, the colonies turned their backs on the problems of the Indian trade. Instead of regulating it as England thought they would, the colonies did nothing whatsoever. The trade was thrown wide open and the Indians were at the complete mercy of the individual traders. England's policy change of 1768 did not solve any problems whatsoever; instead, it actually contributed to the existing problems and made the eventual solution a contributing cause of the Revolutionary War.

#### *Imperial Control Over Lands West of the Appalachian Mountains*

The second provision of the Proclamation of 1763 deals with the extension of imperial control over the Indian lands that had not been granted to Europeans by treaties. This provision was a complete reversal of the previous English land policy. As late as the spring of 1761 the Board of Trade was advocating the rapid western expansion

of the frontier by the colonists as long as the Indians were not being too badly “defrauded” (O’Callaghan 1856: VII: 428–429). Although Lord Egremont, Secretary of State for the Southern Department, questioned this liberal policy before the Board of Trade on November 11, 1761, it remained the royal, colonial land policy until the King’s Proclamation was issued two years later.

Even though the Proclamation of 1763 ushered in an imperial land policy, which theoretically centralized control over western lands in London, it did not settle the real question of what was to be done with the Indian lands in the long run. From the very beginning, there was a great deal of confusion or difference of opinion over what the Proclamation actually meant. Lord Shelburne, the writer of the Indian policy section of the Proclamation, looked upon the Proclamation Line of 1763 as a temporary boundary between the colonists and the Indians. Western expansion was to be carried out through the peaceful purchase of land from the Indians by the Board of Trade or some other imperial agency. In other words, westward expansion was to be controlled, but not prevented. In general, Shelburne was more in favor of creating new colonies west of the mountains along the lines set down by his good friend and advisor on colonial affairs, Benjamin Franklin (Alvord 1908b: 30–32, 39; Virtue 1953: 21). Others, like Lord Hillsborough, felt that England, with the issuing of the Proclamation, had established a permanent boundary line between her American colonies and the Indian lands, making the central section of the country a great Indian and fur reservation (Alvord 1908b: 41).

This very basic difference of opinion among high-ranking English officials contributed to the confusion of the different interest groups in the colonies. No one knew exactly what the mother country planned to do with the western lands. But one thing was obvious; henceforth, legal title to the lands held by the Indians at the time the Proclamation was issued could no longer be acquired through private or colonial treaties. Only the Crown would have the right to make treaties with the Indians, and anyone interested in acquiring title to the western lands would have to gain the favor of the Crown. It was this very situation that gave rise to so many speculative land companies after 1763. The land companies, through the use of shares, could make their venture profitable and enticing to important British officials by



offering them shares of stock at special prices. By the same token, those who were interested in preserving the Indian lands for the fur trade did their best to make sure that some of the members of Parliament and the Board of Trade had investments in the fur-trade industry and therefore would be interested in seeing that the Proclamation be interpreted as a permanent boundary (Humphreys 1935: 262).

*The Temporary Nature of the Proclamation Line*

Most historians are in agreement that England did not intend the Proclamation Line of 1763 to be permanent. Due to the Indian uprising, the Board of Trade recommended the crest of the mountains because it offered to both sides an easily recognized boundary that did not miss the real frontier line by very much.

Lord Shelburne was unable to bring about a more acceptable line west of the Alleghenies for a number of years because Hillsborough replaced him as president of the Board of Trade, and Pontiac's uprising did not resolve itself until the spring of 1766. The revision of the line took five years; in fact, it took seven years before the proper British officials ratified the new line established by the treaties of Ft. Stanwix and Hard Labor. In the meantime, the actions of the different colonial interest groups indicated that, as far as they were concerned, the line was not permanent. They assumed that, in a short time, it would be moved westward at the expense of the Indians and the fur traders.

This attitude can be verified by examining the actions of those interested in the trans-Allegheny territory after the line was announced in 1763. The Mississippi Company was formed in September 1763 by a group of wealthy and influential Virginians (five Lees, three Washingtons, two Fitzhughes, and Dr. Thomas Walker) who formed a partnership for the purpose of acquiring a land grant of 2,500,000 acres on the western-most boundary of the land gained from France in the Treaty of Paris (Livermore 1939: 103). The land for which they petitioned comprises the present day southern one-fourth of Illinois and the western tip of Kentucky. In the same year, the old Ohio Company was reorganized and George Mercer was sent to England to

protect the interests of the company (Virtue 1953: 14). At least a third of the members of this venture were also the leaders of the previously mentioned Mississippi Company. George Washington (1767: II: 468–471) best summed up, in his letter to his land agent, William Crawford, the attitude of the typical land speculator in the South toward the Proclamation Line of 1763:

I proposed in my last to join you in attempting to secure some of the most valuable lands in the King's part which I think may be accomplished after a while notwithstanding the Proclamation that restrains it at present and prohibits the Settling of them at all for I can never look upon that Proclamation in any other light (but I say between ourselves) than as a temporary expedient to quiet the Minds of the Indians and must fall of course in a few years . . . any person therefore who neglects the present opportunity of hunting out good lands and in some measure marking and distinguishing them for their own (in order to keep others from settling them) will never regain it. . . .

I might be censured for the opinion I have given in respect to the King's Proclamation and then if the Scheme I am now proposing to you was known it might give the alarm to others and by putting them upon a Plan of the same nature (before we could lay a proper foundation for success ourselves) set the different Interests a clashing and probably in the end overturn the whole all which may be avoided by a Silent management and the (operation) snugly carried on by you of hunting other game. . . .

Southern speculators were not the only people active in speculating in the western lands during this period. A group of Pennsylvania traders, known as the "Sufferers" because they had lost trade goods to the Indians during the uprisings of 1754 and 1763, joined with the merchant firm of Baynton, Wharton and Morgan of Philadelphia to petition the Crown for redress of their losses in the form of a land grant of 1,800,000 acres situated on the Little Kanawha and Ohio Rivers (Livermore 1939: 113–114).

Another famous company established by the northern interests at approximately the same time was the Illinois Company founded by George Croghan. It asked for a grant of land that comprises all of the present state of Illinois, most of Wisconsin, and the northern one-third of Indiana. The members of the Illinois Company were as imposing as any of the land companies formed in the South. Its membership was made up of such well-known figures as Sir William

Johnson, William Franklin, Benjamin Franklin, and seven wealthy Philadelphia merchants. Sir William recommended later on that the number of partners be increased so that General Gage and Lord Adam Gordon could be included (William Johnson 1927: 128–130).

We can conclude that most colonial land speculators looked upon the Proclamation Line of 1763 as a temporary measure. Also, it seems plausible to conclude further that the Proclamation actually stimulated the growth and development of the colonial land companies because this type of business organization seemed more suitable to deal with the problems of acquiring title to western lands under the imperial control of Great Britain.

#### **The Attitude of Specific Interest Groups Toward the New Land Policy**

The large land speculators were against the Proclamation Line because it restricted their western advance but was ineffective against the migration of the squatters. Also, many of the wealthier land speculators feared that the act was an indication that the mother country desired to favor English land speculators in western lands rather than colonial speculators.

The squatters or pioneers were opposed to it because it was a bother to them. Occasionally, colonial officials would throw a few of them off the land on which they had squatted. Another reason the pioneers and equipped farmers hated the Proclamation was that it denied them all forms of English and colonial military protection from the Indians. Since the squatters and small-scale farmers were illegally across the line they could not expect aid even when the Indians were attacking them.

The individual colonies had accepted the Proclamation with mixed feelings. Colonies with extensive claims and unfixed western boundaries were opposed to the Proclamation from the very start (Ambler 1936: 56; Alvord 1917: I: 109–110). The colonies with fixed boundaries were in favor of the line at first because they thought this meant that England was going to establish new colonies in the West. But when this was not done these colonies began to look upon the restriction of western movement as a clash between imperial and colonial rights (Alvord 1908b: 34).

Though the provision of the Proclamation dealing with the management of Indian affairs was universally disliked by the landed interests, the Indians and the fur traders did not even wholeheartedly approve it. This was because of the two distinct systems of the fur-trade industry centered in North America. The eventual reorganization that resulted from the Proclamation was pleasing to the New York faction but completely unacceptable to the Canadian group. The French-Canadian fur trappers and the northern Indians suffered from the imperial regulations. The different Indian tribes were unimpressed by the whole situation for two reasons. First, the removal of the French meant that the Indians could no longer play one side against the other in an effort to get higher prices for their pelts. Second, the line had been ineffective in keeping the squatters and pioneer farmers out of the Indian territory. The powerful Iroquois in the North were actively working with Johnson to try to channel the flow of unwanted squatters southward (William Johnson 1927: 492, 548, 1931: 154). At the same time, John Stuart, superintendent of the Indian affairs in the South, was having the same trouble with the pioneers from Virginia and North Carolina. In fact, these people became so obnoxious to the Indians that the Cherokees soon applied the term "Virginian" to anyone who encroached on their lands (Alden 1944: 263).

Even England soon realized that the Proclamation needed to be revised and expanded because its original form was not capable of doing the things that had been expected of it. The fur-trade provision, which regulated the method by which the furs could be bought from the Indians, had been a failure from almost the very first. Its provision dealing with the question of ownership of the lands west of the mountains was working out no better. Almost every colonial and English interest group was dissatisfied with its results. It had not kept the colonial pioneers out of the Indian territory; in fact, it effectively restricted the advance of the equipped farmers while the squatters disregarded the line completely. It was the squatters or pioneers who hated the Indians the most and were constantly looking for excuses to drive them from their traditional hunting lands (Alden 1944: 263; van Every 1961: Ch. 15).

Another factor that was weighing heavily upon the royal officials by 1766 was the problem of colonial finances. The imperial policy

formulated by the Proclamation of 1763 was very costly and did not provide the necessary means of financial support. Under the direction of George Grenville, England had attempted to raise the funds for the management of colonial affairs in 1765 through the passage of the Stamp Act. But it received so much opposition that it was repealed before it had collected a cent of revenue. The consequence of the repeal was that either expenditures for the management of colonial affairs had to be cut, or a new source of revenue had to be devised that would be acceptable to the majority of the colonists. The eventual result was a compromise proposal coming from Lord Shelburne in the form of a letter sent to the Board of Trade, October 5, 1767 (O'Callaghan VII: 981–984). Shelburne recommended that the attempt to regulate the Indian trade by the British government be renounced and returned to the hands of the colonials. This would cut costs and help to resolve the conflict that had arisen between the two different systems of New York and Canada. He further suggested that the temporary boundary line of 1763 be amended and that a new one be negotiated with the Indians. Once the land was acquired from the Indians, the Crown could turn around and sell it to the colonists. Therefore, the yearly quit-rents from the newly acquired land would be the method by which the revenue for the support and regulation of the North American colonies could be raised.

The Board of Trade agreed only in part with recommendations made by Shelburne. In a letter dated March 17, 1768 (O'Callaghan VIII: 19–31), the Board of Trade issued the policies that Great Britain would use to regulate the trade with the Indians and the ownership of the land west of the mountains. First, the regulation of the fur-trade industry would once more be placed under the jurisdiction of the colonies. Second, the idea of extending the boundary line westward was accepted in modified form. The Board specifically limited the extent of western penetration for which Sir William Johnson could negotiate with the Indians. The eventual result of this conference between Johnson and the Indians was the Treaty of Fort Stanwix, 1768.

Most historians have viewed the Treaty of Fort Stanwix as the continuation and expansion of the Proclamation of 1763 (Alvord 1908b: 37–38), while others have considered it to be a complete

reversal of the former British policy (van Every 1961: Ch. 17). In some respects the treaty was a means of trading water until the Board was able to work out a more comprehensive policy of imperial land distribution. The Board had definitely decided that the regulation of the Indian trade should be returned to the hands of the colonists, but it was not certain what land tenure policy to follow. Therefore, though it specifically limited the area and the total amount of new land to be opened by the new treaty (Lewis 1941: 78), it said nothing about the disposal of this newly acquired land.

## **Chapter IV**

### **England's Colonial Land Policies, 1768–1774**

The Treaty of Fort Stanwix in 1768 was the first definite action taken by England since the Proclamation of 1763 on the management of the Indian lands west of the mountains. Without adequate staffing, the Indian Department in England had allowed the Indian trade to deteriorate and had ignored the fact that settlements had been established west of the line around the Pittsburgh area (O'Callaghan 1856: VII: 960–978). By 1767, these two problems were giving rise to unrest among the Indians, and the threat of a general Indian war was imminent. As noted previously, Shelburne proposed shifting the boundary line to account for these thrusts into the interior by the settlers. The possibility of another Indian uprising helped to convince the Board of Trade that Shelburne's was not only the correct policy but also one that should be enacted with all haste. On December 23, 1767, the Board sent the necessary orders to America for the establishment of a new line through purchases from the Indians (O'Callaghan 1856: VII: 1004–1005). This order instigated a series of treaties (Fort Stanwix, Hard Labor, and Lochabar) that eventually established "a continuous boundary line from the Great Lakes, back of the Appalachians, around the coast of Florida, and through the southern part of the East and West Floridas, almost to the Mississippi River" (Alvord 1908a: 175–176).

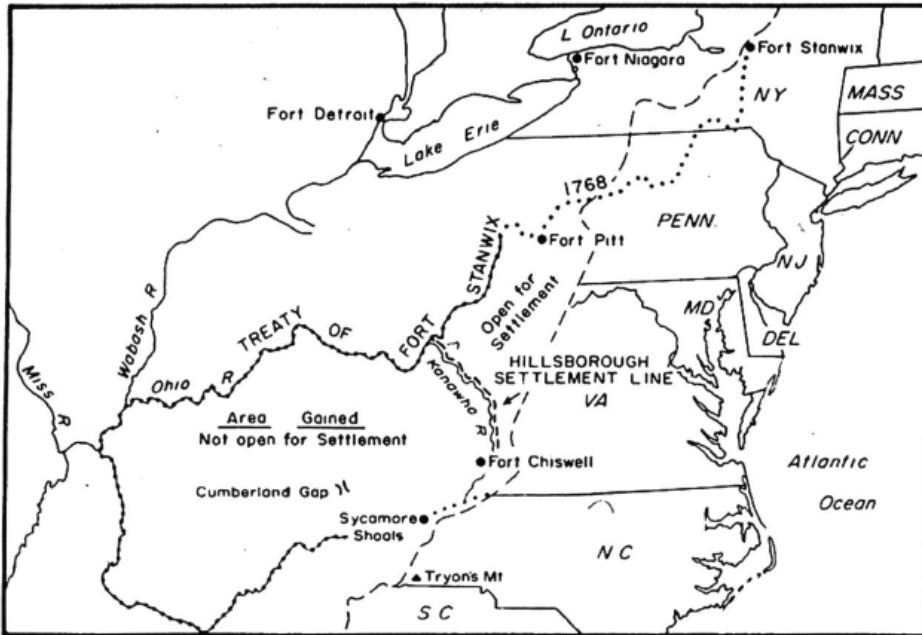
#### **The Treaty of Fort Stanwix**

The first of the three treaties, the Treaty of Fort Stanwix, is the most illuminating since it demonstrates the coming together of two distinct interest groups, the wealthy merchants of the North and the planters of the South, and is the starting point for the other treaties. (The only known account of the conference and the resulting map are William Johnson's "Proceedings at Fort Stanwix to settle a Boundary Line" (O'Callahan 1856: VIII: 111–137).) Under this agreement, the Iroquois consented to sell to England the land south of the Ohio River as far down as the Tennessee River for the sum of slightly over £10,000. It was also agreed, in a separate document (Lewis 1941: Appdx. A), that the traders who had lost goods in the Indian uprising of 1763

Map 3

Treaty of Fort Stanwix, 1768

(Negotiated by colonists with Iroquois, but also affected southern tribes)



would be compensated for their losses by receiving a land grant from the Indians. The grant was to be approximately three and one-half million acres and located within the boundaries of the present state of West Virginia.

The role of the interest configurations, which did so much to bring about the treaty of Fort Stanwix, needs to be examined if we are to understand the treaty's significance. The principal parties of this interest compromise were the Iroquois, the speculative land interests from the North (including the traders of 1763), and the speculative land interests from the South. The three groups joined forces to work directly against the interests of the fur-trading industry and the other Indian tribes (especially the Shawnee, Delaware, and Mingo) and indirectly against those groups residing in England that wanted to keep the colonists from expanding westward across the mountains (Hinsdale 1887: 215; Nettels 1940: 603–604).



The interest of the natives was represented at the conference by over 3,000 Indians, most of whom were Iroquois. The northern speculators were represented by William Franklin (the Governor of New Jersey), two commissioners from Pennsylvania, and Sir William Johnson, who was, of course, looking after the interests of New York. Only one man, Thomas Walker of Virginia, represented the southern interests. But Walker was the best man the planters could have had to represent them. He had served as a commissary for Virginia troops during the Seven Years' War, knew Benjamin Franklin and other important Philadelphians, was the legal guardian of Thomas Jefferson, maintained powerful connections with the political leaders of the Tidewater and Valley areas, and was the dominant head of one of the most famous Virginia land companies, the Loyal Company (Abernethy 1937: 59–60).

Walker's presence at the conference and his signing of the treaty are adequate proof that the wealthy planters of the South were in accord with what had transpired at the gathering. On the surface it would seem that the southern interests should not be favorable to the terms of the Treaty of Fort Stanwix because the land granted to the "Suffering Traders" by the treaty was admitted to lie within Virginia and was claimed by the old Ohio Company of 1754, which was still pressing its claim for this territory. Why then did Walker endorse this treaty? What did he and the southern planters expect to gain from relinquishing their claims to this territory?

The answers to these questions can be found only by examining the western land problems in the South as well as in the North. While Johnson was conducting the conference at Fort Stanwix, John Stuart of the Southern Department was engaged in a similar type of conference with the Cherokees. The resulting Treaty of Hard Labor should have set the Indian boundary line for Virginia, which was in the Southern Department and under the direct supervision of Stuart, not Johnson.

The southern land interest group employed the Treaty of Fort Stanwix to add weight to their shadowy claims along the upper branches of the Tennessee River. The conference at Fort Stanwix had been set to start before the one at Hard Labor, so the different interest groups used the former treaty to gain their own particular goals. An agreement was made along the following lines between the Iroquois,

the northern land interests (including the Sufferers), and the southern land interests (Abernethy 1937: 59–60; Alvord 1917: II: 70, 78–79; Lewis 1941: 60–64). The Iroquois agreed to sell to the Crown a larger area of land than the Crown had requested, an area south along the Ohio River, which they did not use for hunting and trapping. By offering land they did not care about, the Iroquois hoped to open an escape valve for the colonial settlers' insatiable desire for land; thus, they would preserve the traditional Iroquois hunting grounds in the North.

The northern colonial land-seeking groups wanted to gain control of the land that the Iroquois granted to the Suffering Traders but realized that this territory was admittedly within the boundary of Virginia and was still being claimed by the old Ohio Company (Abernethy 1937: 59). Virginia had more of a legal claim to this land than did the northern merchant interests, but the northern interests had more of a practical claim through use and settlements. Therefore, Virginia felt it would be to her advantage if she gave up her claim to the upper Ohio Valley in order to substantiate her claims to the Holston River settlements located on the upper branches of the Tennessee River (Alvord 1917: II: 78). If the Holston River claims could be validated, then nothing would stand in the way of the area desired by the Loyal Company, headed by Thomas Walker, the same Walker who was the Virginia delegate to the conference of Fort Stanwix. So in return for giving up her claims to the land that the Suffering Traders wanted, Virginia received support to her claims in Kentucky. This support was in the form of the Iroquois ceding the land as far south as the Tennessee River to the Crown and thus opening the door for Virginia to move westward. All of the parties concerned realized that there would be disputes over the extent of the southern boundary, but they were confident that the boundary decided upon at Fort Stanwix would stick (Abernethy 1937: 59, 61–62).

The situation developed as expected. When Lord Hillsborough learned of the treaty, he felt that Sir William Johnson had gone too far. Hillsborough instructed him to try to return part of the land to the Indians without hurting their feelings. But the rest of the British ministry felt that Hillsborough's report to the cabinet on the evils of this treaty was unfounded. Therefore, he was obliged to rescind his

order, and he informed Johnson that the boundary line as constructed in the treaty was acceptable after all. But Hillsborough's initial position was partially supported by the Crown because settlement west of the Great Kanawha River was forbidden until some time in the future, and the grant made to the Suffering Traders was not confirmed. Instead, this land was appropriated by the Crown and persons interested in acquiring title to it could "make application to His Majesty" for it (O'Callaghan 1856: VIII: 144–145, 158–163, 166).

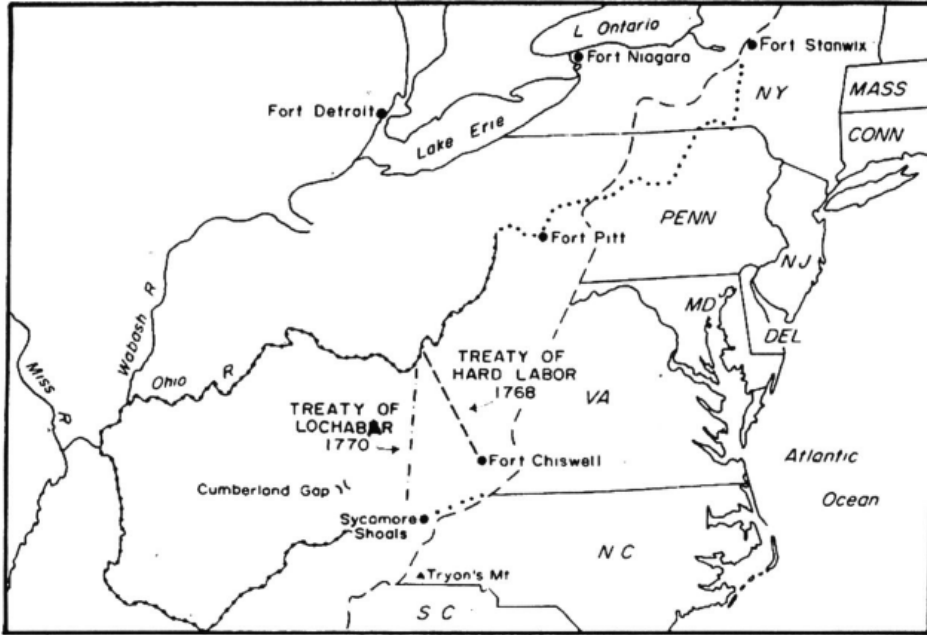
### **Treaties of Hard Labor and Lochabar**

Although the Crown did not allow immediate settlement of the land ceded to the Suffering Traders, the traders now had a solid claim to the territory they desired without having to face the counterclaims of Virginia. The Iroquois, for the time being, had safeguarded their traditional hunting grounds. And last but not least, Virginia's spirit of cooperation at Fort Stanwix was paid off in the treaties of Hard Labor and Lochabar. At the conference of Hard Labor in 1768, Stuart negotiated a new southern boundary line with the Cherokees, which, though not as favorable as the one granted by the northern Indians, was still quite acceptable to Virginia. It provided the colony with further legal validation of its claims in the territory, and the line settled on by Stuart also stretched over a sufficiently large area to include settlements along the Holston River—what is currently Knoxville, Tennessee (Abernethy 1937: 65–66).

At a later meeting, the Cherokees made it known to Stuart that they were willing, as the Iroquois had been, to sell more of their land located between the Tennessee and Great Kanawha Rivers. This land was not used by them for hunting or trapping, so selling it would bring them an economic gain and would help to channel the westward movement of pioneers and equipped farmers to the north of them. Stuart agreed to work out a new and more favorable boundary line for Virginia, on two conditions: 1) that the colony, not the Crown, would pay the Indians for the territory and 2) that the Crown approve the new line. The new boundary line, worked out at the Treaty of Lochabar in 1770, did not include all of the territory that the southern planters wanted, but it did extend Virginia's claims over all of the

Map 4

Treaties of Lochabar and Hard Labor  
(Treaties of colonists with Cherokees for land south of Ohio River)



present West Virginia. For this concession, Virginia agreed to pay to the Cherokees £2,500 (Virginia House of Burgesses 1906: xiii–xiv).

A number of observations and conclusions can be drawn from the above discussion. First, England's colonial land policy was confused and uncertain. It sent double messages to everyone. Even when it seemed that the new treaties constituted definite policy decisions, this was not the case. Although land had been acquired through treaty from the Iroquois and the Cherokee all the way to the Tennessee River, England refused to allow settlement in this area. Although migration was implicitly allowed after the Treaty of Fort Stanwix, England never removed the legal prohibition against settlement that was put in place by the Proclamation of 1763 (Alvord 1917: II: 77). The English leaders could not make up their minds between westward advancement and confinement of the colonists to the east coast. Second, the Crown failed to establish any policy for the disposal of the

territory south of the Ohio River. It was not until 1774 that England devised a plan for the orderly distribution of this land. A few royal grants were made through the royal governors, and some very large grants were in the making, but none of these did anything to solve the general problem of land tenure.

While this lack of a definite policy for land distribution was affecting the western lands, England was also following a bungling policy toward the fur industry. Once more England could not decide upon the proper policy for regulating fur trading. At first she left this problem in the hands of the colonists (before 1763); next she tried to regulate the industry but would not appropriate sufficient funds to do this properly (1764–1768); then she again turned this problem of regulation back to the colonists (1768–1774); however, by 1771, she had decided that this had been a mistake, since the colonies were as reluctant to spend money to safeguard Indian suppliers as the mother country had been. By 1770, the same type of situation had developed in both the area of land tenure and the fur industry. The Crown was dissatisfied with its existing imperial policy but was unable to come to grips with the problems and reconcile them.

#### **Dissatisfied Interest Groups**

What effect did this feeling of imperial uncertainty have upon the different interest groups in the American colonies? It helped to unite the northern and southern land speculators at the Treaty of Fort Stanwix. These two groups were willing to join forces to try to get the Crown to allow each of them to gain control over their own particular areas. To do this they were forced to consider the interests of the stronger Indian tribes (Iroquois and Cherokees). Thus, we have two different units composed of four separate interest groups together to form an interest configuration in an effort to gain their desired ends.

The Iroquois and Cherokees did not want to see the colonists advance but knew that they could not be stopped, so the dominant tribes shifted the socioeconomic loss of the westward advance by colonizers to the lesser Indian tribes located in the lower Ohio River Valley. The northern and southern colonial interest groups had been in conflict for a number of years over the same territory, but they had

come to the conclusion that the only way of ever gaining their ends was to join and present a united front to England over the different land problems. This is just what they did at the conference of Fort Stanwix and the following two conferences. The southerners did not oppose the northern group at the conference of Fort Stanwix, nor did the northerners oppose the southern interest group at the conferences of Hard Labor and Lochabar. Even the pioneer-squatters gained from this situation. The threat of an Indian war was averted, and the pioneers were now in a better position to sell their "improvements" to the legal owners of the lands upon which they had squatted. Just as the Iroquois and Cherokees had passed the socioeconomic cost of western migration onto the lesser Indian tribes, so did the colonists. The fur industry, which was very small in the central portion of the country, was stifled by the agreements made in these treaties.

#### **The Quebec Act**

Although the three Indian treaties of Fort Stanwix, Hard Labor, and Lochabar turned over a vast area of western lands to the Crown, they did not provide a policy for disposing of this new territory to the colonists. Most of the groups that were interested in the western lands thought these treaties were evidence that England had reversed her position from that of the Line of 1763. But this was not the case. England had no intention of throwing all of this land open to the colonists without first making provision for imperial control over the area. The goals of England's colonial land policy had not radically changed from the goals formulated in 1763.

The Crown still had three basic goals that it expected its land policy to achieve. The first was peaceful coexistence between the Indians and the colonists. The second was the royal regulation of the land settled so that the mother country would receive at least enough revenue to protect and administer the new settlements made in the western lands. The third was to see that the policies of the North American colonies did not come into conflict with the overall imperial policy of the new British Empire. In the following paragraphs we shall see that the goals remained the same at all times; only the means of implementing these goals were altered.

By 1770 Great Britain had come to the realization that her previous policy of granting land on a monopolistic basis no longer served her best interest. A new and reformed land policy was needed, and this would take time for the Puritan-controlled Parliament to work out. For this reason England followed a policy of refusing to allow new grants to any group no matter how powerful it might be. The most famous example of this was the Board of Trade's rejection of the Walpole Grant in 1772.<sup>11</sup> A year later the Privy Council issued an order in council to all royal officials in the American colonies prohibiting them from making land grants of any kind at the threat of gaining "his Majesty's highest Displeasure and of being immediately removed from their Offices" (O'Callaghan 1856: VIII: 357–358).

Why did England choose this time to "tread water" over the western land problem? By 1770, it was apparent in England that certain aspects of her imperial policy toward the interior land question of the American colonies had weaknesses that needed to be corrected. The major problem areas were:

- 1) How should the Crown dispose of the new territory it had acquired through the Indian Treaties? The manner in which this was done would set a precedent for all future dispersals of Crown lands and, if handled properly, it would provide a much-needed source of revenue to the mother country.
- 2) How could the problem of Canada, which had been brought about by its accidental inclusion in the Proclamation of 1763, be solved? From the beginning, the enlightened leaders of England realized that it would be impossible to gain the trust of the predominantly French population in that area without giving back to these people some degree of freedom over religious, legal, and cultural matters. Another part of the same problem was the Canadian boundary in relation to the coastal English colonies. Just how far south did Canada extend? If it were decided that Canada's southern boundary extended down to the Ohio River Valley, there would be conflict between her and New York, Pennsylvania, and Virginia.
- 3) Finally, what should be done with the Indian fur trade? England had gone from a policy of local regulation to one of imperial

control and then back to a local policy. These experiences had convinced her that some general plan of regulation by Parliament was necessary.

England met the first problem in 1774 when she announced her reform of the land system to the governors of the American colonies (O'Callaghan 1856: VIII: 409–413).<sup>12</sup> The Crown revoked all of its previous unexercised charters and instructions related to the laying out and granting of lands. It ordered the royal governors and all other officials to set aside the lands in their colonies that they thought would be “most advantageous to the public interest and welfare” to have settled and improved. They were then instructed to have the better land surveyed into lots not smaller than 100 acres and not larger than 1,000 acres. The lots were to be numbered and a map made of each district showing each numbered lot. One copy of the map would remain with the Secretary of the colony; a second copy would be sent back to the Privy Council in England for safe-keeping. The lands were to be offered for sale in the name of the Crown at an open and free market to the “best bidder.” The possibility of collusion among different individuals or land companies to force the price below the competitive level was ruled out because the Crown placed a minimum acceptable bid of sixpence sterling per acre; plus it reserved not only its customary fifth, but all of the gold, silver, and precious stones mined. Also, the land was not sold outright; a quit-rent of one-half penny per acre was to be borne by the new owner.

There can be no doubt that the new system of land distribution was a mortal blow to the dreams of the pioneers, the equipped farmers, and especially the land speculators, both northern and southern. The price of the land was being forced up above the going level and the Crown was going to put into operation the machinery to collect the long-disregarded quit-rents. The land reform law was also unacceptable to the colonies that had any claims whatsoever to the western lands. The only economic groups in favor of this new British policy were the Indians and the fur traders. An example of the protests raised against this act can be found in the writings of Thomas Jefferson.



In his pamphlet, "A Summary View of the Rights of British America," Jefferson (1774: 20–21) took the view that the vacant land in America was not part of the King's domain. He wrote:<sup>13</sup>

A general principle, indeed, was introduced, that "all lands in England were held either mediately or immediately of the crown," but this was borrowed from these holdings, which were truly feudal, and only applied to others for the purpose of illustration. Feudal holdings were therefore but exceptions out of the Saxon laws of possession, under which all lands were held in absolute right . . . America was not conquered by William the Norman, nor its lands surrendered to him, or any of his successors. Possessions there [in America] are undoubtedly of the allodial nature. Our ancestors, however, who emigrated hither, were farmers [laborers], not lawyers. The fictitious principle that all lands belong originally to the king, they were early persuaded to believe real; and accordingly took grants of their lands from the crown. And while the crown continued to grant for small sums, and on reasonable rents, there was no inducement to arrest the error, and lay it open to the public view. But his majesty has lately taken on him to advance the terms of purchase, and of holding to the double of what they were, by which means the acquisition of lands being rendered difficult, the population of our country is likely to be checked. It is time, therefore, for us to lay this matter before his majesty, and to declare that he has no right to grant lands of himself.

Jefferson's line of argument was a new one. To him the colonists had migrated to the New World without any great amount of material aid from the Crown and, therefore, they had reverted to a state of nature and were free to adopt such laws and government as they saw fit. The colonists had on their own volition selected the King of England as their sovereign, and the various royal charters formed compacts between subjects and sovereign. For this reason, the powers of the King were limited to the specific charters, and he did not have the right to revoke them without the consent of the colonists. If the colonists did not agree to this, the King was then powerless to carry through his desires.

Jefferson did not rest his case with this point. He considered two other aspects of the British land policy and used them to argue against the reformed land system. He argued that the Americans had the same rights and immunities as those enjoyed by Englishmen. Therefore, he protested against the act on the grounds that it was discriminatory in its collection of arrears in quit-rents between the colonists and

Englishmen “by which American lands are made subject to the demands of British creditors while their own lands were still continued unanswerable for their debts” (Jefferson 1774: 10).<sup>14</sup>

Jefferson’s third point had to do with the particular grievance of Virginians against the Crown’s arbitrary creation of independent governments from Virginia territory. Here Jefferson was referring to the historic formation of Maryland from Virginia and the then current proposal of establishing the Vandalia colony in the western part of Virginia (Jefferson 1774: 8).<sup>15</sup> Although there is no historical evidence to substantiate this, he may have taken into account the ultimate consequences of the Quebec Act, which at that time was pending in the House of Lords. If this was the case, Jefferson’s third point must also be considered relevant to the land speculators in the North as well as in the South.

The land reform policy of 1774 was never put into effect because of the coming of the Revolutionary War. Its likely effects, had it been implemented, are hard to judge. Nor can we assess its contribution in causing the war, since the Quebec Act was passed shortly thereafter and became the focal point of complaint against England’s land policy. The full text of the Quebec Act can be found in Appendix B.

The Quebec Act, when it was passed in June 1774, contained within its provisions three distinct imperial goals: 1) to redress the injustice of the Proclamation of 1763 to the French-Canadians; 2) to bring about “a regular plan for the Indian trade which was provided for . . . by the authority of the supreme legislature” (O’Callaghan 1856: VIII: 348–349, a 1773 letter from Earl of Dartmouth to Johnson); and 3) to bring the upper Mississippi Valley under the protection of the imperial power. The first goal, the correction of the harshness of the Proclamation upon the predominantly French population of Canada, was no spur-of-the-moment lapse toward liberalism on the part of the British Parliament (Alvord 1917, II: 216–236). From the start, many enlightened Englishmen had seen the evil of including the province of Quebec under the religious and governmental sections of the Act of 1763. As Lord Mansfield stated in a letter to Grenville (1852: 476–477) in 1764, shortly after the Proclamation was passed:

It is possible that we have abolished their laws, and customs, and forms of judicature all at once, a thing never to be attempted or wished. The history

of the world don't furnish an instance of so rash and unjust an act by any conqueror whatsoever; much less by the Crown of England, which has always left to the conquered their own laws and usages, with a change only so far as the sovereignty was concerned.

Although each ministry after 1763 examined the possible alternative methods of righting the blunder of the Proclamation, it was not until the North Ministry in 1774 that anything was done about it.

The second goal of the Quebec Act, the regulation of the fur-trade industry by some kind of imperial agency, was brought about by the laxness of the colonies themselves. England in 1768 gave the colonists the opportunity to govern and regulate the Indian trade. But they failed to accept the responsibility, and it looked as though a new Indian war might be in the offing if something was not done soon. This failure to deal profitably and peacefully with the Indians was not true of all the English colonies in North America. On balance, the older colonies had been less successful in their efforts to regulate and exploit economically the fur trade than the newer colony of Quebec (Paul Phillips 1961: 625). Therefore, it seemed logical that if the fur trade were to be entrusted to the management of Quebec and removed from the hands of the other colonies, the major problems would be corrected. The Crown would be able to avoid the expense of direct British supervision, while at the same time it would have a very strong degree of imperial control over the industry since the Quebec provinces were not as sovereign as the American colonies.

The third goal of bringing the upper Mississippi Valley under the control of England was tied very closely with the problems and interests of the fur-trade industry. The fur industry was still trying to preserve the lands west of the mountains as its own monopoly (Paul Phillips 1961: 625). It had already realized that this was not possible south of the Ohio River any longer because the Treaties of Fort Stanwix, Hard Labor, and Lochabar had, for all practical purposes, opened up this territory for settlement. True, England had not officially opened most of this land for settlement, but illegal settlers were just as ruinous for the fur-trading industry as legal ones!

The preservation of the fur-producing lands was not the only reason the Crown wanted to throw the protection of her imperial power over the area. The colonial frontier was an area of disorder where quit-rents

could not be collected, and it was a constant source of friction with the Indians. The ministers finally decided that the only way to bring imperial control and law to this western region was to place it directly under the government of Quebec. The intention of England was clear. The inclusion of the Old Northwest Territory by the Quebec provinces would be used not only to bring law and order to the area but also to remove the territory from the grasp of the English-speaking colonies. For example, Solicitor-General Wedderburn (in Cavendish 1841, I: 58) defended the bill before the House of Commons in the following manner.

I think one great advantage of the extension of the territory is this, that they [the English colonies] will have little temptation to stretch themselves northward. I would not say (to them), "cross the Ohio, you will find the Utopia of some great and mighty empire." I would say, "this is the border beyond which for the advantage of the whole empire, you shall not extend yourselves." It is a regular government (Quebec); and that government will have authority to make inquiry into the views of native adventurers. (parenthetical remarks in original; square-bracketed comments added for clarification)

The main provisions of the Quebec Act were designed to facilitate the three imperial goals suggested by the Board of Trade. The four principal sections of the Act dealt with boundaries, religion, civil law, and legislative assembly. The boundary of the Quebec colony was expanded southward so that it included the territory that makes up the present-day states of Ohio, Indiana, Illinois, Michigan, Wisconsin, and part of Minnesota. Roman Catholicism was legalized and the clergy of the church once more could enjoy their accustomed "dues and rights." The French system of civil law was reinstated "as a fresh proof of his Majesty's gracious intention to continue to them [French-Canadians], so far as it can be done, their ancient usages and customs" (Coffin 1896: 459—letter from Cramahé to Hillsborough on May 5, 1772). The last section of the Act denied the citizens of Quebec the right of free legislative assembly "for the present." This was not a permanent refusal of representative institutions, only a deferral until a period of tutelage and probation elapsed. The religious and civil law sections of the Act redressed the wrongs of the Proclamation of 1763. The people were guaranteed religious freedom and their customs, language, and

legal traditions were rescued from the shadow of oblivion. These sections of the Act were very liberal for the time.

The goal of bringing a regular plan of supervision to the fur-trade industry was incorporated, in particular, in the boundary and legislative assembly provisions. They removed the fur trade from the American colonies and gave England imperial control over it, since the right to free legislative assembly by the French-Canadians was denied. Finally, the third imperial goal of bringing the Mississippi Valley under the control and supervision of the Crown was included in the boundary provision. That would permit revenue to be raised from the ultimate sale of land and enable the British government to maintain peaceful relations with Indians. The land west and north of the Ohio River to the Mississippi River belonged to Canada and was a part of the Quebec provinces.

All of the provisions of the Act complemented each other in their function of carrying out the goals of the British government. Not only was the land of the Old Northwest Territory now a part of Canada, but it would also be under the influence of the French legal system, customs, traditions, and Roman Catholic religion. If the Quebec Act had been enforced, the whole Northwest Territory would have been land appropriated by the Crown for the fur-trading industry.

The English-speaking colonies immediately protested against the Quebec Act, and it became known as "the most intolerable act of the Intolerable Acts."<sup>16</sup> The colonial attacks against the Quebec Act were along three specific lines: religious, political, and economic (the English-speaking fur interests as well as the land speculators). The first two types of protest are not of direct interest to us, but indirectly they are very important because they tied together the protests of the different interest groups. This interlacing led to an integrated order of protests against the Act based upon the philosophy and goals of the interest groups.

The religious attack, although centered in the North, was strong throughout all of the American colonies. The Protestant ministers thundered from their pulpits the ancient cry of "Popery" and painted horrid visions of the things to come for their parishioners. Nor was this attack limited to the religious leaders. The New York General

Assembly sent to Parliament a Remonstrance that criticized the Quebec Act on religious as well as political and economic grounds (Cobbett 1813: XVIII: 654–692). Alexander Hamilton ([1775] 1850, I: 173, 184, 185, 186) took up his pen and unleashed his fury against the Act on racial and religious grounds.

The privilege of worshipping the Deity in the manner his conscience dictates . . . must in that case be rendered insecure and precarious. Yet, this is the unhappy situation to which the Protestant inhabitants of Canada are now rendered. . . . I imagine it will clearly appear, from what has been offered, that the Roman Catholic religion, instead of being tolerated, as stipulated by the treaty of peace [Treaty of Paris in 1763], is established by the late act, and that the Protestant religion has been left entirely destitute and unbefriended in Canada. . . . This act develops the dark designs of the ministry more fully than anything they have done, and shows that they have formed a systematic project of absolute power.

There can be no doubt that the religious aspects of the Quebec Act helped to bring together divergent interest groups to form a common cause against the British government.

The political aspect of the Quebec Act is easy to understand and goes back to Jefferson's "Summary View." Here was an instance where the territory of one government was "parceled out" and attached to another. In the Declaration of Independence, Jefferson charges that the Act abolishes the free system of English laws in Canada and establishes a government there that is "extending its boundaries so as to render it at once an example and fit instrument for introducing the same absolute rule into these colonies." Hamilton combined religious and political motives together by stating that the ultimate purpose of the Act was the subjugation of the colonies, and afterward that of Great Britain itself, by the Pope. Even some members of the British Parliament were in agreement with the views voiced by Jefferson and Hamilton. Lord Camden took the stand that the Act was "so thoroughly impolitic, pernicious, and incompatible with the religion and constitution of our country (England), that no amendment, nor anything short of a total repeal of it, would be sufficient" (Cobbett 1813: XVIII: 656–657).

The attack upon the Quebec Act by economic interest groups was closely related to the above arguments because the concept of economic freedom was directly involved along with religious and political

freedom. The two economic interest groups that most vigorously denounced the Act were the northern fur-trading interests and their merchant associates and the land speculators of both the North and South. The New York General Assembly's Remonstrance paid particular attention to the sections of the Act that placed most of the Indian trade under the control and regulation of the Quebec province. In this Remonstrance, the legislative body of the colony did not attempt to hide the fact that pure economic interest was one of the main reasons why it was so opposed to the extension of Canadian control over the upper Ohio River Valley.

The New York Remonstrance charged England with giving the Quebec fur interests an economic advantage over the New York traders through the passage of a discriminatory tariff that raised their costs and cut into profits. The Remonstrance further charged that the Act "diverted into another channel" the "commerce formerly carried on by this colony with the Indians" (Cobbett 1813: XVIII: 653). It pointed out that the Quebec Act, through "the extension of the bounds of that province from Hudson's Bay to the Ohio . . . cut off . . . a great extent of country . . . in which hitherto the most lucrative branches of the Indian trade were pursued" (Cobbett 1813: XVIII: 653–654). The Remonstrance was even more outspoken before the House of Commons on this point and argued that the Quebec Act

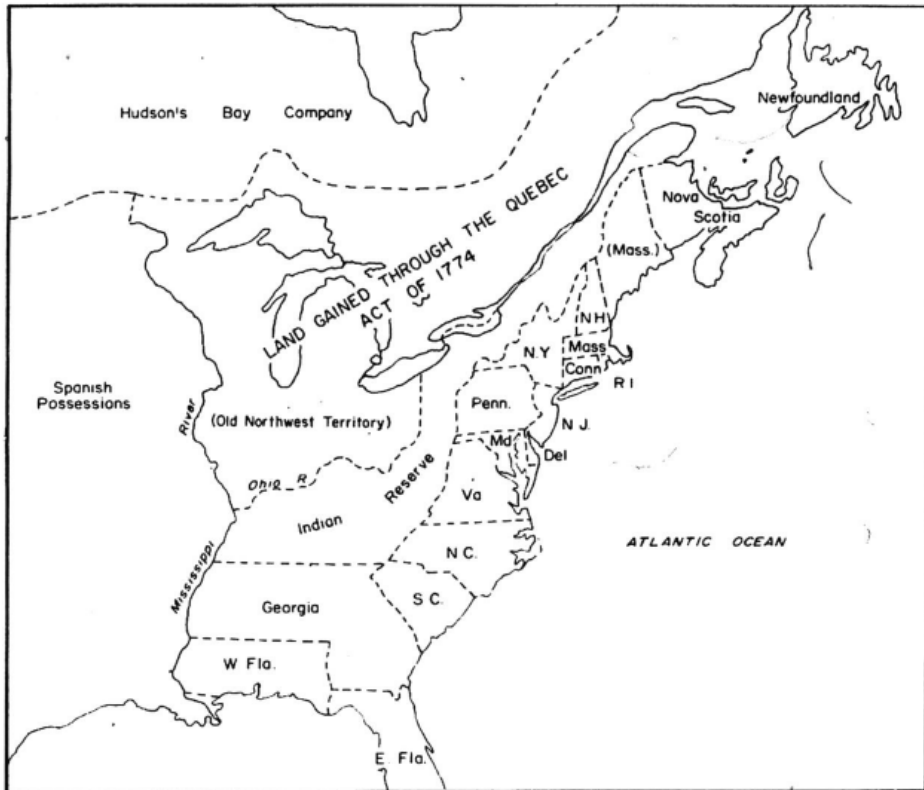
cannot fail totally to deprive this colony of an extensive and important commerce, which it formerly carried on with the native Indian inhabitants of that vast tract of country, now included within the bounds of the government. (Cobbett 1813: XVIII: 692)

It went on to point out that the Act would bring economic hardship to the people of the colony and was a waste of "the vast sums of money which have been expended by our legislatures in conciliating the friendship of the savages" (Cobbett 1813: XVIII: 654).

Those interested in western land speculation and investment were just as loud in their denunciation of the Act as the northern fur interests. Individuals, land companies, and the colonies looked upon the extension of Quebec Colony as an action designed to stop them from moving westward into lands rightly theirs. The establishment of a civil government from Quebec over the Old Northwest Territory denied the sea-to-sea claims of Virginia, Connecticut, and

Map 5

Quebec Province Extended South by Quebec Act of 1774  
 (British policy closes door to colonial settlement of western lands)



Massachusetts and annulled the hopes of Pennsylvania and New York for the establishment of inland English-speaking colonies. This was a direct blow to the speculative hopes of Benjamin Franklin, who had been one of the first to see the financial advantages of this type of development (Alvord 1908b: 30). Land speculators such as Washington and Patrick Henry saw the stock of their land companies rendered worthless by the extension of the southern boundary of Quebec (Miller 1948: 374).

The Crown's arbitrary transfer of territory from one government to another was one of the principal grievances of the Declaration of Independence.



He has endeavored to prevent the population of these States; for that purpose, obstructing the laws for naturalization of foreigners, refusing to pass others to encourage their migration hither, and raising the conditions of new appropriations of lands.

Further on in the Declaration, Jefferson charges that the Crown enlarged the boundaries of a neighboring province for the purpose of bringing eventual absolute rule over the American colonies. He then indicts the King "for taking away our charters." Here he is referring to the original land charters, which were the bases of the early colonies' economic, religious, and political freedom.

It is easy to see why these statements do not bring the economic aspects directly into focus as much as they could. Jefferson did not want to sound mercenary in a document of this nature, nor did he want to alienate any colonial group that had given its support to the revolutionary movement. Therefore, the economic complaints of the speculators were given a political turn in the Declaration.

Economic interest was not so well disguised in other important documents of the day. The Virginia Resolution of 1775 charged England with "extending the boundaries and changing the Government and Religion of Quebec" (Virginia House of Burgesses 1905: 219). The first Continental Congress resolved that the colonies were "entitled to life, liberty, and property and they have never ceded to any foreign power whatever, the right to dispose of either without their (England's) consent" (Continental Congress 1774; U.S. Continental Congress 1823: 20). The Virginia Constitution in Section 21 was quite specific about her claims to the lands England had given to Quebec.

The western and northern extent of Virginia shall in all other respects, stand as fixed by the Charter of King James the First in the year one thousand six hundred and nine, and by the public treaty of peace between the courts of Britain and France, in the year one thousand seven hundred and sixty-three . . . (Virginia General Assembly 1803, §XXI, 5)

Just three months later the Pennsylvania Constitution in Section XV claimed that her citizens had "a natural inherent right . . . to form a new State in vacant countries, or in such countries as they can purchase . . ." (Morrison 1929: 164). Once more we see the influence

of Franklin's plan for establishing new colonies, inhabited by settlers from Pennsylvania, west of the mountains.

Both colonial leaders and high-ranking officials in England attacked the Quebec Act for limiting the western advancement of the English-speaking colonies. They could see that the enforcement of this appropriation of lands north of the Ohio River could be brought about only through military force. Lord Chatham, although gravely ill, fought against the bill because he felt "that the Bill might finally lose the hearts of all his Majesty's American subjects" (Coupland 1925: 103). Sir George Savile gave his opinion of what the colonists would do about the land taken away from them by the Act.

I am not lawyer enough to point out how far they might legally march, but were I to form any conjecture about the limits they would set to themselves with arms in their hands, and the instant they would forbear to act, I should presume that the limits would be some river or lake, over which they had no means of conveyance, and the instant they would cease to act in a military manner would be, when all their powder, ball and ammunition were spent. (Cobbett 1813: XVIII: 680)

Lord Camden, a member of the Vandalia Company, was even harsher in his attack upon the Act. He described the bill as an effort on the part of the Crown "to prevent their [the old English colonies] further progress" by means of "an eternal barrier" that was "like the Chinese Wall" (Cobbett 1813: XVIII: 657).

### **Summary and Conclusion**

By requiring that land be purchased from the British government for a fair market price, the land reform policy of 1774 alienated the northern merchants, southern planters, states with sea-to-sea claims, and pioneer farmers. These interest groups, which sought economic gain by acquiring title to the western lands at low prices, turned to each other for mutual support and formed an interest configuration in opposition to the British government. Only the fur interests and the Indians were in a position to benefit from the Act. They, in turn, became a second interest configuration opposed to the first. Up to this point it seemed that England was on relatively safe ground because she had two distinct, powerful interest groups paired off against each

other. But the second factor, which altered the existing condition, was the passage of the Quebec Act later in the same year.

The Quebec Act brought about three very important reactions on the part of the different configurations. It solidified the membership of the first interest group (merchants, planters, states with western claims, and pioneers), forced the northern English-speaking fur interests to join with the land interest groups and leave their traditional configurations (those based on beliefs, traditions, and emotions) with the newly formed interest configuration. By 1774, England's land policy had contributed directly to the solidification of a basic alliance opposed to her rule and domination.

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The following maps show the ambitions of the colonists and the colonial governments to claim land. Starting with Map 6, "British Possessions in North America, 1765," we see that the territories west of the colonies were designated as Indian lands in 1765, after the Proclamation of 1763. As we saw earlier, subsequent treaties in 1768 and 1770 seemed to allow the colonies to extend their territory westward.

Map 7 of "Proposed Western Colonies, 1763-1775" shows that private land companies (only three of their proposed land grants are shown) had designs on lands that extended far beyond those treaty lands.

Map 8, "British Possessions in North America, 1775" is a snapshot of territorial boundaries on the eve of the American Revolution, after the Quebec Act extended the province of Quebec deep into the territory coveted by the colonial land speculators.

Map 9, "The United States at the Close of the Revolution, Showing Land Claims of States," shows the grand ambitions of the newly formed states, particularly Virginia, which claimed the entire territory that is now the Midwest. (We gratefully acknowledge the Florida Center for Instructional Technology for giving us permission to reproduce Maps 6 through 9, which come from <<http://etc.usf.edu/maps/>>.)

Map 6

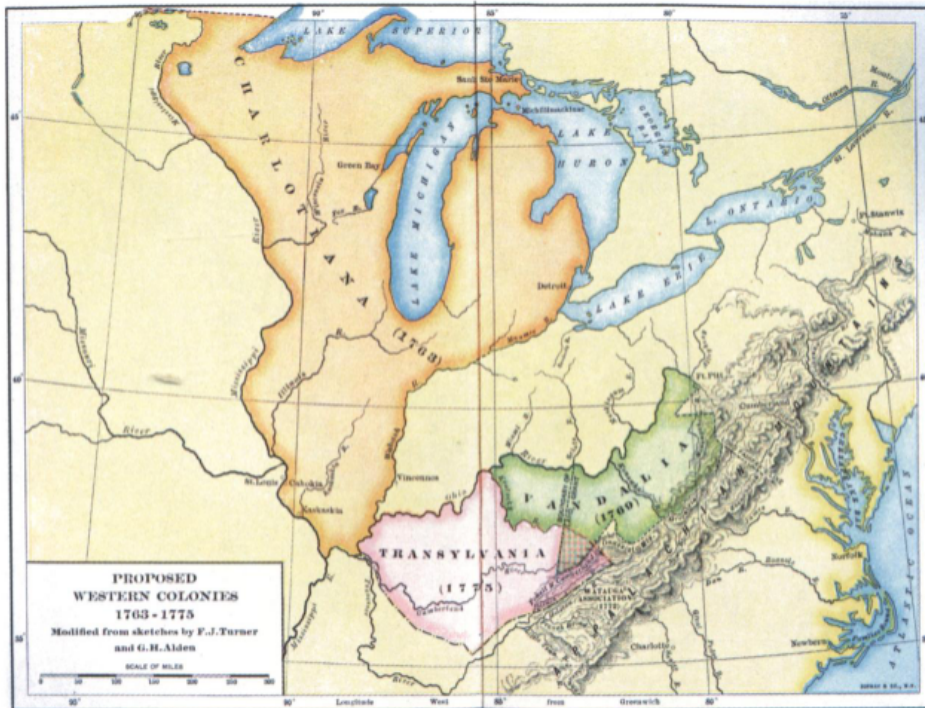
Map of British North America in 1765  
(Showing Proclamation Line, Indian territories, and Quebec's original size)



British Possessions in North America, 1765  
Albert Bushnell Hart, LL.D., *The American Nation* Vol 14 (New York, NY: Harper and Brothers, 1906)  
Downloaded from *Maps ETC.*, on the web at <http://etc.usf.edu/maps> [map #02418]

Map 7

Proposed Western Colonies, 1763–1775  
(Land companies vie for land west of Proclamation Line, hoping  
England will give them title)



Proposed Western Colonies, 1763-1775  
Albert Bushnell Hart, LL.D., *The American Nation* Vol 14 (New York, NY: Harper and Brothers, 1906)  
Downloaded from *Maps ETC*, on the web at <http://etc.usf.edu/maps> [map #02422]

Map 8

British Possessions in North America, 1775  
(After Quebec Act of 1774, speculative western land holdings lost all value)



British Possessions in North America, 1775  
Albert Bushnell Hart, LL.D., *The American Nation* Vol 14 (New York, NY: Harper and Brothers, 1906)  
Downloaded from *Maps ETC.*, on the web at <http://etc.usf.edu/maps> [map #02425]

Map 9

United States at the Close of the Revolution, Showing Land Claims of States  
(The Revolution enabled states and land speculators to claim western lands)



The United States at the Close of the Revolution, Showing Land Claims of States, 1911  
John Clark Ridpath, History of the United States from Aboriginal Times to Taft's Administration (vol. 2) (New York, New York: The Review of Reviews Company, 1911)  
Downloaded from Maps ETC, on the web at <http://etc.usf.edu/maps> [map #02112]

## **Chapter V**

### **An Alliance of Interests Opposed to English Rule**

In this chapter, we will examine the unification of different interest groups into one large configuration that was opposed to the Crown's land policies. This alliance of interest groups was a necessary precondition for the revolution from England.

On the eve of the American Revolution, a British officer who was stationed at Boston was heard to remark:

I wish I were Parliament; I would not send a ship or troops to this country; but would forthwith pass a statute, declaring every town in North America a free, sovereign, and independent commonwealth. This is what they all desire, and I would indulge them. I should soon have the pleasure to see them all at war with one another, from one end of the continent to the other. (John Adams 1852: 492)

His observation of the lack of unity of the colonies was a typical one made by almost every Englishman who had lived in or visited the American colonies. Yet within a few short years these colonies were able to join together to wage a successful war of independence against the mother country. In the previous chapters, it has been shown how England's colonial land policy drew segments of the population together that were traditionally opposed to each other. Now an examination of this newly created interest configuration will be made in an effort to try to ascertain the role it played in the coming of the Revolution. The role played by the specific interest groups shall be examined in the following manner. Robert Palmer's (1959: Chs. VII, VIII) study of democratic revolution will be incorporated into the investigation and used as a frame of reference for the historical study. Then, the specific historical situation will be examined to see if it agrees with Palmer's thesis of democratic revolution. Finally, the interlacing of the land-oriented interest groups with other interest groups will be investigated.

#### **Components of Democratic Revolution**

Palmer's theory of democratic revolution is based upon his comparative study of the major revolutions attempted throughout the world



from 1776 to 1848. Palmer typified these revolutions so that he would be able to compare their similarities and differences. He found that the basic goals of the revolutions were similar—they were movements “against the monopolizing of public authority by certain in-groups; against the principle that some men are called upon to rule, others to be ruled; etc” (Palmer 1959: 69). Though the goals of all of these revolutionary movements were similar and the methods used to carry them out were the same, some failed while others did not. Why? Was it because the “in-groups” in some countries were more firmly entrenched than in others? Or was it because the leaders of the different revolutionary movements were unequal in their ability to lead their followers, and does this explain the success of some and the failure of others? The answer to these questions can be found in his comparison of the different movements.

After studying more than a dozen revolutionary movements that took place over a 72-year span, Palmer was able to typify the core features of a successful revolution. The successful revolution had a distinct linking of the urban middle class with the small farmers. Only when these two groups felt a common interest was the revolution carried through to a favorable conclusion on the part of the revolutionists.

In no case did purely middle-class or “bourgeois” reform or revolution have any success. . . . [S]uccessful revolution occurred only when the agricultural population generally collaborated with middle-class leaders. . . . [T]his occurred only in America and France. . . . [T]he failure of democratizing efforts elsewhere . . . was due to the apathy or weakness of the agrarian mass or to the absence of a common ground on which urban and rural persons could work together. (Palmer 1959: 71–72)

The two successful revolutions took place at the same time, with at least two classes in the city and the country fighting a common foe. Without this linkage between the two classes, the revolutionary movement was doomed to failure from the very start. The leaders came from the middle and upper classes while the soldiers came from the lower classes, especially the agrarian lower class. Soldiers from the farms would not fight for the middle-class leaders if they thought that their claims to the land were going to be disregarded while they were away fighting. If it looked as though the land was

going to be divided or appropriated while they were away, they would mutiny and this would neutralize the army of the revolution. The land hunger of the agrarian soldiers and the leadership and revolutionary fervor of the middle class were the two core features that had to be linked together if the movement was to be a success.

A second feature that Palmer's study discloses is that the armed conflict associated with revolution had the effect of radicalizing and democratizing the movements beyond the intentions of the original leaders (Palmer 1959: 72). This was especially true of the successful revolutions. In those cases, the lower classes were able to become more powerful and influential because they made up the bulk of the fighting force. Another factor that helped to bring about egalitarianism was the propaganda value that a democratic philosophy added to the movement. The successful movements, from their beginnings, spoke of "the rights of man," "natural law," and "the law of nature." At first these slogans were used by the upper-class leaders to gain support of the lower classes for the cause without any actual intention of transferring this philosophy into a workable form of government. But over time, the control of the direction of the revolutionary movement was partially transferred from the hands of the aristocratic leaders into those of the lower class. Once this happened, the democratic philosophy began to become a more broadly based goal of the movement.

From his findings Palmer has constructed a prototype of democratic revolution based upon historical evidence and factual relevance. The core features of his prototype, the linking of the middle class with the small farmers and the growing importance of the democratic philosophy in the movement, are accentuations of actually observed facts. His prototype is not a mirror image of any specific revolution but is a method of clearly formulating concepts and principles that can be analytically separated from the complexity of actual situations (Schweitzer 1961: 26). Palmer's prototype can be used as a guide to examine: a) the interlacing of groups interested in western lands, b) the interlacing of rural and urban interests, and c) the development of the liberal democratic philosophy in the American revolutionary movement.

**Interlacing of Colonial Land Configurations**

There were five different and distinct land configurations that, although frequently opposing each other before, found that they had a common interest in opposing England's land policy after the Quebec Act. These groups were: 1) the southern planters, 2) the northern merchants who were engaging in western land speculation, 3) small-scale farmers (those living in the half-settled, half-frontier sections of the country), 4) the frontier squatters, and 5) the fur trappers. Each economic class had its own particular goals and desires for what should be done with the western lands. Those differences had traditionally brought each group into conflict with the other four. But England's changing policy of land tenure and distribution caused these groups to join together into a large configuration of opposition directed against England's policies.

The linking of the different land interests into an integrated order was necessary if the Revolution was to have any chance of success. The members of the social elite—planters, merchants, and urban middle class professionals—provided leadership of the revolutionary movement as a whole. But in the more newly settled western lands, the leadership was provided by the lower middle class. The discontent of the urban leaders and the southern planters was not enough to ensure the break from the mother country. If the cause was to be terminated in favor of the patriots, assistance would be needed from the more numerous lower classes of farmers, frontiersmen, and urban workers. The material well-being of all these classes had to be tied to each other, and this is exactly what the Quebec Act did. The Quebec Act not only joined the different land interest groups together into an integrated order but also provided one of the links needed to connect the interests and conventions of the upper and middle urban classes to the landed classes.

An examination of the events in Virginia during this time demonstrates the unification of the different interest configurations into an integrated order opposed to the land policy of England. From 1773 on, the House of Burgesses became controlled more and more by its backcountry members, who were interested and active in western land investment and speculation schemes (Hicks 1952: 120). The

best-known members of this faction were Patrick Henry, Richard Henry Lee, and Thomas Jefferson. This splinter group of backcountry members was supported by the small but influential group of Tidewater planters who were also economically interested in the lands west of the mountains. George Washington was the best-known member of this group. It was these men who induced the members of the House to create a Virginia committee of correspondence in 1773. But, it must be stressed that up until the passage of the Quebec Act and the other "Intolerable Acts," most of these men favored reform, not revolution.

After the Quebec Act, the attitude of a majority of the members of the House of Burgesses changed and became more in favor of stronger action against England. The House of Burgesses adopted a resolution naming July 1, the day the Boston harbor was to be closed, as a day of prayer and fasting. Upon hearing about this resolution, the royal governor dissolved the House for its impudence. But the governor's action played into the hands of the more radical members. Members who had been only lukewarm supporters of the resolutions in favor of taking a strong stand against England's imperial policies now became more sympathetic to the radical cause. The members met unofficially and adopted a resolution calling upon all of the colonies to send delegates to the Philadelphia Continental Congress the following September.

From this point on, the different land configurations in Virginia drew closer together. The membership of the revolutionary House of Burgesses became more democratic in its membership and goals. This was not because the planter aristocracy of the Tidewater had been convinced that all men were "created equal" and should have an equal say in the government. It was simply a case of need. The members of the lower classes, especially the small farmers and frontiersmen, were needed to provide the necessary mass support if a war should come. The upper class regarded the democratic movement with misgivings and dread, "but they dared not interfere lest, in alienating the underprivileged farmers, tradesmen, and laborers, they lose that mass support upon which their own destiny so completely was dependent" (Hacker 1947: 167). In Virginia, the backcountry farmers, frontiersmen, and Tidewater planters at least temporarily postponed pressing their

personal differences to make a common cause against the universal danger of British misrule.

By March 1775 the alliance of the land interests had been practically completed. Virginia's second revolutionary convention voted to arm the people for war, and at the same time selected a delegation to attend the second Continental Convention. Virginia's delegation was made up of the upper class, and at least half of these men were actively engaged in land speculation and must be considered leaders of the revolutionary movement in that colony (Dodd 1927: 101–104). Two months later, the House of Burgesses was called to session, and it is here that one can see the forming of the alliance of the lower-class farmers and of the upper-class planters with frontiersmen of the backcountry. Shortly after convening, the royal governor once more disbanded the House because of its radical debates and proposals, most of which at this time came from the backcountry delegates. As before, the banning of the House of Burgesses by Dunmore proved to be a great mistake since it gave the radical members more power and influence over their more conservative peers. The delegates left Williamsburg and moved to Richmond, where they opened the third Virginia revolutionary convention.

The more radical population of the colony controlled the revolutionary convention in Richmond, because it was open to more citizens of the lower class. Almost half of its members were from the backcountry and spoke for the people living in the piedmont region and the wild mountain areas that lay toward the Ohio River Valley (Dodd 1927: 112–113). By the second day, the alliance between the backcountry delegates and the Tidewater planters became a reality. The outcome of this was the creation of a committee to prepare a comprehensive scheme for arming the colony and the passage of a number of proposals that superseded royal laws. The colony appropriated western lands that belonged to the Crown. Surveyors were authorized to lay out tracts in this area for the soldiers and squatters (Dodd 1927: 118). Among economic groups, only fur traders might have been opposed to this action; they knew that settlement of any kind would harm their interests. But the trappers in the South were not nearly as numerous or powerful as those in the North, so they did not block the goals of the other groups.

### Testing the Palmer Thesis in Virginia

We are now in a position to compare the historical evidence of Virginia's reaction to the Quebec Act with Palmer's thesis of democratic revolution.<sup>17</sup> In Virginia, the agrarian middle and lower classes became linked to the planters because of the new English land policy. With the passage of the Quebec Act, the southern colonies, especially Virginia, threw themselves wholeheartedly into the revolutionary movement. There can be little doubt that Virginia's desire to retain her western lands was a strong motive that contributed much to her revolutionary fervor. Nor can there be any doubt that her wealthy land speculators formed a strong pressure group that stimulated and encouraged these desires. This economic group also provided the middle- and upper-class leadership for the agrarian army. One of the leading land speculators of all the colonies, Washington, became the Commander of the Continental Army. Another, Thomas Jefferson, wrote the first constitution of Virginia. A third, Patrick Henry, became Virginia's first state governor. It is easy to see why one student of the Quebec Act summed up its effects on the revolutionary movement in the following manner:

Disastrous as the Quebec Act proved, no part of it I think was more shortsighted or more disastrous than this treatment of the Western lands. Following up the Proclamation of 1763, it seemed an attempt to indefinitely maintain in the great heart of the continent, when apparently thrown open for Anglo-American expansion, the policy of monopoly and restriction against which the colonies on the coast were chafing so sorely. It was natural that the latter should imagine themselves threatened and impeded more malignly and seriously than could have proven to be the case; it was on this side, I have little doubt, that the Quebec Act figured most prominently amongst the colonial grievances. (Coffin 1896: 431)

By May 1775, the different land interests had become interlaced with one another and their individual goals were compromised in an effort to strengthen the alliance against Great Britain. Most of the compromising needed to form this alliance had been made by the upper class; they had opened up the land to the soldiers and squatters in an effort to add popularity to the cause (Dodd 1927: 116). The big landlords looked with alarm on the gains of the small farmers, but there was nothing they could do about it. They were caught on the horns of a

dilemma: without the support of the lower agrarian classes the revolution against British rule would never even be able to get a good start; but to gain the support of the groups comprising the lower social class, the upper class had to incorporate many of their goals into the overall philosophy of revolution. The revolutionary movement in the colonies had to become more democratic than the upper class really desired, or else it would fail (Hacker 1947: 165–170). Until the passage of the Quebec Act, the planters had been able to put off making the decision; but once this Act took effect they were obligated to move. Within a very short time they chose revolution with its known and unknown consequences over further submission to the English Crown and its “arbitrary rule.”

#### **Navigation Acts and American Reactions**

Until now, the roles played by the other colonial interest groups in the revolutionary movement have been excluded from the discussion. But the point has been reached where a cursory examination of the interlacing of the major groups into a unified configuration is necessary if a complete understanding of the situation is to be gained. Though there are many different interest groups that could be examined, we shall focus here on the most important one located in the northern colonies, the merchant group. Also, the roles of the fur interests and consumers will be reviewed, along with the general political developments of the time.

#### *First Series of Navigation Acts*

We begin by summarizing the major British trade regulations of the 17<sup>th</sup> and 18<sup>th</sup> centuries that affected economic position and activities of the colonial merchants. Of the different trade regulatory acts, we distinguish two sets of Navigation Acts. The first set was passed in the 17<sup>th</sup> century and consisted of four individual acts: the Navigation Acts of 1651, 1660, 1663, and 1673. That first series became the economic framework of England’s mercantile relationship with her North American colonies (Beer 1912, I: 84).

The economic basis of these acts can be traced to three underlying propositions, two of which were established as early as 1440 by the

Statutes of Employment. These propositions are: 1) that foreign merchants who have imported goods into England must convert the money that they received into British goods and/or services; 2) that English merchants who engaged in export activities abroad must bring at least part of their proceeds back to England in the form of specie; and 3) that England had the right to the transportation profits that resulted from carrying goods back and forth between the mother country and the colonies (Weber 1961: 222, 256–257). The salient features of England's mercantile system were monopoly and complementary economic functions. The colonies were to be feeders, not competitors, of the mother country's production.

The Empire was visualized as a large commercial unit consisting of England, Scotland, Ireland, and the plantations as separate but co-operative complements. Their commercial relations were to be strictly of complementary, not of a competitive character. (Knorr 1944: 128–129)

Each of the Navigation Acts of the 17<sup>th</sup> century was based upon the propositions described above. The Act of 1660 was nothing more than a modification of the earlier Stuart regulations and the Navigation Act of 1651. The purpose of both Acts was to encourage English shipping by making it mandatory that all goods be brought into the colonies on English ships with English crews (Weber 1961: 222–223, 256–257).<sup>18</sup> Thus, the commissions, salaries, wages, and profits associated with linking the mother country to her colonies went to Englishmen instead of to foreigners. The Act of 1663, known as the "Staple Act," provided that most European imports to the colonies had to pass through England, where an import-export duty was placed upon them. The final Act of this first series, that of 1673, was designed to stop evasion of the law requiring "enumerated articles" to be shipped only to the mother country or to other English colonies. A duty equal to the English import duty was collected at the port of origin in the colonies, unless the ship's captain had posted a bond guaranteeing to carry the cargo to England or to one of the other English colonies.

As a matter of convenience, the Molasses Act of 1733 shall be included in the first series of Navigation Acts because the spirit of this Act was more akin to the 17th-century trade regulations than it was to the second set of Navigation Acts. The goal of the Molasses Act was to ensure the English West Indies of a ready market for its sugar



products in the English continental colonies. The Act hoped to achieve this goal by placing an almost prohibitive duty on the importation of sugar, molasses, rum, and spirits from the non-English West Indies.

What effects did the first set of Navigation Acts have upon the merchants in the North American colonies? Were they as harmful to the economic interests of the merchants, shipbuilders, and seamen as some patriotic historians have indicated? Did they help to bring the merchant and urban classes together in a large and powerful configuration opposed to the British mercantile regulations? The last two questions can be answered in the negative. The Navigation Acts of the 17<sup>th</sup> century were not nearly as unpopular as one might be led to believe by a cursory examination. There are a number of reasons for this. First, the Navigation Acts of 1651 and 1660 worked in favor of the colonies in some industries. They provided the colonists with shipbuilding and shipping industries, which more than compensated for the restriction of competition (Schlesinger 1918: 15–16, 24–26; Gipson 1962: 16–17). This, of course, is not the only example where the Navigation Acts proved economically beneficial to the colonists. Certain goods were excluded from production in England and purchased from foreign colonies; this provided the colonial producers with a market monopoly of their own. Tobacco is the best-known example of this (Batchelor 1957: 204).

A second reason why the merchants and the public in general were not opposed to the early Navigation Acts was that they offered the colonists greater economic and political advantages than disadvantages. The protection given to the colonial trade by the British treaties with foreign nations and the royal navy more than outweighed the damage suffered by the commercial restrictions. A third factor was that the colonists bought British products because they were better made and cheaper than most foreign products, even after the costs of the Navigation Acts were added to them:

the Americans generally found it more profitable to buy British manufactures than foreign wares because of the superior quality and lower price of the former. This position of superiority, enjoyed by the English merchant and manufacturer, independent of any legal advantage, made it possible for them to retain their American market even after the colonies had established independence. (Schlesinger 1918: 16)

Finally, the Navigation Acts were never enforced to the point where they brought about a general level of strong dissatisfaction among the merchant and urban classes. Economic considerations were the main reasons why the early Navigation Acts were not strictly enforced at all times. For example, the Molasses Act of 1733, if it had been strictly enforced at that time, undoubtedly would have retarded the commercial growth of the continental colonies and would have caused a secular downturn of economic activity (Schlesinger 1918: 42–44). The American colonies each year consumed eight times the annual molasses output of the English West Indies. The Molasses Act merely increased the volume of colonial smuggling. A more general economic reason why the first series of Navigation Acts was not rigidly enforced during the early part of the 18<sup>th</sup> century can be traced to the economic philosophy of Sir Robert Walpole, virtual head of the British government from 1721–1742. Walpole felt that more was to be gained for the mother country by encouraging colonial trade than through restricting it. Trade of any kind with any country would make the colonies more prosperous and better able to buy English products. For this reason, the Acts were not strictly enforced as long as Walpole was able to exercise influence in high governmental offices.

The first series of Navigation Acts did not arouse the resentment of the merchant classes because they did not economically harm the commercial enterprises of the colonies; nor did they arouse the general public since prices were not necessarily higher because of them. The sections of these commercial Acts that would have brought economic distress to the merchants were not strictly enforced. Illicit commerce or smuggling served as a safety valve for the colonial merchants and British officials alike (Schlesinger 1918: 39–49). This was especially true of the West Indies molasses trade. Though the nonenforcement of the Molasses Act proved to be the correct economic policy for sustaining the growth and prosperity of the English colonies, it was a grave political error on the part of the home government. The nonenforcement gave colonial smuggling the cloak of respectability, and smuggling over the years became considered a normal facet of merchant activity and gave rise to the “smuggling interest” in the colonies. The gravity of this political error was not

realized until after 1763 when England attempted to modify her mercantile policy. The attitude of the colonists toward smuggling and the effect of it upon the relationship between the mother country and the colonies is illustrated by the following contemporary observations (quoted in Schlesinger 1918: 44–45):

Numbers have become reconciled to it by example, habit, and custom, and have gradually consented to amuse themselves with some very superficial arguments in its favor, such as that every man has a natural right to exchange his property with whom he pleases, and where he can make the most advantage of it; that there is no injustice in the nature of the thing, being not otherwise unlawful than as the partial restrictions of power have made it; arguments which may be . . . adopted in extenuation of many other disorderly and pernicious practices.

There is no error in a commercial nation so fruitful of mischief as making acts and regulations oppressive to trade (without enforcing them). This opens a door to corruption. This introduces a looseness in morals. This destroys the reverence and regard for oath, on which government so much depends. This occasions a disregard to those acts of trade which are calculated for its real benefit. This entirely destroys the distinction which ought invariably to be preserved in all trading communities between a merchant and a smuggler. But the sugar act has thrown down all distinction; Before this was published, a merchant disdain'd to associate with the unfair trader.

#### *Second Series of Navigation Acts*

It can be concluded that the first series of Navigation Acts did not serve as a catalyst for revolutionary ideas among the merchant and urban classes. But after 1763, the picture was changed. England, in search of revenues to finance her colonies, altered her position on the enforcement of the existing Navigation Acts. Under the leadership of George Grenville, who had become Chancellor of the Exchequer and First Lord of the Treasury in April 1763, the customs service was tightened up and a relentless war was declared upon all smugglers. The powers of customs officials and of admiralty courts were enlarged; the commanders of British men-of-war on duty in American waters were authorized to act as sea-going customs officials with the power to arrest offenders; and the colonial governors received strict orders to enforce all commercial Acts. Also the British government over the next 10 years passed a series of new Navigation Acts and

other laws that had a great effect upon the economic and political lives of all the merchant and urban classes.

The major historical feature of the commercial legislation of 1764 was that for the first time Parliament provided specifically for the raising of revenue in the American colonies. The commercial Act of 1764, more commonly known as the Sugar Act, was both a revenue and a trade measure. It took the place of the unenforced Molasses Act of 1733 and ostensibly was milder than the old Act, since it cut the duty on foreign imported molasses by one-half. But the duty was still so high as to be prohibitive, and colonists were convinced that it would be enforced. This Act also contained other changes and modifications that affected the merchants to a somewhat lesser degree. England desired to expand the market for certain British products in the colonies by reducing their prices relative to competing foreign goods. She increased the duty on some items and placed duties for the first time on the import of foreign calicoes, coffee, indigos, silks, and some wines.

At approximately the same time, England enacted two other laws that affected not only the merchants but the general public as well. The first of these, the Currency Act, prohibited the further issuance of legal-tender currency in the colonies. This extended to all colonies a policy that had been applied to the New England colonies since 1751. The Act, of course, speedily contracted the money supply in the colonies and contributed to the hard times that followed the Seven Years' War (Hacker 1947: 158). Curtailment of the colonial money supply particularly angered the ordinary citizens, farmers, and townspeople who made up the bulk of the debtor community in the northern and middle colonies. John Dickinson described the results of the Currency Act on colonial mercantile capitalism in 1765 when he wrote:

Trade is decaying and all credit is expiring. Money is becoming so extremely scarce that reputable free-holders find it impossible to pay debts which are trifling in comparison to their estates. If creditors sue, and take out executions, the lands and personal estates, as the sale must be for ready money, are sold for a small part of what they were worth when the debts were contracted. The debtors are ruined. The creditors get back part of their debt and that ruins them. Thus the consumers break the shopkeepers; they break the merchants; and, the shock must be felt as far as London. (quoted in Hacker 1947: 158)

The second law that England enacted early in 1765 had nothing directly to do with the regulation of trade. It was meant to be purely a revenue act, which the British hoped would raise approximately one-third of the funds necessary to keep the British troops in the colonies. The Stamp Act levied a tax upon newspapers and various official and legal documents through which colonial business had to be transacted. The economic burden of the new law fell largely upon the people of the commercial colonies. Though the Act was burdensome to all the different classes in these colonies, it was especially so on the merchants, lawyers, and printers. Benjamin Franklin was one of the first to see this, and he was very much opposed to it (Franklin 1906: 361–363).

It did not take long for organized opposition to develop against all of the Grenville Acts and especially the Stamp Act. Grenville's program seemed designed to cripple the economic life of the commercial colonies. The enforcement of the Navigation Acts, the Sugar Act, the Currency Act, and the Stamp Act hampered trade to the point of actually retarding the economic growth of the colonies. Hard money had always been scarce in the colonies. Now it was so reduced that it was insufficient to serve as a medium of exchange or to pay English duties (Andrews 1958: 138). Pure economic interest on the part of the merchants, lawyers, and printers was the main cause for the organized resistance against these Acts. Even merchants in England realized that the laws passed under Grenville's direction were harmful to the mercantile interests of the Empire and that their effect would soon be felt in England. In fact, it was through their cooperation with the colonial merchants that the most oppressive of these measures were rescinded by Parliament in 1766. Most of the arguments used against the Acts by the London and colonial merchant groups were based exclusively upon economic principles as being "contrary to the true principles of commerce," meaning contrary to the interests of mercantilism (Andrews 1958: 139–141).

The economic arguments were not the only ones used against these Acts. The Stamp Act in particular was open to opposition on constitutional grounds (Schlesinger 1948: 171). Here for the first time England truly tried to impose a tax of an internal nature instead of the more customary external taxes associated with the regulation of trade.

It was a mistake that England was never able to rectify completely; even after the Act had been repealed, the stigma of its underlying philosophy, characterized by the phrase "taxation without representation," lingered on in the minds of most colonists.

There are many reasons why the political argument was used so extensively against the Stamp Act. First, the merchants could use the constitutional issue of this Act as a front for their economic motives, which by their nature were selfish and not designed to gain popular support from noneconomically affected classes. On all the other Grenville Acts, the merchants were unable to disguise their economic interests, but this Act offered them the chance to be against it on more egalitarian grounds. Second, no other tax would have fallen on colonial groups better able to translate their opposition into political terms than lawyers and the printers. It was lawyers who lifted the controversy from the profit and loss level of discussion to the legal and constitutional level, and it was printers who then publicized this approach. Third, at this time, a constitutional approach against the Acts was widely accepted in the South, whereas an economic one would not have been (Schlesinger 1918: 64). Also, the constitutional approach appealed to the urban working classes because they were suffering from unemployment and blamed the hard times on the English Acts of Trade. In late 1765, they organized workingmen's associations that became known as the Sons of Liberty (Davidson 1941: 65–66).

It is impossible to tell just what might have been the course of the revolutionary movement if England had decided not to back down on these Acts. But she did. By mid-1766 the news arrived in the colonies that Parliament had reexamined the American situation and had decided to alter the trade and revenue laws that had just been passed in the two preceding years. The reason for the success of the colonists was the economic distress of the merchants and urban workers on both sides of the Atlantic. The English and colonial merchants attributed the recession to the new trade regulations and made their case known before Parliament. Benjamin Franklin was the most famous of the colonial representatives to appear before the House of Commons to express the merchants' opinion. He described the situation in America and suggested the remedial legislation that the colonies felt

was necessary to correct it (Franklin 1906: 412–448, esp. 420). After a fairly short debate, Parliament repealed the Stamp Act in its entirety and altered the trade regulations in such a way that the chief economic objections to them were removed (Schlesinger 1918: 83–85).

The colonists had won a victory, so they thought, over the mother country's powers to tax and regulate their economic activities. Flushed with victory, the different colonial interest groups once more turned their attentions and energies back to their individual goals and problems. Thus, the united front that had just begun to form was disbanded before it really got started. The only class that made an attempt to keep the political discussion alive was the urban laboring element, which was the hotbed of radicalism in the colonies at that time. But once England altered the trade acts and abolished the Stamp Act, the labor group was left unsupported by the other classes (Davidson 1941: 65–70).

#### **Taxation Without Representation**

The victory was short-lived because England had not given up her attempt to bring about commercial reform. The new Chancellor of the Exchequer, Charles Townshend, decided to revive the contest with the colonies over taxation and over the constitutional rights of British subjects living in the American colonies. He created a Board of Commissioners and Customs, with headquarters in Boston, and gave it the authority to enforce the Navigation Acts. To do this he formally authorized writs of assistance, general search warrants that did not specifically state the premises to be searched. Finally, in the middle of 1767, upon Townshend's encouragement, Parliament enacted a new series of duties on glass, paper, lead, and tea. These became known as the Townshend Duty Acts and remained upon the books for three years.

The constitutional question of the Duty Act soon became apparent to all. The tax was of an external nature, but it was designed strictly as a revenue act and not a means of regulating trade. But the colonists now held that an external tax designed to raise revenue rather than to regulate trade was just as unconstitutional as an internal tax; both were examples of taxation without representation (Dickinson 1895:

277–406).<sup>19</sup> Once more, the constitutional issue was raised to cover the economic goals of the different groups. “The typical merchant cared little about academic controversies over theoretical right; but he was vitally concerned in securing every practicable concession he could without endangering the stability of the empire” (Schlesinger 1918: 91). But though the merchants in particular used the legal aspect more as a cover than anything else, it cannot be dismissed lightly. It provided the background and starting point for further constitutional arguments against the British government at a later date and at the time linked the different colonial legislative bodies together on a common ground.

After three years the Townshend Duty Acts were repealed except for a small tax left on tea. Why did England repeal these Acts in 1770? Did the constitutional arguments of the colonies win over the majority of the members of Parliament? Of course not. The constitutional arguments did not win any friends for the colonists they did not already have. The Duty Act was repealed because it contributed to a slowdown of economic activity both in the colonies and in England. The colonial merchants had united once more into a complex system of nonimportation of certain British articles. By 1769 these nonimportation activities by the northern merchants received support from the southern planters for economic and political reasons. George Washington (1889: 263–269) was the leader of the nonimportation movement in Virginia. Eventually exports from England to America fell off to such an extent that the political pressure being applied to Parliament by the merchants and unemployed urban workers on both sides of the ocean could no longer be ignored (Andrews 1958: 140–141; Schlesinger 1918: 105–106). The members of Parliament were soon convinced that the Townshend Duties were “contrary to the true principles of commerce,” and the Acts were rescinded.

With the repeal of the Townshend Acts in 1770, the relationship between the colonial merchants and the mother country settled down and improved. England had not backed down on her right to tax the colonies. The Tea Act was still on the books, but that fact did not cause much difficulty to colonial merchants. Tea could be smuggled in from Holland without much trouble and the duty on English tea was



a tax more on principle than anything else. Few of the colonists really cared about the theories of taxation as long as the actual practice of taxation did not bother their economic activities (Schlesinger 1918: 9, 105–106, 240–241).

But the eventual effects of the Townshend Acts cannot be played down. Once more the interest groups of the North had turned to the South for cooperation and had found it. The pattern that had been established by the Stamp Act crisis was strengthened and the leaders of the merchant aristocracy and the planter aristocracy became more appreciative of and familiar with one another's problems, necessary conditions if there was ever to be a successful movement against England. The more radical colonial elements were again given ammunition for their propaganda guns, and an ever-growing percentage of the population took more interest in the economic and political relationship of the colonies to England. Slowly but surely, the diverse interest groups of the colonies were being brought together into a single configuration by the actions of the mother country. Within three years, England was to finish this interlacing by the passage of the Tea Act of 1773, and, as we have already seen, the Quebec Act the following year.

The three years following the repeal of the Townshend Acts were prosperous ones for the colonies. The recovery from the depression was very rapid and all the classes enjoyed it, with the merchants leading the way. Ever-spreading prosperity tended to weaken the cause of the radical urban groups, while the influence of the moderates increased. The merchants' attitude in 1770 can be described as "letting well enough alone." True, England still had the tea tax, but it was slight and relatively easy to evade. Thomas Cushing, the speaker of the Massachusetts House of Representatives and a leading Boston merchant, admitted that the existing trade regulations could be improved, but he preferred that the "high points about the supreme authority of Parliament" should "fall asleep" lest there be "great danger of bringing on a rupture fatal to both countries" (quoted in Schlesinger 1918: 240–241).

The rupture Cushing feared was not long in coming. In September 1772, a report reached Boston that the salaries of the Imperial judges would be paid out of the customs revenue; this would

remove the economic control the colonies had over these royal officials. The announcement was grist for Samuel Adams's propaganda mill and he immediately went to work to stir up agitation (Sam Adams 1906: 332–337). Until this point, the radical element had lacked a compelling issue that was capable of reviving the constitutional fires. This issue, by itself, was not enough to bring the merchant class back into the fight. Things were going too well for them, and the wooing of profits was their main concern. But Parliament itself soon gave the radicals the necessary issue that set off a chain of events that eventually brought about the interlacing of all the major colonial interests into an integrated order of opposition to the Crown.

Just as the Imperial judges' issue was dying down, news of a new Tea Act reached the colonies. In May 1773, Parliament had passed a Tea Act that had a double purpose. It was designed to help the East India Company out of financial trouble and to enforce the collection of the tax in America. In reality, the taxation principle of this Act was no new infringement upon the natural rights of the colonists. The tax was the same; only the method of collecting it was modified. What England proposed was that the East India Company could bring tea into the colonies directly without paying the 12-pence duty to England on all tea imported and pay only the three-pence duty of the colonies. The important tax principle here is that the tax would be paid because the company itself would import the tea. This meant that every time the colonists bought tea imported by the East India Company, they tacitly agreed to England's right to levy an external revenue tax upon them. The gambit used by the Crown was that the East India Company's tea, even after the tax had been added to it, sold for less than that tea that could be smuggled in from Holland (Gipson 1962: 120–121). If the lower price were to induce the colonists to buy the tea, the financial position of the company would be strengthened, revenue from the colonies would be increased, and the supreme authority of Parliament over the colonies would be reasserted.

As one might expect, the muffled cry of the radicals soon became a roar of indignation as the merchants finally decided "to throw discretion to the winds and to seek again popular support for

commercial reform" (Schlesinger 1918: 262). Why were the merchants so vehemently against this Act? After all, the burden of taxation was no greater per pound of tea than before; and ever since 1770 they had, at least through their actions, agreed to England's right to levy external taxes. The answer is quite simple once you examine the effects of this Act upon the economic position of the leading colonial merchants. First of all, the Act allowed the East India Company to bring the tea directly to America without having it go through the hands of either the English merchant or the colonial merchant. Second, the Act authorized the East India Company to establish branch houses in America so that it could deal directly with the American retailer. The profits of the colonial merchant who would have normally handled the two middlemen functions no longer existed (Galloway 1780: 17–18). Above all, the merchants with a large inventory of smuggled Dutch tea faced a sizeable loss of capital. The superior English tea could now be bought at a price below that of the Dutch tea. A very profitable business situation had been wiped out by the monopoly concessions granted to the East India Company by the Crown (Andrews 1958: 157–158; Gipson 1962: 217–218; Schlesinger 1918: 263–264).

At last, an issue had arisen that affected moderates and radicals alike. To the radical this Act was just one more example of the illegal taxing powers of the mother country over her colonies. To the merchants it was an example of irrational capitalism based upon the fiscal monopoly policies of the Stuarts. What alarmed the merchants most about this situation was the precedent it would establish for the monopolization of further trade activities by England at the expense of the colonial merchants. To the merchants, the dispute was over whether irrational capitalism based upon colonial privileges and public monopolies should be adopted instead of rational capitalism oriented along the lines of market opportunities and initiated from within by business interests (Weber 1961: 255–258). They were willing to be loyal British subjects as long as this loyalty did not interfere too greatly with their basic economic activities. But they were afraid the Tea Act would begin to erode their economic freedoms. Either England would back down on this issue, or there was going to be trouble.

### Formation of an Alliance

The alliance of the upper- and middle-class merchants with the urban working class was a blow to the cause of reconciliation with the Crown. This alliance was only the starting point. By itself, it would not have been enough to ensure even an attempted revolution. The merchants at the beginning did not want to revolt; they just wanted to see certain commercial grievances corrected. They threw in with the lower-class radicals only because they felt the need for popular support in their efforts to bring about commercial reform (Schlesinger 1918: 262).

The revolutionary movement was beginning to gain momentum, and support from all over the colonies came to the merchants. The radicals saw that the time was right to take some form of decisive action against the Crown. The Boston Tea Party, a radical undertaking, was the eventual result. This was the beginning of the end as far as the moderates' position was concerned. Almost £10,000 worth of tea was destroyed and neither side felt that it could back down on any of the issues.<sup>20</sup>

Due to the nature of the situation, the next move had to come from England. This, of course, resulted in the passing of what became known as the "Intolerable Acts" in early 1774. With the passage of these Acts by England, the moderates in the colonies found their position of reconciliation to be untenable; they had to decide to be either for or against the revolutionary movement.

The South had been somewhat aloof from the actual conflicts taking place in the northern commercial colonies until the passage of the Intolerable Acts. True, the southern planters and merchants had joined in the legal controversy over internal taxation without representation and external taxation as a revenue-raising method, but they had never before given any direct support to the radical position of revolution (Washington 1889: 263–269; Virtue 1953: 46–47). Just as important was the fact that the small farmers and the frontiersmen of the South gave little or no support whatsoever to the revolutionary movement until after 1774 (Schlesinger 1948: 167–169).

But the Boston Tea Party and the Intolerable Acts that followed changed all of this. The economic interests of the northern merchants

and workers were linked by the Coercive Acts to the economic interests of the southern planters, small farmers in the backcountry, and the frontiersmen.

The commercial acts of 1773 forced the northern merchants to turn to the other interest groups in the colonies for support in their struggle with England over trade regulations and taxation. The merchants' requests were immediately accepted by the radical political elements led by Samuel Adams. This was just the opportunity for which these radical leaders had hoped—an issue that would drive the conservative business classes into the radical camp (Schlesinger 1918: 283).

It is doubtful that the merchants would have remained long with the radicals once the commercial controversy was cleared up. After all, the situation in 1773 with the Tea Act was quite similar to that of the Townshend Acts. As soon as the merchants had gained what they wanted in 1770, they were very willing to forget all about political theory. But this time the chance for peaceful settlement never came about because of the Tea Party and the Coercive Acts.

Until the Coercive Acts were made known, the merchants and the radicals were still without the support of the agrarian classes and the general public. But the passage of the Quebec Act in 1774 brought the agrarian classes squarely into the struggle, and the Intolerable Acts in general united almost every social and economic group in the colonies against the "high-handedness of England." The economic interests of the merchants, the urban working classes, the planters of the South, the small-scale farmers in the backcountry, and the frontier people were now all united against the mother country. The traditional animosities of these groups toward one another were, for the time being, superseded by the common interest of opposing England.

#### **Ideas vs. Interests**

During this same time span (1763–1774), a political philosophy based upon the writings of Thomas Hobbes, James Harrington, and John Locke was being incorporated and used by the more radical colonists to show the indefensibility of England's autocratic control over her American colonies (Buchler 1946: I: 711–829).

The basic premise of these philosophers was that the divine right of kings theory was incorrect and the doctrine of natural rights should supersede it. In a state of nature, people are drawn together and a "social contract" is established whereby a common power is accepted to keep the peace and protect the members from both internal and external enemies. The natural rights and liberties possessed by people in a state of nature are given up for the sake of governmental association that will provide peace and protection to its members. The social contract, as expounded by Locke in his *Second Treatise* on civil government, was not necessarily a permanent and forever-binding contract on the part of the people. If the ruler exercises power beyond the rights given her by the people, she becomes a tyrant and the government or the social contract is dissolved by the people. A political doctrine such as this was a ready-made instrument for a revolution and the colonists used it to its fullest.

Nevertheless, it is unwise to overstate the importance of ideas relative to interests in the coming of the Revolution. As Arthur Schlesinger (1948: 179) posited: "The popular view of the Revolution as a great forensic controversy over abstract governmental rights will not bear close scrutiny." Political democracy came to the United States as a result of economic democracy, and it was the desire for economic freedom on the part of the colonists that finally led to the Revolution (Jameson 1956: 27–28). The importance of the political ideologies cannot be discounted as causes of the break with the mother country, but they have been given an undue emphasis. Political issues would not have been so thoroughly developed and expanded if the controversies over land tenure, regulation of western expansion, regulation of commercial activities, and taxation had not arisen. It was these issues that gave birth to the debate over the proper relationship of the colonies to the British Empire. In the end, it was economic issues that gave rise to the Boston Tea Party, the final action on the part of the colonists that projected the constitutional question into the limelight of the dispute.

Another important reason why the political controversy between the colonies and the mother country has been overemphasized is that the more radical element in the colonies stressed it themselves. In order to broaden the popular base of the protest against England, the

old theoretical arguments against arbitrary government on the part of the mother country were exhumed and new and bizarre ones were devised (Davidson 1941: 117). The leaders of the radical ideology in the colonies consciously and systematically set about arousing the average colonial inhabitant against the mother country. They found their task easier if they could put the issues into slogans and phrases that would be universally acceptable to all economic and social groups. Therefore, slogans and phrases such as "liberty versus oppression," "taxation without representation," and "the natural rights and dignity of man" were used by the radicals instead of the more basic economic analyses (Andrews 1958: 136–137; Morgan 1961: 84–85).

This argument should not be construed to mean that the egalitarian ideology so prevalent during the American revolutionary period was nothing but pure propaganda because this is not the case. The radical leaders simply overemphasized the political doctrine in an effort to disguise their other motives for desiring independence. The radical propagandists tied the economic motives of the different interest groups to the more egalitarian motives of liberty and freedom. Liberty and property became linked together in the arguments of the revolutionary leaders (Davidson 1941: Ch. 2, 123–132).<sup>21</sup> Samuel Adams did this in his speeches and writings. He was particularly good at linking the merchant interests with those of the upper and middle agrarian ideological classes by this method. He would argue that if the liberties of one class were infringed by the arbitrary rule of England, it would not be long before the same logic would be extended to other economic groups. All classes were warned to join the struggle against arbitrary government or face the possibility of losing both their liberty and property. What we have here is a clear example of the interlacing of ideas and interests, with interests being the dominant causal factor. As Weber has pointed out, not ideas, but material and ideal interests, directly govern man's conduct. Yet very frequently the "world images" that have been created by "ideas" have, like switchmen, determined the tracks along which action has been pushed by the dynamic of interest (Weber 1958: 280).

A final reason for the overemphasis of the political issue can be attributed to the attempts on the part of some historians to try to paint

the American revolutionary movement as a purely egalitarian affair (Morgan 1961: 84–85). Economic motives have been considered as rather shabby things, which are better dissociated from the concepts of liberty and democracy. This, I suppose, is a somewhat normal tendency from which we are slowly moving away. Economic motives are nothing to be ashamed of, and it is a disservice to disregard them because they do not sound nice. John Adams (1856: 345) was frank about this situation and sagely commented in a letter to William Tudor, “I know not why we should blush to confess that molasses was an essential ingredient in American independence. Many great events have proceeded from much smaller causes.”

### **Summary and Conclusions**

The land policy followed by England in the 10 years after the Seven Years' War brought the different land configurations together in a united front of opposition toward the mother country. Both the upper and lower classes were in agreement that the restrictive policy that England advocated for the lands west of the mountains was not acceptable and would not be followed. During this same 10-year period, the mother country was constantly trying to strengthen her commercial laws and regulations over colonial trade in an effort to raise revenue and improve the profitability of shipping and merchant industries. These mercantilist acts slowly drew the different urban classes together and served as excellent propaganda material for the small radical element principally located in and around Boston. The Tea Act of 1773 was the final straw, and a valuable cargo of tea was dumped into Boston Harbor as a means of protest. The issue of the legal relationship of the colonies to England was forced into the open, and England was determined to substantiate her claims of authority once and for all. The passage of the Intolerable Acts by Parliament, and especially the Quebec Act, brought the different colonial configurations together into integrated opposition to the mother country. Britain's land and commercial policies during the period from 1763 to 1774 linked the interests of the upper and lower urban classes to those of the upper and lower agrarian classes. Thus, the typical and necessary features of a successful revolution, the linking of the urban



middle class with the small farmers, became a reality in the latter part of 1774.

The major error the English leaders made in determining colonial policy during those fateful years was the consistent failure to examine the effects of each measure upon the different economic classes in the colonies. Parliament took the goals of England and acted as if these goals were the same for the colonies. The general goal of a strong and economically powerful empire was universally accepted by all parties concerned until the passage of the Intolerable Acts. The area of difficulty revolved around the correct method of achieving this goal. England felt that she had to become more imperialistic in her relationship with her colonies, while the American colonies felt that a general well-being would be achieved if they were allowed more freedom in their economic activities.

What actually was developing was a conflict between colonial capitalism and laissez faire capitalism. The leaders of England failed to realize this and were unwilling to compromise. Instead, they enacted laws that emphasized the differences of the two types of capitalism, united the different colonial groups, and eventually brought about an incident that practically guaranteed a revolt by the colonies.

## **Chapter VI**

### **Summary and Conclusion**

At the end of the Seven Years' War in 1763, England became the major European power in the North American Hemisphere. Through the Treaty of Paris, France was forced to relinquish to England all of her claims to Canada and the territory west of the Appalachian Mountains and east of the Mississippi River. This vast amount of new territory offered great economic and political opportunities to Great Britain and her colonies. But accompanying these opportunities were new problems and responsibilities that compelled England to reevaluate her colonial land policies and her general social, economic, and political relationship with these North American colonies.

As early as 1760, England had begun to work on the problem of what she should do to develop a new relationship with the colonies if she were ceded this vast amount of land. But even with the groundwork already out of the way, Great Britain discovered that she still had not been completely able to formulate long-term goals or the policies necessary to carry them out. Therefore, the Board of Trade and Parliament passed a temporary measure, the Proclamation of 1763, designed to achieve short-term goals and allow the time necessary for working out long-term goals and policies.

The major goals of the Proclamation of 1763 were: 1) to avert the threat of a general Indian war along the length of the frontier; 2) to save money by not having to provide protection to sparsely settled areas west of the mountains; 3) to keep the English colonists along the coast where they would be easy to govern and supervise; and finally, 4) to gain time so a new land tenure policy could be developed that would be most beneficial to the political and economic well-being of the English Empire. In the light of the history of British colonization, these goals are very sensible ones, and the only ones upon which all the factions in the English cabinet would agree. The error that Parliament made was that it did not take into consideration the reaction of the different colonial interest groups to this "temporary" measure.

The colonies looked upon the Proclamation of 1763 as a turnabout from the 150-year-old land policy that England had followed. From the

time of the earliest permanent English settlement in North America the Crown's land policy was based upon the theory that colonial settlements should be encouraged but not necessarily financed by royal funds. It did this by making large land grants to private companies or individuals and then letting them develop colonies and the land tenure patterns as they saw fit. The Crown was primarily interested in the political and the economic advantages that it derived from the colonies rather than in the internal socioeconomic organization of them. But the Proclamation Act nullified the century-old land policy of colonial capitalism. It attempted to establish a new policy for the recently acquired territories that was significantly more imperialistic and that ran counter to traditional colonial practices.

England's new policy was one of restriction and supervision, and was so broad in its coverage that almost every economic faction in the colonies was affected by it. The wealthy land speculators were opposed to it because it restricted their western advancement, but it was relatively ineffective in stopping the western movement of the frontiersmen and the small-scale farmers who were land squatters. The squatters were opposed to the Act because it denied them protection from the Indians and because occasionally a few of them would be thrown off the land by the authorities. The individual colonial governments were against the Act for one of two reasons. Colonies that had extensive western land claims looked upon the Act as a means by which the Crown would appropriate these lands. Those colonies without large western land claims at first did not worry about the Act, but later they looked upon it as a clash between imperial and colonial rights. Even the interest groups of the fur traders and Indians were not overly satisfied with the Act. The northern tribes and the French-Canadian fur interests considered the Proclamation completely unacceptable because it would alter the whole method of their fur industry. Thus we can say that the Act missed the goals for which it was designed and had, at the minimum, irritated most of the economic classes in the colonies.

The uncertainty of England's imperial policy had very definite effects upon the different economic classes in the American colonies. In general, it drew these varied configurations closer and closer together. The wealthy northern and southern speculators cooperated

with the strong Iroquois and Cherokee tribes to make the Treaty of Fort Stanwix. When England at first rejected this treaty and then later accepted it but still did not open the newly acquired land for settlement, these aggregations were drawn more closely together into an interest configuration. Even the fur industry was dissatisfied with the royal policy because the regulations governing the fur traders were constantly being changed; and this element of uncertainty led to animosities.

By 1770, England had decided that a number of the aspects of her imperial policy toward the land question in the American colonies needed to be positively reformed. England allowed herself enough time to work out a new act that was designed to formulate a policy that would take care of the three major problems associated with the land acquired through the 1763 Treaty of Paris. First, the act had to establish the procedure by which the land the Crown owned would be disposed. Secondly, it had to decide what should be done with the large French population of Canada regarding government, religion, and culture. Also, it had to decide just where the southern boundary of Canada was to be located. Finally, the act had to determine just what would be done with the fur industry.

After four years of work, Great Britain was ready in 1774 to resolve these issues by the announcement of two new acts. The first was an act reforming the land distribution system in the colonies of all Crown lands that had not already been claimed and improved by the colonies, land companies, or private citizens. All unexercised land claims and charters were revoked and the land returned to the Crown to be redistributed by the royal governors of each colony in a specific manner. This meant that practically all speculative claims were abolished, and to make matters worse (from the point of view of the colonists) the royal governors were to sell these lands on an open and free market to the highest bidders. Also, the western lands were not to be sold outright; instead, the feudal element of socage was written into the law. A quit-rent of one-half penny per acre was to be borne by the buyer. The new system of land distribution was unacceptable to every colonial interest group except the fur traders.

A few months later, England announced the passage of what was to be her final solution to most of the problems associated with the

land she had acquired from France in 1763. The Quebec Act had three specific goals: 1) to redress the injustices of the Proclamation on the French-Canadians; 2) to regulate the Indian trade and the fur industry; and 3) to bring the upper Mississippi Valley under the control and protection of the Crown. To achieve the first end the Quebec Act legalized the Roman Catholic religion and reinstated the French legal system in Canada. The second goal, the regulation of the fur industry, was taken care of through the removal of the fur trade from the American colonies. And finally the third goal was to be accomplished by placing all the land of the upper Mississippi Valley in the province of Quebec. This meant that all of the Old Northwest Territory would be under direct control of the English government since the right to free legislative assembly was still denied the French-Canadians.

England could not have designed a better act to arouse the English-speaking colonists than the Quebec Act. It was opposed on religious, political, and economic grounds. Even the colonial fur industry was opposed to it because it put New York's lucrative fur trapping and Indian trade under the control and regulation of the province. The Quebec Act brought about three reactions on the part of the different colonial interest configurations. It solidified the land configuration made up of the merchants, planters, frontiersmen, and colonies with sea-to-sea claims. Next it brought the English-speaking fur interests into alliance with the land interest groups. Finally, it united the other groups in the colonies that were formed around beliefs, traditions, and emotions with the newly developed interest configuration. Within 10 years after the end of the Seven Years' War, England had created and followed a land policy that directly contributed to the unification and solidification of a basic alliance that was opposed to her rule and domination.

During this period, when England's land program was uniting the colonial land interest groups into an alliance against her, English trade regulations were doing the same thing with the colonial merchants. Throughout the 17<sup>th</sup> century, Great Britain's Navigation Acts actually proved to be beneficial to the American colonies. Certain colonial industries were stimulated by the Acts (ship-building and the shipping industries), and a number of colonial products were given market

monopolies within the British Empire. These Acts also provided the colonies with the protection of their trade by the English navy. And the Navigation Acts of the 1600s were never enforced to the point where they brought about a general level of dissatisfaction among the merchant and urban classes.

The trade regulations of the 17<sup>th</sup> century were extended into the 18<sup>th</sup> century and so was the general liberal philosophy of enforcing them. But at the end of the Seven Years' War, the Grenville administration passed new merchant regulation acts and introduced a strict policy of enforcement. England passed the Sugar Act in 1764 and also modified some of the existing trade acts. In the same year, she passed the Currency Act, which prohibited the colonies from issuing legal tender. This contracted the money supply and contributed to the hard times that followed the Seven Years' War because there was just not enough British currency in the colonies to meet the transactions demand. And if this was not enough, England also passed the Stamp Act, which was strictly designed as a revenue-raising act but that was particularly costly and bothersome for colonial merchants, lawyers, and printers.

England's actions in 1764 contributed to the general lack of harmony that was developing between the mother country and her American colonies. The enforcement of the Navigation Acts and the passage of the Currency and Stamp Acts created a link between the colonial land and merchant interest. All of these Acts could be attacked from a purely economic point of view, and the Stamp Act was open to question on political grounds as well. It was a form of internal taxation instead of the customary external taxation that had been associated with the regulation of trade. This latter argument appealed to the working classes so much that they formed a group of organizations that eventually evolved into the Sons of Liberty. The opposition to these Acts caused England to repeal the Stamp Act before it had actually collected any money and modified the trade regulations so that the chief economic arguments against them were removed.

But this did not mean that England had given up her goals of commercial reform and fund raising. The new Chancellor of the Exchequer, Charles Townshend, had Parliament pass a series of new

duties in 1767. These duties increased the tax on glass, paper, lead, and tea the colonies imported and became known as the Townshend Duty Acts. Again the colonial interest groups attacked this new form of external taxation from both the economic and constitutional points of view. And once more Parliament rescinded the Acts because they seemed to be bringing about a contraction in the level of economic activity in the colonies and in England. The crucial point of the Townshend Duty Acts was that the northern merchants had once more turned to the southern planters for support and received it. Slowly the uniting of the diverse interest groups of the colonies was being accomplished by the economic and political actions of the mother country.

For a three-year period following the repeal of the Townshend Duty Acts, the American colonies experienced a high level of prosperity with little more than the traditional supervision from Great Britain. This lull in the storm came to a close in May 1773 when Parliament was forced to come to the financial aid of the East India Company. A new Tea Act was passed that was designed to increase the quantity demanded of East India tea in the colonies and at the same time reassert the power of Parliament over the colonies. The Act actually lowered the price of tea in the American colonies because even with the tax it was cheaper than the tea being imported from the Dutch. But the Act was strongly opposed on economic grounds by the merchant class due to their large inventories of Dutch tea, and on political grounds by the radicals. Finally the controversy was brought to a head when the radicals destroyed 45 tons of tea valued at £10,000 in Boston Harbor. England retaliated with what became known as the Intolerable Acts and at the same time passed the Quebec Act. These Acts united practically every major colonial group into an integrated order of opposition to the mother country; thus, the landed interests were linked to the urban interests and the typical features of a successful revolution had become a reality.

### **Conclusions**

There can be little doubt that England's colonial land policy after 1763 contributed to the overall level of the colonists' dissatisfaction, which

eventually led to the Revolutionary War. The land issue by itself most probably would not have been enough of a catalyst to bring about open hostilities. This is true of the issues associated with the political relationship between the North American colonies and the mother country. The colonists were yearning for more political autonomy but not to the extent that they were willing to go to war for it and pay the price of losing the protection of Great Britain. The truth of the matter is that before 1774 the majority of the colonists were not concerned with the abstract political relationship between themselves and England. They considered themselves Englishmen who were part of the expanding British Empire and were very proud of it. The firebrands like Sam Adams did not gain popular support until after 1772 with the announcement that the Imperial judges' salaries were to be paid out of customs revenue. And even the controversy over the judges' salaries was dying down rapidly when the news of the Tea Act reached the colonies. It was only then that the radical colonial element really started to gain a large base of popular support.

The same can be said of the other economic factions in the colonies. These factions had specific goals they wanted to see fostered, but they did not plan to go to war to gain them. The merchants, for example, definitely felt the profit squeeze that had been brought on by the passage of the second series of Navigation Acts and the enforcement of the old ones. The merchant interests wanted to see England pass laws that would help them, not hinder them. But they had already forced England to back down in 1766 when she rescinded the Stamp Act, so they felt that economic power between the London merchants and the colonial merchants would be great enough to see that no law that seriously hurt the industry would be left on the books or enforced in the long run.

The Revolution came about because England alienated all of the different colonial factions at approximately the same time. Not only did she pass and enforce laws that the colonists felt would work against their economic interests; she also opened the door to political and religious problems. England played into the hands of the radicals and gave them ammunition for their propaganda guns. The eventual outcome was the uniting of the many colonial groups into an alliance of opposition against the mother country. Our examination of British



colonial land policies is only a small part of the total picture of the coming American Revolutionary War. But it was a very critical component of the total movement because it was what tied the economic interest classes together and brought the agrarian masses into the struggle on the side of the revolutionists. And as Palmer's study has indicated, the support of the agrarian class is one of the crucial elements of a successful revolution.

### Notes

1. In this situation, the factor market consisted of labor, equipment, and raw materials. The product market consisted of town markets and fairs as well as some overseas distribution.

2. Editor's note: The English conquest and colonization of Ireland took place under Cromwell, starting in the 1640s. In some sense, this was a precedent, particularly since the aims of colonization in both Ireland and the New World were geopolitical. That is to say, in both cases, the aim was to restrict Spain's power and to maximize English profits. Roanoke, the first English colony in the New World, was set up in 1585 as a camp from which English pirates could attack Spanish ships carrying gold and then retreat to a hidden place up the coast from Florida (Morgan 1975: 25–39). It failed in part because the soldiers would not deign to grow their own food. There were fewer soldiers at Jamestown than at Roanoke, but some investors in the Virginia Company expected Jamestown to serve as a hiding place for privateers (Morgan 1975: 92–93). The conquest of Ireland was also deliberately designed to preclude any base of operations by the Spanish from that territory, which would have posed a serious threat to England's security. See Canny (2001) and Kupperman (2007: 5–8).

3. The trade figures for Chart 1 are from Emory Johnson (1915: I: 120). The chart shows a dramatic improvement in the balance of trade after 1746 from the British perspective (or decline from the perspective of the colonies). This sudden change corresponds with the periodization developed by Kammen (1970: 88–89), who argues that interest groups proliferated in England from 1748 to 1763, leading to the increased power of merchant groups and political instability.

4. Editor's note: For many years, historians assumed that the improved condition of Jamestown after 1613 was due to the transition from communal to private ownership of farmland. However, Morgan (1975: 83) notes that supplies of food did not increase very much, so large quantities of corn were bought from the Indians in 1617 and 1619. In addition, a central reason for the increased crop yields in Jamestown around this time was due to the return to normal climatic conditions, not to human institutions. The period from 1606

to 1613 was the worst drought in Virginia in around eight centuries, and many local Native Americans also died of famines in the decades after 1580, when the colony at Roanoke failed (Wolfe 2013a, 2013b). None of this denies the likelihood that private farming produced higher yields than communal farming, but it demonstrates there were important co-factors.

5. Editor's note: There seem to be as many definitions of mercantilism as there are authors writing about it. One of its defining features, often attributed to capitalism, is the creation of monopolies in offices, territory, trading rights, or factor markets. Those special rights ("rights patent") enabled proprietors to receive income in excess of what they would be able to earn in a competitive market. Wise rulers then used those sources of excess profits as an easy source of revenue, obviating the need to create a tax bureaucracy. Pincus (2012: 12) argues that there is a consensus among historians that the hallmark of mercantilist thought is an expectation that trade is a zero-sum transaction, not a mutually beneficial exchange. Based on that view, competition is inherently destructive, and the only way to gain from trade is by establishing a monopoly or some other privileged position. The important contribution made by Pincus (2012: 15–33) is his observation that the mercantilist view was challenged for centuries by the belief that trade can be mutually beneficial. Even in the 16<sup>th</sup> through 18<sup>th</sup> centuries, there were authors who observed that one-sided or privileged commercial policies made everyone worse off by extracting wealth from potential trading partners, thereby limiting their capacity to buy one's own trade goods.

6. The English "Hat Act" of 1732 is an excellent example of an already existing industry securing the systematic support of Parliament. The Act stipulated that the American colonies could not export hats or felt, that in the future hats could be made in the colonies only by those who had served as apprentices in England for at least seven years, and that no hat maker could employ more than two apprentices at any one time.

7. According to Weber, the social standing of Junkers (Prussian landowners) was threatened in the late 19<sup>th</sup> century by falling grain prices (from American wheat farms). Rather than expanding to new lands, as 18<sup>th</sup>-century southern planters were able to do, the Junkers passed legislation protecting agricultural prices and displaced German serfs who held traditional land rights with low-wage laborers from Eastern Europe. See also Bowman (1993) for a comprehensive comparison of southern U.S. and Prussian landowners.

8. However, as James (1959: 183) notes, with respect to one land company, "the gentlemen of the Ohio Company, not necessarily as individuals but as a group, suffered no actual financial losses from their land investments." George Washington recorded his own loss as £27 (Friedenberg 1992: 112).

9. Sakolski (1932: 17) explains that the land grant for Vandalia was ultimately made over the objections of Hillsborough, but only in 1775, after the colonies were in revolt.

10. This, in effect, was a form of disguised appropriation. Weber used the term "inequitable appropriation" to describe a situation where the value of the property received is greater than the cost of acquiring it.

11. The Walpole Grant, or the Vandalia Company as it became known, was the most powerful and influential of all the pre-Revolutionary War land companies. Its English members were Thomas Walpole, Lord Chamberlain, Lord Camden, Lord Rochford, the Earl of Gower, George Grenville, and the Earl of Temple. The colonial members were just as illustrious with Sir William Johnson, the two Franklins, Samuel Wharton, and George Croghan heading the list.

12. For some inexplicable reason, the King's order of February 5, 1774 was issued to the governors of Nova Scotia, New Hampshire, New York, Virginia, North Carolina, South Carolina, Georgia, East Florida, and West Florida. The exclusion of the New England colonies is understandable, since their western boundaries were established, but the exclusion of Pennsylvania is puzzling.

13. The first parenthetical insertion [in America] has been added for clarification. The second one [laborers] reflects a change Jefferson made by hand after the document was printed.

14. Editor's note: In Jefferson's commentary, he states that the offensive legislation regarding the mortgaging of colonial land to English creditors was adopted in the fifth year of the reign of George II, or 1732. Although he was writing in opposition to the Quebec Act, he was digging up old grievances as a means of making a general claim that Parliament had no authority to regulate colonial economic life.

15. "Accordingly that country, which had been acquired by the lives, the labors, and the fortunes, of individual adventurers, was by these princes, at several times, parted out and distributed among the favorites and followers of their fortunes, and, by an assumed right of the crown alone, were erected into distinct and independent governments . . ." (Jefferson 1774: 8). In his copy of the printed text, Jefferson substituted the words "parceled out" for "parted out."

16. Actually, the Quebec Act was not considered by Great Britain to be a punishment act. But it came through Parliament at the same time the British government was formulating and passing specific acts to punish the colonies for the Boston Tea Party. The four original Intolerable Acts are the Boston Port Act, the Massachusetts Government Act, the Act for the Impartial Administration of Justice, and the National Quartering Act.

17. For the moment, we exclude the other possible influences that helped to integrate Virginia's land configurations in opposition to Great Britain.

18. "English ships and crews" included those of her colonies. So the passage of these Acts did not adversely alter the economic situation of colonial ship owners and seamen.

19. Dickinson provided a contemporary discussion of the colonial arguments against the Townshend Acts in a series of pamphlets entitled "Letters from a Farmer."

20. Editor's note: The value of £10,000 worth of tea in today's terms can be calculated in various ways. Charles Bahne, How much was the tea in the Tea Party worth? at <http://boston1775.blogspot.com/2009/12/how-much-was-tea-in-tea-party-worth.html> estimates the value would be between \$847,000 and \$885,000, depending on how one estimates changes in purchasing power in 236 years. Another way Bahne proposes to estimate the value is by comparison with the cost of a house at the time. The tea was then valued at around 45 times the price of a seven-room house in a working-class neighborhood of Boston. If we assume a current value of \$250,000 for a house in a working-class Boston neighborhood, the tea would be worth 45 x \$250,000 or \$11.25 million.

21. The Quebec Act, with its religious implications, also opened the door to the question of religious freedom. The propagandists immediately linked economic freedom, civil liberty, and religious liberty together as a new variation on the same theme.

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## **Appendix A**

### **Proclamation of 1763**

**The Royal Proclamation—October 7, 1763<sup>1</sup>**  
**BY THE KING. A PROCLAMATION**  
**GEORGE R.**

1. <sup>2</sup>Whereas We have taken into Our Royal Consideration the extensive and valuable Acquisitions in America, secured to our Crown by the late Definitive Treaty of Peace, concluded at Paris. the 10th Day of February last; and being desirous that all Our loving Subjects, as well of our Kingdom as of our Colonies in America, may avail themselves with all convenient Speed, of the great Benefits and Advantages which must accrue therefrom to their Commerce, Manufactures, and Navigation, We have thought fit, with the Advice of our Privy Council. to issue this our Royal Proclamation, hereby to publish and declare to all our loving Subjects, that we have, with the Advice of our Said Privy Council, granted our Letters Patent, under our Great Seal of Great Britain, to erect, within the Countries and Islands ceded and confirmed to Us by the said Treaty, Four distinct and separate Governments, styled and called by the names of Quebec, East Florida, West Florida and Grenada, and limited and bounded as follows, viz.
2. First—The Government of Quebec: bounded on the Labrador Coast by the River St. John, and from thence by a Line drawn from the Head of that River through the Lake St. John, to the South end of the Lake Nipissim; from whence the said Line, crossing the River St. Lawrence, and the Lake Champlain, in 45. Degrees of North Latitude, passes along the High Lands which divide the Rivers that empty themselves into the said River St. Lawrence from those which fall into the Sea; and also along the North Coast of the Baye des Chaleurs, and the Coast of the Gulph of St. Lawrence to Cape Rosieres, and from thence crossing the Mouth

<sup>1</sup> Source: <http://originaldocuments.ca/api/pdf/RoyalProc11763Oct7.pdf>

<sup>2</sup> The paragraph numbers were not in original text. They have been added for ease of referencing specific text.

- of the River St. Lawrence by the West End of the Island of Anticosti, terminates at the aforesaid River of St. John.
3. Secondly—The Government of East Florida: bounded to the Westward by the Gulph of Mexico and the Apalachicola River; to the Northward by a Line drawn from that part of the said River where the Chatahouchee and Flint Rivers meet, to the source of St. Mary's River, and by the course of the said River to the Atlantic Ocean; and to the Eastward and Southward by the Atlantic Ocean and the Gulph of Florida, including all Islands within Six Leagues of the Sea Coast.
  4. Thirdly—The Government of West Florida: bounded to the Southward by the Gulph of Mexico, including all Islands within Six Leagues of the Coast. from the River Apalachicola to Lake Pontchartrain; to the Westward by the said Lake, the Lake Maurepas, and the River Mississippi; to the Northward by a Line drawn due East from that part of the River Mississippi which lies in 31 Degrees North Latitude. to the River Apalachicola or Chatahouchee; and to the Eastward by the said River.
  5. Fourthly—The Government of Grenada, comprehending the Island of that name, together with the Grenadines, and the Islands of Dominico, St. Vincent's and Tobago. And to the end that the open and free Fishery of our Subjects may be extended to and carried on upon the Coast of Labrador, and the adjacent Islands. We have thought fit. with the advice of our said Privy Council to put all that Coast, from the River St. John's to Hudson's Streights, together with the Islands of Anticosti and Madelaine, and all other smaller Islands lying upon the said Coast, under the care and Inspection of our Governor of Newfoundland.
  6. We have also, with the advice of our Privy Council. thought fit to annex the Islands of St. John's and Cape Breton, or Isle Royale, with the lesser Islands adjacent thereto, to our Government of Nova Scotia.
  7. We have also, with the advice of our Privy Council aforesaid, annexed to our Province of Georgia all the Lands lying between the Rivers Alatomaha and St. Mary's.
  8. And whereas it will greatly contribute to the speedy settling of our said new Governments, that our loving Subjects should be

informed of our Paternal care, for the security of the Liberties and Properties of those who are and shall become Inhabitants thereof, We have thought fit to publish and declare, by this Our Proclamation, that We have, in the Letters Patent under our Great Seal of Great Britain, by which the said Governments are constituted, given express Power and Direction to our Governors of our Said Colonies respectively, that so soon as the state and circumstances of the said Colonies will admit thereof, they shall, with the Advice and Consent of the Members of our Council, summon and call General Assemblies within the said Governments respectively, in such Manner and Form as is used and directed in those Colonies and Provinces in America which are under our immediate Government: And We have also given Power to the said Governors, with the consent of our Said Councils, and the Representatives of the People so to be summoned as aforesaid, to make, constitute, and ordain Laws, Statutes, and Ordinances for the Public Peace, Welfare, and good Government of our said Colonies, and of the People and Inhabitants thereof, as near as may be agreeable to the Laws of England, and under such Regulations and Restrictions as are used in other Colonies; and in the mean Time, and until such Assemblies can be called as aforesaid, all Persons Inhabiting in or resorting to our Said Colonies may confide in our Royal Protection for the Enjoyment of the Benefit of the Laws of our Realm of England; for which Purpose We have given Power under our Great Seal to the Governors of our said Colonies respectively to erect and constitute, with the Advice of our said Councils respectively, Courts of Judicature and public Justice within our Said Colonies for hearing and determining all Causes, as well Criminal as Civil, according to Law and Equity, and as near as may be agreeable to the Laws of England, with Liberty to all Persons who may think themselves aggrieved by the Sentences of such Courts, in all Civil Cases, to appeal, under the usual Limitations and Restrictions, to Us in our Privy Council.

9. We have also thought fit, with the advice of our Privy Council as aforesaid, to give unto the Governors and Councils of our said Three new Colonies, upon the Continent full Power and

Authority to settle and agree with the Inhabitants of our said new Colonies or with any other Persons who shall resort thereto, for such Lands. Tenements and Hereditaments, as are now or hereafter shall be in our Power to dispose of; and them to grant to any such Person or Persons upon such Terms, and under such moderate Quit-Rents, Services and Acknowledgments, as have been appointed and settled in our other Colonies, and under such other Conditions as shall appear to us to be necessary and expedient for the Advantage of the Grantees, and the Improvement and settlement of our said Colonies.

10. And Whereas, We are desirous, upon all occasions, to testify our Royal Sense and Approbation of the Conduct and bravery of the Officers and Soldiers of our Armies, and to reward the same, We do hereby command and empower our Governors of our said Three new Colonies, and all other our Governors of our several Provinces on the Continent of North America, to grant without Fee or Reward, to such reduced Officers as have served in North America during the late War, and to such Private Soldiers as have been or shall be disbanded in America, and are actually residing there, and shall personally apply for the same, the following Quantities of Lands, subject, at the Expiration of Ten Years, to the same Quit-Rents as other Lands are subject to in the Province within which they are granted, as also subject to the same Conditions of Cultivation and Improvement; viz.
  11. To every Person having the Rank of a Field Officer—5,000 Acres.  
To every Captain—3,000 Acres.  
To every Subaltern or Staff Officer,—2,000 Acres.  
To every Non-Commission Officer,—200 Acres .  
To every Private Man—50 Acres.
12. We do likewise authorize and require the Governors and Commanders in Chief of all our said Colonies upon the Continent of North America to grant the like Quantities of Land, and upon the same conditions, to such reduced Officers of our Navy of like Rank as served on board our Ships of War in North America at the times of the Reduction of Louisbourg and Quebec in the late War, and who shall personally apply to our respective Governors for such Grants.

13. And whereas it is just and reasonable, and essential to our Interest, and the Security of our Colonies, that the several Nations or Tribes of Indians with whom We are connected, and who live under our Protection, should not be molested or disturbed in the Possession of such Parts of Our Dominions and Territories as, not having been ceded to or purchased by Us, are reserved to them or any of them, as their Hunting Grounds.—We do therefore, with the Advice of our Privy Council, declare it to be our Royal Will and Pleasure that no Governor or Commander in Chief in any of our Colonies of Quebec, East Florida. or West Florida, do presume, upon any Pretence whatever, to grant Warrants of Survey, or pass any Patents for Lands beyond the Bounds of their respective Governments. as described in their Commissions: as also that no Governor or Commander in Chief in any of our other Colonies or Plantations in America do presume for the present, and until our further Pleasure be known, to grant Warrants of Survey, or pass Patents for any Lands beyond the Heads or Sources of any of the Rivers which fall into the Atlantic Ocean from the West and North West, or upon any Lands whatever, which, not having been ceded to or purchased by Us as aforesaid, are reserved to the said Indians, or any of them.
14. And We do further declare it to be Our Royal Will and Pleasure, for the present as aforesaid, to reserve under our Sovereignty, Protection, and Dominion, for the use of the said Indians, all the Lands and Territories not included within the Limits of Our said Three new Governments, or within the Limits of the Territory granted to the Hudson's Bay Company, as also all the Lands and Territories lying to the Westward of the Sources of the Rivers which fall into the Sea from the West and North West as aforesaid.
15. And We do hereby strictly forbid, on Pain of our Displeasure, all our loving Subjects from making any Purchases or Settlements whatever, or taking Possession of any of the Lands above reserved, without our especial leave and Licence for that Purpose first obtained.
16. And. We do further strictly enjoin and require all Persons whatever who have either wilfully or inadvertently seated



themselves upon any Lands within the Countries above described. or upon any other Lands which, not having been ceded to or purchased by Us, are still reserved to the said Indians as aforesaid, forthwith to remove themselves from such Settlements.

17. And whereas great Frauds and Abuses have been committed in purchasing Lands of the Indians, to the great Prejudice of our Interests, and to the great Dissatisfaction of the said Indians: In order, therefore, to prevent such Irregularities for the future, and to the end that the Indians may be convinced of our Justice and determined Resolution to remove all reasonable Cause of Discontent, We do, with the Advice of our Privy Council, strictly enjoin and require that no private Person do presume to make any purchase from the said Indians of any Lands reserved to the said Indians, within those parts of our Colonies where, We have thought proper to allow Settlement: but that. if at any Time any of the Said Indians should be inclined to dispose of the said Lands, the same shall be Purchased only for Us, in our Name, at some public Meeting or Assembly of the said Indians, to be held for that Purpose by the Governor or Commander in Chief of our Colony respectively within which they shall lie: and in case they shall lie; and in case they shall lie within the limits of any Proprietary Government, they shall be purchased only for the Use and in the name of such Proprietaries, conformable to such Directions and Instructions as We or they shall think proper to give for that Purpose; And we do, by the Advice of our Privy Council, declare and enjoin, that the Trade with the said Indians shall be free and open to all our Subjects whatever, provided that every Person who may incline to Trade with the said Indians do take out a Licence for carrying on such Trade from the Governor or Commander in Chief of any of our Colonies respectively where such Person shall reside, and also give Security to observe such Regulations as We shall at any Time think fit, by ourselves or by our Commissaries to be appointed for this Purpose, to direct and appoint for the Benefit of the said Trade:

18. And we do hereby authorize, enjoin, and require the Governors and Commanders in Chief of all our Colonies respectively, as well those under Our immediate Government as those under the Government and Direction of Proprietaries, to grant such Licences without Fee or Reward, taking especial Care to insert therein a Condition, that such Licence shall be void, and the Security forfeited in case the Person to whom the same is granted shall refuse or neglect to observe such Regulations as We shall think proper to prescribe as aforesaid.
19. And we do further expressly conjoin and require all Officers whatever, as well Military as those Employed in the Management and Direction of Indian Affairs, within the Territories reserved as aforesaid for the use of the said Indians, to seize and apprehend all Persons whatever. who standing charged with Treason. Misprisions of Treason. Murders, or other Felonies or Misdemeanors. shall fly from Justice and take Refuge in the said Territory. and to send them under a proper guard to the Colony where the Crime was committed of which they, stand accused. in order to take their Trial for the same.

Given at our Court at St. James's the 7<sup>th</sup> Day of October 1763. in the Third Year of our Reign.

GOD SAVE THE KING

## **Appendix B**

### **The Quebec Act of 1774**

**The Quebec Act, 1774<sup>3</sup>**  
**14 George III, c. 83 (U.K.)**

An Act for making more effectual Provision for the Government of the Province of Quebec in North America.

I.<sup>4</sup>“WHEREAS his Majesty, by his Royal Proclamation bearing Date the seventh Day of October, in the third Year of his Reign, thought fit to declare the Provisions which had been made in respect to certain Countries, Territories, and Islands in America, ceded to his Majesty by the definitive Treaty of Peace, concluded at Paris on the tenth day of February, one thousand seven hundred and sixty-three: And whereas, by the Arrangements made by the said Royal Proclamation a very large Extent of Country, within which there were several Colonies and Settlements of the Subjects of France, who claimed to remain therein under the Faith of the said Treaty, was left, without any Provision being made for the Administration of Civil Government therein; and certain Parts of the Territory of Canada, where sedentary Fisheries had been established and carried on by the Subjects of France, Inhabitants of the said Province of Canada under Grants and Concessions from the Government thereof, were annexed to the Government of Newfoundland, and thereby subjected to Regulations inconsistent with the Nature of such Fisheries:” May it therefore please your most Excellent Majesty that it may be enacted; and be it enacted by the King’s most Excellent Majesty, by and with the Advice and Consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the Authority of the same. That all the Territories, Islands, and Countries in North America, belonging to the Crown of Great Britain, bounded on the South by a Line from the Bay of Chaleurs, along the High Lands which divide the Rivers that empty

<sup>3</sup> Source: [http://www.solon.org/Constitutions/Canada/English/PreConfederation/qa\\_1774.html](http://www.solon.org/Constitutions/Canada/English/PreConfederation/qa_1774.html)

<sup>4</sup> The paragraph numbers were not in original text. They have been added for ease of referencing specific text.

themselves into the River Saint Lawrence from those which fall into the Sea, to a Point in forty-five Degrees of Northern Latitude. on the Eastern Bank of the River Connecticut, keeping the same Latitude directly West, through the Lake Champlain, until, in the same Latitude, it meets the River Saint Lawrence: from thence up the Eastern Bank of the said River to the Lake Ontario; thence through the Lake Ontario, and the River commonly call Niagara and thence along by the Eastern and South-eastern Bank of Lake Erie, following the said Bank, until the same shall be intersected by the Northern Boundary, granted by the Charter of the Province of Pennsylvania, in case the same shall be so intersected: and from thence along the said Northern and Western Boundaries of the said Province, until the said Western Boundary strike the Ohio: But in case the said Bank of the said Lake shall not be found to be so intersected, then following the said Bank until it shall arrive at that Point of the said Bank which shall be nearest to the North-western Angle of the said Province of Pennsylvania, and thence by a right Line, to the said North-western Angle of the said Province; and thence along the Western Boundary of the said Province, until it strike the River Ohio; and along the Bank of the said River, Westward, to the Banks of the Mississippi, and Northward to the Southern Boundary of the Territory granted to the Merchants Adventurers of England, trading to Hudson's Bay; and also all such Territories, Islands, and Countries, which have, since the tenth of February, one thousand seven hundred and sixty-three, been made Part of the Government of Newfoundland, be, and they are hereby, during his Majesty's Pleasure, annexed to, and made Part and Parcel of, the Province of Quebec, as created and established by the said Royal Proclamation of the seventh of October, one thousand seven hundred and sixty-three.

"II. Provided always. That nothing herein contained, relative to the Boundary of the Province of Quebec shall in anywise affect the Boundaries of any other Colony.

"III. Provided always, and be it enacted, That nothing in this Act contained shall extend, or be construed to extend to make void, or to vary or alter any Right, Title, or Possession, derived under any Grant, Conveyance, or otherwise howsoever, of or to any Lands within the said Province, or the Provinces thereto adjoining; but that the same

shall remain and be in Force, and have Effect, as if this Act had never been made.

“IV. And whereas the Provisions, made by the said Proclamation, in respect to the Civil Government of the said Province of Quebec, and the Powers and Authorities given to the Governor and other Civil Officers of the said Province, by the Grants and Commissions issued in consequence thereof, have been found, upon Experience, to be inapplicable to the State and Circumstances of the said Province, the Inhabitants whereof amounted, at the Conquest, to above sixty-five thousand Persons professing the Religion of the Church of Rome, and enjoying an established Form of Constitution and System of Laws, by which their Persons and Property had been protected, governed, and ordered, for a long Series of Years, from the first Establishment of the said Province of Canada;” be it therefore further enacted by the Authority aforesaid. That the said Proclamation, so far as the same relates to the said Province of Quebec, and the Commission under the Authority whereof the Government of the said Province is at present administered, and all and every the Ordinance and Ordinances made by the Governor and Council of Quebec for the Time being, relative to the Civil Government and Administration of Justice in the said Province, and all Commissions to Judges and other Officers thereof, be, and the same are hereby revoked, annulled, and made void, from and after the first Day of May, one thousand seven hundred and seventy-five.

“V. And, for the more perfect Security and Ease of the Minds of the Inhabitants of the said Province,” it is hereby declared, That his Majesty’s Subjects, professing the Religion of the Church of Rome of and in the said Province of Quebec, may have, hold, and enjoy, the free Exercise of the Religion of the Church of Rome, subject to the King’s Supremacy, declared and established by an Act, made in the first Year of the Reign of Queen Elizabeth, over all the Dominions and Countries which then did, or thereafter should belong, to the Imperial Crown of this Realm; and that the Clergy of the said Church may hold, receive, and enjoy, their accustomed Dues and Rights, with respect to such Persons only as shall profess the said Religion.

“VI. Provided nevertheless, That it shall be lawful for his Majesty, his Heirs or Successors, to make such Provision out of the rest of the said

accustomed Dues and Rights, for the Encouragement of the Protestant Religion, and for the Maintenance and Support of a Protestant Clergy within the said Province, as he or they shall from Time to Time think necessary and expedient.

“VII. Provided always and be it enacted, That no Person professing the Religion of the Church of Rome, and residing in the said Province shall be obliged to take the Oath required by the said Statute passed in the first Year of the Reign of Queen Elizabeth, or any other Oaths substituted by any other Act in the Place thereof; but that every such Person who, by the said Statute, is required to take the Oath therein mentioned, shall be obliged, and is hereby required, to take and subscribe the following Oath before the Governor, or such other Person in such Court of Record as his Majesty shall appoint, who are hereby authorized to administer the same; videlicet,

“I A.B. do sincerely promise and swear, That I will be faithful, and bear true Allegiance to his Majesty King George, and him will defend to the utmost of my Power, against all traitorous Conspiracies, and Attempts whatsoever, which shall be made against his Person. Crown, and Dignity; and I will do my utmost Endeavor to disclose and make known to his Majesty, his Heirs and Successors, all Treasons, and traitorous Conspiracies, and Attempts, which I shall know to be against him, or any of them; and all this I do swear without any Equivocation, mental Evasion, or secret Reservation, and renouncing all Pardons and Dispensations from any Power or Person whomsoever to the contrary. So help me GOD.”

And every such Person, who shall neglect or refuse to take the said Oath before mentioned, shall incur and be liable to the same Penalties, Forfeitures, Disabilities, and Incapacities, as he would have incurred and been liable to for neglecting or refusing to take the Oath required by the said Statute passed in the first Year of the Reign of Queen Elizabeth.

“VIII. And be it further enacted by the Authority aforesaid, That all his Majesty’s Canadian Subjects within the Province of Quebec, the religious orders and Communities only excepted, may also hold and enjoy their Property and Possessions, together with all Customs and Usages relative thereto, and all other their Civil Rights in as large, ample, and beneficial Manner as if the said Proclamation, Commissions, Ordinances, and other Acts and Instruments had not been

made, and as may consist with their Allegiance to his Majesty, and Subjection to the Crown and Parliament of Great Britain; and that in all Matters of Controversy, relative to Property and Civil Rights, Resort shall be had to the Laws of Canada, as the Rule for the Decision of the same; and all Causes that shall hereafter be instituted in any of the Courts of Justice, to be appointed within and for the said Province by his Majesty, his Heirs and Successors, shall, with respect to such Property and Rights, be determined agreeably to the said Laws and Customs of Canada, until they shall be varied or altered by any Ordinances that shall, from Time to Time, be passed in the said Province by the Governor, Lieutenant Governor, or Commander in Chief, for the Time being, by and with the Advice and Consent of the Legislative Council of the same, to be appointed in Manner hereinafter mentioned .

“IX. Provided always, That nothing in this Act contained shall extend, or be construed to extend, to any Lands that have been granted by his Majesty, or shall hereafter be granted by his Majesty, his Heirs and Successors, to be holden in free and common Soccage.

“X. Provided also, That it shall and may be lawful to and for every Person that is Owner of any Lands, Goods, or Credits, in the said Province, and that has a Right to alienate the said Lands, Goods, or Credits, in his or her Lifetime, by Deed of Sale, Gift, or otherwise, to devise or bequeath the same at his or her Death, by his or her last Will and Testament; any Law, Usage, or Custom, heretofore or now prevailing in the Province, to the contrary hereof in any-wise notwithstanding; such Will being executed either according to the Laws of Canada, or according to the Forms prescribed by the Laws of England.

“XI. And whereas the Certainty and Lenity of the Criminal Law of England, and the Benefits and Advantages resulting from the Use of it, have been sensibly felt by the Inhabitants, from an Experience of more than nine Years, during which it has been uniformly administered:” be it therefore further enacted by the Authority aforesaid. That the same shall continue to be administered, and shall be observed as Law in the Province of Quebec, as well in the Description and Quality of the Offence as in the Method of Prosecution and Trial; and the

Punishments and Forfeitures thereby inflicted to the Exclusion of every other Rule of Criminal Law, or Mode of Proceeding thereon, which did or might prevail in the said Province before the Year of our Lord one thousand seven hundred and seventy-four; any Thing in this Act to the contrary thereof in any respect notwithstanding; subject nevertheless to such Alterations and Amendments as the Governor, Lieutenant-governor, or Commander in Chief for the Time being, by and with the Advice and Consent of the legislative Council of the said Province, hereafter to be appointed, shall, from Time to Time, cause to be made therein, in Manner hereinafter directed.

“XII. And whereas it may be necessary to ordain many Regulations for the future Welfare and good Government of the Province of Quebec, the Occasions of which cannot now be foreseen, nor, without much Delay and Inconvenience, be provided for, without intrusting that Authority, for a certain Time, and under proper Restrictions, to Persons resident there, and whereas it is at present inexpedient to call an Assembly;” be it therefore enacted by the Authority aforesaid, That it shall and may be lawful for his Majesty, his Heirs and Successors, by Warrant under his or their Signet or Sign Manual, and with the Advice of the Privy Council, to constitute and appoint a Council for the Affairs of the Province of Quebec, to consist of such Persons resident there, not exceeding twenty-three, nor less than seventeen, as his Majesty, his Heirs and Successors, shall be pleased to appoint, and, upon the Death, Removal, or Absence of any of the Members of the said Council, in like Manner to constitute and appoint such and so many other Person or Persons as shall be necessary to supply the Vacancy or Vacancies; which Council, so appointed and nominated, or the major Part thereof; shall have Power and Authority to make Ordinances for the Peace, Welfare, and good Government, of the said Province, with the Consent of his Majesty’s Governor, or, in his Absence, of the Lieutenant-governor, or Commander in Chief for the Time being.

“XIII. Provided always, That nothing in this Act contained shall extend to authorize or empower the said legislative Council to lay any Taxes or Duties within the said Province, such Rates and Taxes only excepted as the Inhabitants of any Town or District within the said Province may be authorized by the said Council to assess, levy, and



apply, within the said Town or District. for the Purpose of making Roads, erecting and repairing publick Buildings, or for any other Purpose respecting the local Convenience and Oeconomy of such Town or District.

“XIV. Provided also, and be it enacted by the Authority aforesaid, That every Ordinance so to be made, shall, within six Months, be transmitted by the Governor, or, in his Absence, by the Lieutenant-governor, or Commander in Chief for the Time being, and laid before his Majesty for his Royal Approbation; and if his Majesty shall think fit to disallow thereof, the same shall cease and be void from the Time that his Majesty’s Order in Council thereupon shall be promulgated at Quebec.

“XV. Provided also, That no Ordinance touching Religion, or by which any Punishment may be inflicted greater than Fine or Imprisonment for three Months, shall be of any Force or Effect, until the same shall have received his Majesty’s Approbation.

“XVI. Provided also, That no Ordinance shall be passed at any Meeting of the Council where less than a Majority of the whole Council is present, or at any Time except between the first Day of January and the first Day of May, unless upon some urgent Occasion, in which Case every Member thereof resident at Quebec. or within fifty Miles thereof, shall be personally summoned by the Governor, or, in his absence, by the Lieutenant-governor, or Commander in Chief for the Time being, to attend the same.

“XVII. And be it further enacted by the Authority aforesaid, That nothing herein contained shall extend, or be construed to extend, to prevent or hinder his Majesty, his Heirs and Successors, by his or their Letters Patent under the Great Seal of Great Britain, from erecting, constituting, and appointing, such Courts of Criminal, Civil, and Ecclesiastical Jurisdiction within and for the said Province of Quebec, and appointing, from Time to Time, the Judges and Officers thereof, as his Majesty, his Heirs and Successors, shall think necessary and proper for the Circumstances of the said Province.

“XVIII. Provided always, and it is hereby enacted, That nothing in this Act contained shall extend, or be construed to extend, to repeal or make void, within the said Province of Quebec, any Act or Acts of the Parliament of Great Britain heretofore made, for prohibiting,

restraining, or regulating, the Trade or Commerce of his Majesty's Colonies and Plantations in America; but that all and every the said Acts, and also all Acts of Parliament heretofore made concerning or respecting the said Colonies and Plantations, shall be, and are hereby declared to be, in Force, within the said Province of Quebec, and every Part thereof.