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REPORT
of
Committee on Thesis

The undersigned, acting as a Committee of
the Graduate School, have read the accompanying
thesis submitted by Orpha Lucetta Bissell
for the degree of Master of Arts.
They approve it as a thesis meeting the require-
ments of the Graduate School of the University of
Minnesota, and recommend that it be accepted in
partial fulfillment of the requirements for the
degree of Master of Arts.

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May 28 1917

REPORT
of
COMMITTEE ON EXAMINATION

This is to certify that we the undersigned, as a Committee of the Graduate School, have given Orpha Lucetta Bissell final oral examination for the degree of Master of Arts. We recommend that the degree of Master of Arts be conferred upon the candidate.

Minneapolis, Minnesota

May 30 1917

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THE ACTIVITIES OF THE AMERICAN FUR COMPANY

**A THESIS submitted to the
Faculty of the Graduate School of the
University of Minnesota
by
Orpha Lucetta Bissell
in partial fulfillment of the requirements
for the degree of
Master of Arts**

June

1917

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INTRODUCTION.

The activities of the American Fur Company covered a period of about thirty-four years, from 1808 when Astor obtained a charter, to 1842 when the company went into the hands of the receivers. During this time it extended its sway over a vast area including most of the country lying between the Lake of the Woods on the north and the St. Francis River on the south; and from lower Canada east of Lake Huron on the east to the Pacific Ocean on the west. The development of such an institution constitutes a chapter in the history of the frontier.

The materials available for a study of the concern are found in the letters of its officials. The early correspondence is located at the Astor House, Mackinaw, Michigan, and consists of letter books of the American Fur Company. These letter books are in two volumes and are made up of the copies of letters written by an important official of the company, Ramsay Crooks. Photographic copies of these letter books were made by the State Historical Society of Wisconsin at Madison, and these copies were used in the preparation of this thesis. The first letter bears the date of September 18, 1816, and the last was written July 29, 1825. From this time to June 1, 1834, the authentic data are much more limited. A large amount of material is known to have been in existence in the old storehouse of the company at Mackinaw, but no one realized the importance of this correspondence, and the paper was used for kindling fires. Some of the letter books, however, were rescued by Mrs. B. F. Felix and given to the Chicago Historical Society, but were burned in

the great fire of 1871. At the present time practically no trace of direct information is to be found aside from the Mackinac Register. It may be that the Chouteau Papers, now in possession of the Missouri Historical Society, can throw some light on this period of the history of the concern, inasmuch as the Chouteaus were connected with the American Fur Company. These papers are not available at the present time. Beginning with June 1, 1834, the Sibley Letters, in possession of the Minnesota Historical Society at St. Paul, contain much valuable information regarding the later activities in Minnesota. This correspondence comprises the letters received by Sibley while in the employ of the company. A ledger belonging to the American Fur Company is also in possession of the Minnesota Historical Society. It should be noted that these letters form a one-sided correspondence in each case, and for this reason accurate independent conclusions can not always be drawn.

The activities of the American Fur Company naturally grouped themselves into two divisions; one included the business of the concern from its beginning to the year 1834 when Astor retired from the field; the other covered the time from that date to its close under the leadership of Ramsay Crooks. It was during the first period of its existence that it experienced its most rapid growth; after 1834 the firm was reorganized and its activities were limited to a much smaller section of the country. The first division is, for convenience, treated in two sections; one covering the period of adjustment when the company was becoming established; the other, the period of expansion beginning in 1822 when the

1. Reuben G. Thwaites, "American Fur Company Invoices, 1821-22", in Wisconsin Historical Collections, 11:370.

Western Department was organized at St. Louis, thus tapping the fur trade of the West. The activities of the Western Department do not come within the province of this thesis.

THE ACTIVITIES OF THE AMERICAN FUR COMPANY TO 1834.

The fur trade has played a very important part in the development of the American frontier. Long before the settler had ventured into the wilderness to make his rude clearing, the fur trader had made his home there, killing the game and making a friend of the Indian. He supplemented the work of the explorer,¹ learning from the life about him the true nature of the country. The fur trader was the first agent of civilization who associated himself with the life of the country. The trade itself was lucrative and fascinating; game was abundant, the unrestrained life on the frontier appealed especially to young men, and accessible waterways to the interior afforded easy means of transportation. Markets in the old world were good, and American furs were much sought for in foreign trading centers. In fact so prosperous an outlook had this trade that both the French and the English saw the desirability of obtaining control in the region beyond the Appalachian Mountains. Each nation had its staunch defenders among the fur traders who willingly shouldered their guns against an invader. The struggle for supremacy in the new world between the French and the English was largely a desire to control the fur trade of the interior.² The overthrow of French domination and the success of the British marked a new epoch in the history of the fur trade. It gave to the English the monopoly of the trade. With this control began the development of the fur company; men began to see the advantage of combining their

1. Wayne E. Stevens, "The Organization of The British Fur Trade 1760-1800" in The Mississippi Valley Historical Review, 3: 272 (September, 1916)
 2. Ibid., 175.

interests in the trade and subordinating the activities of the traders. The Hudson's Bay Company was the first in the field; its charter bore the date of May 2, 1670, but its operations during the first century of its existence had been confined to the region adjacent to Hudson's Bay.¹ About 1774 this concern began to develop a policy of securing inland trade and some twenty years later erected posts in the vicinity of Rainy Lake and Red Lake.² Up to this time the Hudson's Bay Company had pursued a policy of conserving the game, dealing with the savages direct and establishing few organized trading posts.³ This policy might have continued indefinitely had no other fur companies been established. About 1774, however, the Northwest Company was founded with its field of operation in the vicinity of the Great Lakes and upper Mississippi River, north and west into Canada.⁴ The headquarters of this company were located at Montreal, and the inland depot at Grand Portage. For several years this company enjoyed a phenomenal growth and extended its activities north and west to the very foot of the Rockies.⁵ It was not long, however, before these two great companies came in contact with each other, and each contended for supremacy. A third company was founded in 1785, and was known as the Mackinac or

- Michilimackinac Company by reason of the fact that their head-
1. Hiram M. Chittenden, The American Fur Trade in the Far West, 1:87.
 2. George Bryce, The Remarkable History of the Hudson's Bay Company, 111, 112.
 3. Hiram M. Chittenden, The American Fur Trade in the Far West, 1:88.
 4. The Northwest Company was formed by the union of two rival trading companies, Pond, Pangman and Company and the Northwest Company of Montreal. Ibid. 89.
 5. James H. Baker, "Lake Superior" in Minnesota Historical Collections 3:340. "The Northwest Company were lords of the lake. They dwelt in semi-baronial state at their Grand Chateau at the Sault Ste. Marie, or transacted the yearly business at their castellated rendezvous at Grand Portage, now Lake County, Minnesota."

quarters were located at that point. Their territory included the country around the Great Lakes, east of Lake Huron in Canada and west to the Mississippi River.¹

In order to understand the details of the fur trade the essentials of the organization should be noted. Roughly speaking, there were some four classes connected with the pursuit of the trade. It was possible to find one class merging into another, but in general these four classes were recognized. At the head of this order was the fur company consisting of a group of men who imported their merchandise from abroad and sold it in smaller quantities to the trader in the interior. They received in return the furs which the trader had collected.² These companies usually had their headquarters in Montreal or some point within easy access of the trader. In the case of a large company, such as the Northwest, a point in the interior was chosen as a principal depot to which the traders could bring their furs.³ The smaller companies established their headquarters further inland so that they could compete with the larger companies in the disposal of their furs, and at the same time accommodate the trader in the field. These smaller companies might act as middlemen obtaining their merchandise from the larger concerns and selling to them the yearly collection of furs at the close of the season. The Michilimackinac Company was an example of the smaller company. A step lower in the scale the trader was to be found. He was the one who went into the wild

1. Hiram M. Chittenden; The American Fur Trade in the Far West, 1:93.

2. Wayne E. Stevens, in The Mississippi Valley Historical Review, Vol. 3:188, (September 1916)

3. Ibid., 200.

country; who made his way as best he could, often in birch bark canoes, up the streams and across the prairies to the particular tribe of savages with which he wished to trade. His equipment consisted of the barest necessities of life for himself; and his cargo of goods and ammunition. In the earlier days if the trader was hired by a company he was usually given his personal outfit; later, however, this was not included in the trader's contract.¹ Traders did not usually remain in the same place for more than one winter but moved about as the tribe wandered; or traded with different tribes.² Later the traders were compelled by law to maintain a permanent trading house throughout the year at specified locations.³ In trading with the Indians the medium of exchange was a beaver skin or plus, as it was called. Credits were kept in beaver skins and merchandise was quoted in terms of the plus; a gun was worth twenty plus.⁴

The life of the trader was never free from danger. The Indians might turn against him for some reason and kill him. He was liable to all sorts of injustice at the hands of rival traders, in fact actual warfare was known to have existed. His life must have been very monotonous at times, especially during the long winters when there was little for the trader to do. In the summertime the trader disposed of his yearly produce and obtained a new supply of goods. In general the trader became attached to the Indians;

1. William Morrison was hired for a term of four years with no equipment. Ramsay Crooks to Robert Stuart, December 5, 1821, Letter Books of the American Fur Company.
2. "Narrative of Capt. Thomas G. Anderson" in Wisconsin Historical Collections, 9:152.
3. Hercules L. Dousman to Henry H. Sibley, June 2, 1843. Sibley Letters.
4. Henry R. Schoolcraft; Narrative of an Expedition through the Upper Mississippi to Itasca Lake in 1832, p. 89-90. A plus was given for as much vermilion as would rest on the point of a case knife. Furs to the amount of a bear, otter, three martens, lynx or fifteen muskrats were worth respectively a plus. A keg of rum was worth thirty plus.

often taking a young squaw to wife and sending his children to the mission school to be educated.¹ Of course he would cheat the gullible Indian and sell him diluted fire-water; but on the other hand the simple savage thought nothing of stealing the trader's horses. In times of distress among the Indians the trader was an angel in disguise. He shared his provisions unsparingly till all were gone.² When they were sick they would appeal to him as a child to its parent. The result was the unbounded confidence of the savages in the traders.

With the trader went the voyageurs as his helpers to perform the menial service. These men were usually light-hearted French Canadians who bore the hardships of frontier life uncomplainingly. The interpreter was also necessary to the trade. The kind of boat used by these voyageurs was the mackinaw or flat-bottomed boat. These were common to the Northwest and were especially good for transporting furs. Not the least important in the organization of the fur trade was the part played by the Indian. He was the one who actually went into the forest and hunted the animals. There were two hunts during the year; one in the fall and the other in the spring. The spring hunt was usually considered the better one; because the furs secured then were more valuable. One of the customs of the Indians was to divide the land into two sections,³ hunting in one section one season and in the other the next.

During these hunts the Indians would sometimes earn as high as a

1. "Narrative of Capt. Thomas G. Anderson" in Wisconsin Historical Collections; 1:192.
2. Henry H. Sibley; "Reminiscences; Historical and Personal" in Minnesota Historical Collections; 1:465.
3. American State Papers, Indian Affairs, 2:658.

hundred dollars a month. Nevertheless he was often in debt to the trader who in return would resort to various forms of trickery to keep even with the Indian.¹ This then was the organization that had sprung up on the frontier, and that had grown more by the nature of the trade than by any premeditated attempt to form such a hierarchy.

It was this organization that the American Fur Company found when it commenced its activities in the trade, and upon which as a foundation it built one of the greatest commercial structures of that time. The credit for the founding of this company is due to John Jacob Astor.² He came to this country in 1783 and engaged in the fur trade in New York.³ Under the laws of that state he obtained, on April 6, 1808, a charter "...for the purpose of carrying on an extensive trade with the native Indian inhabitants of America...."⁴ The charter was to continue in force for a period of twenty-five years. One of its important provisions was that no one but a citizen of the United States could be a shareholder in the company.⁵ The company could establish trading posts, warehouses and factories at will, and could make and issue bills of exchange. The capital stock of the company was not to exceed one million

1. When the Indian was well under the influence of liquor the trader would give him pure water.
Hiram M. Whittenden, The American Fur Trade in the Far West, 1:24.
2. Ibid., 1:163. Astor was born in Waldorf, Germany, July 7, 1763. As early as 1784 he had determined to become a dealer in furs. He had amassed some fortune in the fur trade before founding the American Fur Company.
3. In 1800 Astor exerted an influence on the fur market. "Maskrats is the only article which may keep at 24 -good- and this is owing to Astore and me being in opposition." In this same year he engaged in the fur trade with China.
Alexander Henry to John Askin, January 18, 1800, in Wisconsin Historical Collections; 19: 290-1.
4.
New York, Private Laws, 1808; p.160.
5. Ibid., 168.

dollars.¹ It was Astor's intention to organize a company in the United States that could compete with the British Companies in the trade. Accordingly the Southwest Company was founded. This company was formed by a union of the Montreal Michilimackinae Company, which was an outgrowth of the Northwest Company, and the American Fur Company. Each was to furnish half of the supplies and to divide the net earnings. The territory in which this concern was to operate included the country east of the Missouri River and south of the Canadian boundary, except Lower Canada east of Lake Huron where trading posts could be founded, provided they did not interfere with any already established by the Northwest Company. The headquarters of the Southwest Company was located at Michilimackinae. The partnership was to continue for five years beginning with April 1, 1811.² His greatest dream, however, was to found an outpost on the Pacific Coast where trade with China could be carried on direct with that country and the far East. On April 12, 1811, occurred the founding of Astoria on the Pacific Coast.³ All are familiar with the adventures of Duncan MacDougal, David Stuart, Ramsay Crooks, William Hunt and others as they are portrayed by Washington Irving in Astoria. Much could be written on the importance of this ^{Post} as a business enterprise, but it is enough to say in this connection that after an existence of three years, Astoria was given over to the British by Duncan MacDougal. Had this trading

1. New York, Private Laws 1808, 161. The charter provided "that the capital stock of the said company, for two years to come, shall not exceed one million dollars; and that a share in the said stock, shall be five hundred dollars."

2. Transcripts of original documents belonging to the St. Sulpice Library, Montreal, Canada.

3. Hiram M. Chittenden, The American Fur Trade in the Far West, 1:175.

post continued to be held by the Americans the history of the American Fur Company would doubtless have been very different.

The outbreak of the War of 1812 was a temporary blow to the fur trade. The surrender of Detroit by General Hull, the capture of Mackinac and the closing of the Great Lakes to commerce, all had their effect on Astor's new company. Two events, however, showed the importance of the fur trade in the Northwest. Astor realizing that a war was imminent received permission from Mr. Gallatin, the Secretary of the Treasury, to transfer his returns from St. Joseph on the British side to Mackinac so that his furs would not be captured by the English.¹ Again in 1814, he obtained the consent of the authorities at Washington to allow the furs of the Southwest Company to be transported to New York under a flag of truce. His² brother sought the same permission from the Canadian government. The real activities of the American Fur Company, however, commenced with the close of the War of 1812 and the passage of an act by Congress whereby none but citizens of the United States could trade with the Indians within its boundaries.³ This act did not apply to the interpreters or boatmen but to the traders only. Under this law the traders of the British companies were no longer allowed in this country, and as a result the American Fur Company was given a chance to develop the trade of the Great Lakes.

Thus with a clear field for action, Astor set about once more to carry on trade with the Indians. The Southwest Company,

1. American State Papers, Indian Affairs, 2:359.

2. "The Fur Trade on the Upper Lakes", in Wisconsin Historical Collections, 19:354.

3. Statutes at Large of the United States, 3: ch.166, 332-3.

which had been organized in 1811 under a contract for five years, was reorganized and known under the name of the American Fur Company. At this time Pierre De Rocheblave, the Manager of the Southwest Company, was succeeded by Ramsay Crooks in the new concern.¹ The main office was to be located at New York; and Astor expected to spend a portion of his time there, the remainder in Europe. Mr. Crooks was to have the actual charge of the main office. He was hired for three years on a salary basis with the profit or loss on five shares of stock.² There were to be one hundred shares of stock in the company. The par value of the shares in 1808, when the charter was obtained, was fixed at five hundred dollars. This may have been the price of the shares in 1817. The profit and loss was to be declared after all expenses, including a commission of two and one-half per cent by Astor for the sale, had been deducted. As time went on Mr. Astor remained in Europe where he watched the fur and mercantile markets and superintended the purchasing of goods for the company.³ He does not seem to have had charge of the furs on their arrival abroad, for the company gave its London agents five per cent on the sale of furs.⁴ London, Hamburg, Leipsic, Paris and Canton, China, were some of the foreign markets for furs. To Ramsay Crooks is largely due the success of the American Fur Company. His business sagacity

1. "the first of April... and on that day the Gentleman before engaged for the South West Co. left us"
 Ramsay Crooks to John J. Astor - 1817, Letter Books of the American Fur Company.
 2. in 1817 Astor engaged the services of Ramsay Crooks at a salary of two thousand dollars per annum, and your expenses while absent on business of the Company...in addition to which you are to have the profit or loss of five shares (out of one hundred shares in said business)". John J. Astor to Ramsay Crooks, March 17, 1817 in Wisconsin Historical Collections, 19:451.
 3. Ramsay Crooks to Robert Stuart, April 26, 1822 Letter Books of the American Fur Company.
 4. Ramsay Crooks to John J. Astor, April 18, 1821. Ibid.

and shrewd insight into affairs quickly attracted the attention of Astor; and his fairness and high sense of honor won the respect of all.¹ Mr. Crooks had learned the fur trade on the frontier and was well fitted to direct the affairs of the company. It was his duty to receive all merchandise coming from abroad and reship it to the inland depot.² He also directed the shipment of furs, designated to what markets they were to be sent and superintended the sales made in New York.³ Mr. Crooks exercised great authority when Mr. Astor was in Europe; in 1823 when the latter had made an agreement with Sone, Bostwick and Company, for three years, Mr. Crooks extended the contract six months on his own initiative.⁴

Next in importance to the main office was the principal western depot located at Michilimackinac, or Mackinac, as it was ordinarily called. This depot was the source of supplies for the individual traders; thither they brought their furs, and there they usually parted with much of their hard earned wages. Samuel Abbott was the first agent to represent the American Fur Company at Mackinac. In 1819 he was transferred to Prairie de Chien, and Robert Stuart became the principal agent at this point. Prior to this time he had spent only his summers at Mackinac and had returned to New York in the fall. Mr. Stuart was considered one of the valued employees of the company. Aside from the principal

1. Ramsay Crooks was born January 2, 1787, in Greenock, Scotland, and came to America at the age of sixteen. In 1805 he went to St. Louis and three years later in company with McLellan went into the fur trading business. In 1809 he joined the Astor overland expedition to Astoria, and from this time to 1842 remained in the employ of the company. He died June 6, 1859. Carpenter, S. H., "Report on the Picture Gallery" in Wisconsin Historical Collections, 4:95.

2. Robert Stuart to John J. Astor, July 6, 1823, Letter Books of the American Fur Company.

3. Ramsay Crooks to John J. Astor and Son, July 11, 1821 Ibid.

4. Ramsay Crooks to Robert Stuart, February 8, 1823. Ibid.

agent the company also engaged various tradesmen to work at Mackinac. Blacksmiths, coopers, tailors and bakers were yearly employed at this post. Clerks were also hired to assist in the office, care for the furs and merchandise, and in short, learn the trade in general. It was from this class that the firm drew many of its administrative officers.

Many of the provisions for Mackinac were obtained at Detroit. Contracts were let for the year's supply of pork, tallow, butter and other articles and submitted to James Abbott who had charge of the interests of the company at this place. Mr. Abbott and the depot at Detroit were under the direction of Mr. Stuart.¹

William W. Matthews represented the American Fur Company at Montreal. It was his duty to hire the voyageurs and interpreters. These were usually hired in gangs and transported to Mackinac at the expense of the company. Mr. Matthews also took charge of the beaver furs which were sent from Mackinac to Canada. Some of the merchandise was purchased at Montreal for the upper country.²

Next in importance to the officers of the inland depot and the supply houses came the traders. They were more dependent upon the

1. "Tenders for supplies are annually deposited with James Abbott Esq., Detroit, until the end of September about which time the agent of the company from this place [Mackinac] generally goes down. He there examines the different proposals and the contract is given of course to the lowest bidder, the person contracting furnishing unquestionable security for the due fulfillment of every condition and stipulation... We pay the amount of the contract in Bills on New York 90 d/s; and we draw at any time after the last of July- The security required for the performance of the contract if \$10,000." Ramsay Crooks to W. Smith and Company, Sept. 9, 1821, Letter Books of the American Fur Company.

2. Ramsay Crooks to John J. Astor and Son, July 29, 1820. Ibid.

American Fur Company than the earlier traders seemed to have been on the British companies. Every trader had a written contract with the company.¹ In general there were four classes of traders; those having a contract for:

- (1) Joint account with the American Fur Company.²
- (2) Own account and risk.³
- (3) Account of the American Fur Company.⁴
- (4) Account and risk of the American Fur Company.⁵

These traders reported at least once a year to the office at Mackinac, Detroit, or St. Louis, Each trader had to obtain a territorial license from the government officials to trade with the Indians. If a part of the trader's business extended outside the territory he had to obtain in addition a United States license.⁶ The principal provisions in the license were: the name of the trader, the locality in which he intended to trade, names of his traders, (if more than himself he had to swear that

1."the duty of...any...person employed by the American Fur Company in their Indian trade was...to Exchange goods intrusted to their management for the products of the country... but [no] person ever possessed the power to purchase anything... on the Company's account unless ...authorized to that effect in writing." Ramsay Crooks to John Dean, September - 1819. Letter books of the American Fur Company.

2."that the American Fur Company will furnish whatever may be required for the Trade at Cost and charges with 5 per Cent commission on disbursements or supplies for the business, the concern being chargeable with the same interest the company pays- You will furnish storage... for the business and you will devote your whole time... to the interest of the joint concern,...You will be allowed a reasonable compensation for your individual Board and Lodging and any men required to aid and assist you...The Furs and Peltries or returns of every kind to be brought annually... [to Detroit] and there delivered to the Agent of the American Fur Company... [who will have] them sorted and inspected after the customary manner,... and the Company will allow the concern for the different kinds of skins the market price at the time. The accounts will be finally settled once a year- The dividends after charging every expense will then be declared, and you will be allowed a half of the profit, or will pay one half of the loss which may accrue on the business." Ramsay Crooks to B.B.Kercheval, November 2, 1821. Ibid.

3."The American Fur Company will furnish the assortment of Goods you require on your own individual account for the Trade of this place next year at twelve and a half per cent advance on the actual cost of the said Goods to the Company at Michilimackinac, at the time pay-

that they were American citizens), amount of invoice of his stock, and the amount of his bond. This bond was equal to one-half of his goods and was given as a surety that the goods were the property of an American citizen. In addition to this bond he had to give another the amount of which was equal to five dollars for each boatman of his party.¹ With the trader went the boatmen and one interpreter for every trader. There is evidence to show that during the early activities of the company these boatmen and interpreters were imported and paid by the concern. Doubtless as time went on the traders preferred to hire their own interpreters and boatmen.

With such a well established organization as the American Fur Company, the annual routine of the business was very regular. As soon as the ice was out of the Great Lakes, and the roads were passable in the spring, the merchandise was started from New York. The goods were transported by canal and Seneca River to Geneva, thence in wagons to Black Rock or Buffalo where the merchandise was placed on board vessels and shipped to Mackinac. In the summer of 1820 the goods were conveyed to Mackinac by steamboat. Evidently this was unsatisfactory, for in the following year the sailing vessel was again used "because it was a staunch vessel and capable

Notes continued from page 15.

ment for the same is made." Ramsay Crooks and Robert Stuart to Joseph Rolette, September 2, 1820. Letter books of the American Fur Company.

4. "James Kinzie for the trade of Milliwaki and its dependences. Shipped per schooner Ann, Captn. Ransom, from Michilimackinac to Chicago. Michilimackinac 13 September 1821." Reuben G. Thwaites, "American Fur Company Invoices" in Wisconsin Historical Collections 11; 375.

5. This class included such traders as William Morrison who had a contract for four years on a salary basis with no equipment, salary \$1200 for first year, then \$1400. Ibid. 376.

6. Lewis Cass to Agents at Mackinac, Green Bay and Chicago, April 23, 1818. Wisconsin Historical Collections, 20:43.

1. Ramsay Crooks to Russell Farnham, August 20, 1817, Letter Books of the American Fur Company.

of carrying all we shall send."¹ The freight on this annual shipment was no small item; in 1822 the freight to Black Rock was \$2.37¹/₂ per hundredweight; and from there to Mackinac, via steamer, it was \$1.63¹/₂ per barrel bulk of seven and one-half cubic feet. This merchandise was supposed to reach the inland depot by June 15, before the traders arrived with their packs. From then on until late in September was the busiest time of the year at Michilimackinac. During the latter part of June and first part of July, the traders began to bring in the returns of the hunts and secure their outfits for the following year. These outfits were made up by the clerks at the warehouse and varied in size according to the business demands of the traders. By the end of August usually, these traders had departed for their destinations. Before all the traders had left, the furs were made ready for shipment. Great care was taken in the preparation of the fur; each skin had to be thoroughly beaten before it could be packed. Some of the furs, especially the deer² skins, were sent on to Europe without being repacked in New York. After the skins had been well beaten they were ready to be packed. A pack in the fur trade usually weighed about a hundred pounds and was made up of various kinds of furs. These packs were all numbered, and an enumeration of their content was placed on the outside of each pack. Three hundred packs were considered a heavy cargo for the lake schooners of that day. Every year during the busy season Ramsay Crooks came to Mackinac. He superintended the shipment of

1. Ramsay Crooks to Robert Stuart, April 26, 1822, Letter Books of the American Fur Company.
 2. Ibid. January 5, 1820.
 Ramsay Crooks to John J. Astor and Son, August 9, 1821. Ibid.

furs to New York and adjusted any difficulties that might have arisen during the year. The matter of wages for the employees was settled at this time.¹ The method of paying the traders was by draft on the company. In answering a criticism Mr. Stuart indirectly stated the manner in which the traders were paid, "You complain that my Bills are numerous; yet it is out of my power to remedy the evil; I am well aware that it would be less troublesome to your House to have them less numerous, and in larger sums; but as we pay our people &c in our own Bills; which saves us interest, from Spring until 60 d/3 after 1st Octr. annually; (no trifling consideration) I am of course obliged to give a draft to each individual for what amount of them he may present for from the number of speculators or petty dealers; who flock here every summer, we cannot expect to get all the trade of our men."² The earnings of the trader did not remain long in his hands. His outfits were secured on credit and paid for with his furs the following spring. The company wished to do away with this practice, or at least to limit the extension of credit to those traders who were worth a certain amount of money. Regarding this subject Mr. Stuart wrote, "What you intimate with regard to our trusting no person who is not able to pay independent of the returns and wishing us to send but few goods on our own account would at once put a stop to the whole business, for there are not three men who purchase Goods for the Indians, who are perhaps worth \$1,000 but they are generally honest and industrious, and depend on the Trade for their subsistence - where we cannot find careful persons to go on their own account we must send in on ours."³ It was

1. "Mr. Stuart although much disappointed at the terms allowed him agrees to the arrangement". Ramsay Crooks to John J. Astor and Son, July 11, 1821, Letter Books of the American Fur Company.

2. Robert Stuart to John J. Astor and Son, October 17, 1822, Ibid.

3. Ibid. May 20, 1823.

also the policy of Mr. Crooks to respect the rights of the trader on the frontier, so far as he could consistently with the interests of the company. In 1822, he wrote to Mr. Astor, "Your advice will have due attention...but you are of course fully aware that however great the fluctuation may be in the European fur Market it is wholly impossible to alter in a moment all our dispositions in the interior of the Country to correspond at once with the existing state of things abroad... We must...enter into Contracts... in anticipation which we cannot annul, break or dissolve without committing a gross breach of faith and destroying the credit and character of the company. Our obligations must ever remain sacred."¹

One of the most important parts of any concern is the ordering department; and this was true of the American Fur Company. Manufactured goods from abroad were much cheaper and better in quality than American goods of the same kind. Accordingly Mr. Astor spent nearly all his time in Europe, sometimes in Paris, often in London and Liverpool. Small samples of the goods desired were sent to him each year, and he procured the merchandise wherever he could do so to the best advantage. Strouds, a kind of blankets, were perhaps the most important of the articles obtained from abroad. The English strouds were much superior to those made in America and much preferred by the Indians. In 1822, Mr. Crooks observed that the goods were lower in price than they had been the previous year, and made special mention of the fact "that all had been bought for cash". He also stated that Mr. Astor thought he could secure goods from two and one-half to five per cent cheaper the next year.²

¹Ramsay Crooks to John J. Astor, April 23, 1822, Letter Books of the American Fur Company.

². Ramsay Crooks to Robert Stuart, April 26, 1822, ibid.

The fur market abroad was as closely watched by Mr. Astor as the the mercantile market. If any of the large fur companies withheld their skins for any reason these markets were considerably affected. Market quotations were sent to New York by Mr. Astor and from there communicated to Mackinac. Price lists of furs were furnished the traders to guide them in their trade with the Indians. Many things had to be taken into consideration in quoting prices on furs; the fluctuations of the market itself, the cost and risk of transportation and the expense attendant upon the trade were the principal items to be taken into account. In 1822, the price of shaved deer was quoted to the trader at thirty-six and thirty-seven cents per pound, and muskrats were quoted at thirty-five and thirty-nine and one-half cents per skin.¹ The previous December Astor sold shaved deer at fifty cents per pound, and muskrats at forty and forty-eight cents per skin.² No doubt the market of the year 1822 did not vary very much from that of 1821. It may be interesting to note in this connection the difference between the price lists of 1822 and 1841. At that time shaved deer were quoted at forty-five cents per pound,³ and muskrats at four and seven cents per skin.

The latter were so numerous in 1841 that they exceeded the demand at any price. Closely linked with the price of fur was the subject of the annual supply. Estimates for the coming year's business were sent to New York in June and July. Robert Stuart wrote as late as August 3, 1822, saying "I will venture on giving the following statement, which will be sufficiently near to make for your government, viz 40 to 65 M. Racoons - about 150 M. Muskrats 1700 Beaver-

1. Ramsay Crooks to Robert Stuart, price list 1822, Letter Books of the American Fur Company.

2. Ibid. December 5, 1821.

3. Ramsay Crooks to Hercules L. Dousman, April 19, 1841, Sibley Letters.

6½ M. Martins 2600 Bears -700 cubs and 3400 other. Deer and fishers will not be quite so numerous as last year- and other species much as usual".¹ Usually the estimates were not so definite.

One way, by which the American Fur Company gained the ascendancy over other concerns in the West, was by buying up all the muskrats on the market. In this way the company could control the market in this country and sell other skins to better advantage.² In 1822, Mr. Stuart "purchased the next years Mats of the upper Mississippi and another good district of the Country, (say about half of all we shall probably have,) at thirty-three and one-third cents; Kittens excepted; this is a pretty high price, when given in anticipation; yet I thought it would be safe, for next year; and in case of a serious opposition in the fur Market; those two lots will be of much consequence; besides it [MSS. illegible] the rest of their peltries and give us some control over them."³ Another way by which the company monopolized trade was to have their traders appointed officers of the customs on the northern border. Thus the company kept the furs from getting into the hands of the Hudson's Bay Company.⁴

The American Fur Company dealt on a much smaller scale in fisheries on the Great Lakes. As late as 1839, Mr. Crooks wrote to Mr. Aitkin, the agent at La Pointe, deploring the fact that a fishing post had been erected since the company had no facilities for packing the fish.⁵ Feathers were usually quoted in the price lists of furs, but no particular mention of them was ordinarily made.

1. Robert Stuart to John J. Astor and Son, October 17, 1822, Letter Books of the American Fur Company.

2. Ramsay Crooks to John J. Astor and Son, November 30, 1821, Ibid.

3. Robert Stuart to John J. Astor and Son, October 17, 1822, Ibid.

4. Ramsay Crooks to John J. Astor and Son, November 30, 1821, Ibid.

5. Ramsay Crooks to William Aitkin, September 16, 1839, Sibley Letters.

Maple sugar was handled by the company. These activities, though of minor significance in comparison with the fur business, were carried on in connection with it.

Beginning with the spring of 1822, the American Fur Company entered upon another period of its existence. During the preceding five years the company had established a highly efficient sales force with a well disciplined corps of traders in the field. The boundaries of its operations had been extended during this time until they included most of the unsettled territory east of the Mississippi and north of the Ohio to the Canadian line. The company had also gained a foothold as far west as Lake of the Woods, the country adjacent to the River St. Peters, now the Minnesota River, and the territory near Prairie du Chien. The concern now wished to enlarge its scope and engage in the trade of the Missouri River region. With the establishment of the company at St. Louis, the period of expansion opened. Prior to this time the American Fur Company had¹ refrained from sending its traders into the Missouri territory. Ramsay Crooks had urged this move for nearly a year.² In October 1821, he wrote to Samuel Abbott at Prairie du Chien directing this agent to proceed at once to St. Louis and there obtain a list of all things to be found in that city pertaining to the trade.³ The original field of operations was now termed the Northern Department. Mackinac continued to remain the chief base of supplies for this

1. "I must express ...my regret that you...enter the Missouri [region] at all: for although no agreement exists between us and Messrs. Cabonne & Co. to prevent our going into that River, or they coming up the Mississippi, still as Mr. Astor supplies their goods, they partly calculated on our not opposing them." Ramsay Crooks to Russell Farnham, December 28, 1818. Letter Books of the American Fur Company. 2. Ramsay Crooks to John J. Astor and Son, July 29, 1821, Ibid. 3. Ramsay Crooks to Samuel Abbott, October 25, 1821, Ibid.

department, and Robert Stuart was kept in charge of the post.

The Northern Department in 1822 comprised all the territory in the region around Lake Superior, Lake Michigan, the St. Joseph River, Green Bay and the Upper Mississippi River as far south as Prairie du Chien. Chittenden says that the American Fur Company continued to operate in the territory east of Lake Huron after the passage of a British law forbidding American fur traders within Canadian boundaries.¹ Mr. Crooks, however, specifically directed Robert Stuart that "Lake Huron... must be wholly abandoned- No goods will be provided for it... Dispose if possible of all we have on the British side".² In another connection he further stated, "On referring again to the late British Law on Indian Trade I find there is no restriction within the limits of Canada, which on the Lakes extends to Fort William at least and we might therefore have continued all our establishments in that country without violating any clause in the Act in question. I am however ... more than ever confirmed in my former opinion, that we ought to abandon Lake Huron altogether."³

During this same year, 1822, Mr. Crooks attempted to organize a Detroit Department, under James Abbott, and ordered goods sent to that place from Montreal. The territory of this department was not clearly defined. This move, however, did not meet with Mr. Astor's approval, and accordingly the business was closed during the spring of 1823.⁴ Nevertheless Mr. Abbott continued to remain at Detroit in his former capacity of supplying provisions for

1. Chittenden, The Fur Trade of the Far West, 1:311.

2. Ramsay Crooks to Robert Stuart, December 5, 1821, Letter Books of the American Fur Company.

3. Ibid. April 8, 1821.

4. Ramsay Crooks to James Abbott, December 29, 1822. Ibid.

Mackinac. The territory around the Wabash River and the lower Mississippi River; south of Prairie du Chien, as well as the Illinois country was given to the Western Department.¹

A natural consequence of the growth of the company was the elimination of competition. One of the chief rivals in the fur trade had been the United States factories. These factories had been established by the government in 1796, for the purpose of protecting the Indians against the avarice of private concerns. It was thought that the savages paid too much for their merchandise and received too little for their furs. Accordingly trading posts were established on various parts of the frontier where commodities could be exchanged at a nominal price. The original idea was good; but the working out of this scheme produced an opposite result from that desired by the government. The United States here became a common dealer in furs, subject to rivalry and all the other attendant evils of competition. The merchandise on sale at these factories was American manufactured goods and therefore inferior to the wares obtained by the companies. Credit was withheld from the Indian, hence he would go where he could obtain it.²

Under these conditions the government lost thousands of dollars yearly on its Indian trade.³ Finally officials at Washington decided that "a period had arrived when the trade must be greatly extended, or entirely abandoned to individual enterprise."⁴ Accordingly in December 1820; the President in his message recommended that some action be taken regarding the United States factories. It was at this time that the American

1. Ramsay Crooks to John J. Astor, July 29, 1821, Letter Books of the American Fur Company.

2. American State Papers, Indian Affairs, 2:326-35.

Fur Company used its influence for the abolition of the factory system. Ramsay Crooks made several trips to Washington in this connection. In January 1821, he wrote to Russell Farnham saying, "It appears now somewhat doubtful to me whether Congress will this season make any general Law regulating Indian Trade, for the time grows short. What will be done with the Factories is quite uncertain¹ but on both subjects we are not without friends." The next year the factories were abolished, and the American Fur Company began to consider the competition of individual companies. On April 1, 1823, this concern entered into an agreement with Stone, Bostwick and Company of St. Louis, for the management of the Western Department. This contract was to continue for three and one-half years under the name of the American Fur Company, and Mr. Stone was to become one of the officials of the company.² At the expiration of this time the agreement was not renewed; but in 1827 arrangements were made with the firm of Bernard Pratte and Company, also of St. Louis, for the direction of this territory. This firm was an older and stronger concern than Stone, Bostwick and Company had been, but the latter had been more active in the trade. During the year of 1820, Messrs. Berthold and Chouteau, now members of the Bernard Pratte and Company, had endeavored to buy out the trade of the American Fur Company around Mackinac. Mr. Astor was willing to dispose of the business provided the more prominent officials

Notes continued from page 24.

3. The loss to the United States on factories including debts and everything was probably about \$146,263.07. American State Papers, Indian Affairs, 2:514-25.

4. Ibid. 2:27.

¹. Ramsay Crooks to Russell Farnham, January 30, 1821; Letter Books of the American Fur Company.

². Ramsay Crooks to Robert Stuart, February 8, 1823, Ibid.

of the American Fur Company, including Ramsay Crooks, should become officers in the new concern.¹ Negotiations, however, were not completed. The stipulations of the contract of 1827 were for a term of four years, also under the name of the American Fur Company. Bernard Pratte, Pierre Chouteau, Jr., P. Cabanne and B. Berthold were now associated with the company. In 1830, the agreement was renewed on the same terms as before. This arrangement continued until Astor sold out his interests in 1834.² About the time that Bernard Pratte and Company assumed the management of the Western Department, the American Fur Company made another agreement with the Columbia Fur Company. This company, organized about 1822, had been composed of a number of men from the old Northwest Company who had remained on the American side of the boundary; such men as Joseph Renville, Kenneth MacKenzie, William Laidlaw and Daniel Lamont whose experience and ability were well known to the trade. The legal name of this concern was Tilton and Company. Although the Columbia Fur Company was not large, its strength lay in the person^A and influence of its members. The territory of this firm included the head waters of the Mississippi River east to the Great Lakes and west to the Missouri River. The chief depot of supplies was located on Lake Traverse. Under the terms of the contract with the Columbia Fur Company, they abandoned their territory

1. "For myself and the Gentlemen here I am permitted to say we will with pleasure pursue the same track with you, but if you will not be of our party, we have determined on travelling as heretofore by ourselves." Ramsay Crooks to Berthold and Chouteau; August 10, 1820, Letter Books of the American Fur Company.

2. Chittenden, The Fur Trade of the Far West, 1:322.

around the Great Lakes and the Mississippi River and were given the country north and west of the Sioux River on the Missouri. From this time on the concern comprised the Upper Missouri Outfit of the American Fur Company and as such had a subordinate connection with the Western Department under Bernard Pratte and Company.¹ The activities of the Western Department deal more with the fur trade of the far west; and for this reason are not discussed here.

One of the worst effects of the fur trade was the use of liquor. It was true that a federal law forbade selling liquor to the Indians, but this was readily evaded by giving it to him without any charge. Another way by which this law was rendered useless was "it is permitted to take one gill per day for each boatman during the period of their absence - that is, for twelve months. It is on this ground that I have obtained permission to take an amount corresponding to fifty men; twenty-seven of whom set out from here and twenty-three are now up the country. I took the names of those who are with you, without knowing whether you will keep them or send them back. That makes no difference however; for I explained the matter to General Clark."² In this way the trader procured three hundred gallons of alcohol. Independent traders could smuggle liquor to the Indians more readily than the larger companies, for their freight and merchandise were not so closely watched. Ostensibly the American Fur Company complied with the letter of the law, but in reality it was no better than the other companies. Every year thousands of gallons of whiskey

1. Chittenden, The Fur Trade of the Far West, 1:325-6.

2. Ibid. 1:24.

and high wines were sent to Mackinac, and although the company would not openly sell to the savages; it would sell to the traders and boatmen who passed it on to the Indian.¹ Ramsay Crooks did not approve of giving liquor to the Indians, nor does any of his correspondence give his sanction to an infringement of the law. Nevertheless officials in New York often closed their eyes to frontier methods of business. In justice to the American Fur Company, it should be stated that Mr. Crooks made a strenuous effort to have a federal law passed² forbidding the use of liquor among the traders and their men. This might have stopped the importation of liquor to the frontier; and thus kept it from the Indian.

The influence of the American Fur Company was felt at Washington as well as on the frontier. The correspondence of Ramsay Crooks shows that he was a frequent visitor to that city.³ Money was freely used to safeguard the interests of the company, and influence in both houses was purchased.⁴ In connection with governmental influence may be cited the so-called Farnham Affair. In 1817, Russell Farnham, a trader in the Illinois country, was stopped by the government officials at Prairie du Chien because among his party were known to be some foreigners who had no license for that territory. These men, Farnham contended, were boatmen who took no part in the actual purchase of the fur, and for whom he held a Michigan license. Col. Chambers informed Mr. Farnham that

1. In 1822, twenty-five hundred gallons of high wines and eight thousand gallons of whiskey were ordered for Mackinac. Ramsay Crooks to Robert Stuart, November 3, 1821, Letter Books of the American Fur Company. Also in 1825, three thousand three hundred gallons of whiskey and two thousand five hundred gallons of high wines were ordered by the company. American State Papers, Indian Affairs, 2:661.

2. Ramsay Crooks to Russell Farnham, March 17, 1819; Letter Books of the American Fur Company.

3. Ramsay Crooks to John J. Astor and Son, March 22, 1820, Ibid.

4. Ramsay Crooks to William Woodbridge, April 7, 1820, Ibid.

another license would have to be secured and sent him to St. Louis for that purpose. Mr. Farnham was forbidden to trade with the Indians on his way down the river. Nevertheless, he violated these instructions soon after leaving Prairie du Chien; whereupon his boats and goods were seized and sent to St. Louis under a guard.¹ The American Fur Company at once took the matter into court. Claims were brought forth on both sides, and the suit dragged over a period of two years when a verdict against the American Fur Company was rendered. This was immediately appealed to a higher court, and Mr. Crooks wrote Mr. Farnham, "I shall never rest satisfied without a verdict in our favor, until the supreme Court of the Union at Washington says we are not entitled to it."² Three years more elapsed in which the company used its money and influence at Washington before a decision was given in its favor.³

In some respects the American Fur Company was of real service to the United States. The traders of the company made very efficient collectors of the customs, especially on the Canadian boundary line. Again, the company served as a source for supplies for the government troops on the frontier.⁴ To the traders and their families on the frontier, however, the American Fur Company performed greater services. This concern was the only medium by which these people could come in contact with the outside world. All kinds of books, from elementary French grammars to encyclopedias, were ordered through the company. At one time a box of Indian

1. "Fur Trade in Wisconsin" in Wisconsin Historical Collections, 20:290.
 2. Ramsay Crooks to Russell Farnham, February 2, 1820. Letter Books of the American Fur Company.
 3 Ramsay Crooks to Robert Stuart, February 8, 1823. Ibid.
 4. Ramsay Crooks to Joseph Rolette, November 3, 1821, Ibid.

skulls was procured for an eastern scientist by the concern.¹ A request for a grave stone was made at another time. Luxuries were not unknown to the frontier. In 1823, Mr. Crooks wrote the following to Joseph Rolette, "Your letter came to hand just as we were shipping our Goods to New Orleans, and no time was lost in procuring the Piano Forte you desired. I also send some Music- The instrument and the 8 day Clock are both on the way to St. Louis."

In 1834, after twenty-five years of active connection with the American Fur Company, John Jacob Astor wished to retire from business. Inasmuch as the company had grown to be a gigantic concern, one man or even a group of men at that time were loth to undertake the management of such a business. After some negotiations, Mr. Astor sold the Western Department to his principal agents at St. Louis and the Northern Department to a company of which Ramsay Crooks was the president and chief stockholder. By this transaction the Western Department gave up its connection with the American Fur Company and was known as the Pratte, Chouteau and Company. In 1838, this firm underwent another change, and Mr. Chouteau continued the business under the name of Pierre Chouteau and Company. The name itself, however, had become so deeply rooted in the minds of the traders that trading posts along the Missouri River were known by the name of the American Fur Company long after the company had legally ceased to exist.³

The success of Astor's company was due largely to his shrewd

1. B. Clapp to William Woodbridge, March 2, 1821, Letter Books of the American Fur Company.

2. Ramsay Crooks to Joseph Rolette, April 6, 1823, Ibid.

3. Chittenden, Fur Trade in the Far West; 1:364.

business ability and his great wealth. Circumstances which caused the downfall of other fur trading companies had little effect on this great concern. Chittenden says, "The American Fur Company never met with anything like the brilliant success of General Ashley, but if its particular gains were not great, they were¹ many and continuous, and the aggregate was always large."

1. Chittenden, The Fur Trade in the Far West. 1:376.

THE ACTIVITIES OF THE AMERICAN FUR COMPANY IN
MINNESOTA AFTER 1834.

When the region now known as Minnesota was first visited by the early fur traders, this land afforded a range for nearly all the fur bearing animals then common to the continent of North America. Here the beaver, mink, muskrat, otter, fisher, marten, lynx, fox, wolf, deer, bear and buffalo roamed at will. The long cold winters with an abundance of snow and ice, and the short cool summers with plenty of rainfall gave these animals a chance to live in comfort during the entire year. The topography of the country also favored their continuance. Large forests extended across the northeastern and central parts of the state. The dense underbrush of these forests gave forage and shelter to such animals as the deer, while all sought the heaviest timber during the coldest part of the year. Lakes were numerous in this central section, and here the duck, swan and goose were found. To the south and west were broad rolling prairies which afforded a range for large herds of buffalo. Fresh water was everywhere abundant, teeming with the wild life of the beaver, mink and muskrat.¹ Evidence that French traders found their way to Minnesota during the first-half of the eighteenth century is readily seen by a glance at an old map of the country.² The British fur companies saw the importance of this region and early sent their fur traders here. Grand Portage, the inland headquarters of the Northwest Company, was located near the

1. Sibley, Henry H., "Description of Minnesota" in Minnesota Historical Collections, 1:20.

2. A. T. Andreas, Illustrated Historical Atlas of the State of Minnesota, 12.

boundary line on the north shore of Lake Superior. The Hudson's Bay Company were loath to give up this territory and continued to operate in the northern part as late as 1838.¹ William Morrison, an early trader of the Northwest Company, came to this country in 1818; later he was commissioned to organize the traders of the American Fur Company in the country adjacent to Fond du Lac. His field of operation was the Rainy Lake region to the Lake of the Woods.² The Columbia Fur traders commenced their activities along the western boundaries of this state near Lake Traverse and Big Stone Lake, later they merged, as has been seen,³ into the American Fur Company. This country, however, was better known to the concern through its depot at Prairie du Chien, and thither large cargoes of furs were yearly sent.⁴ Alexis Bailly represented the interests of the company at New Hope, now Mendota, during the later years of Astor's company. In 1834, the Northern Department became the legal heir to the great name of the American Fur Company, the actual date of transfer being June 1. President Crooks continued to direct the business of the company from the New York office. This change in the American Fur Company brought to the Upper Mississippi country a man who later became one of the foremost citizens of Minnesota, Henry Hastings Sibley. Prior to this time young Sibley had been engaged as a clerk in the employ of the concern at Mackinac where he had served a five year apprenticeship under the able direction of Robert Stuart. There he formed the acquaintance of Ramsay Crooks, Joseph Rolette, and

1. A. Hargrave to William Aitkin, June 7, 1838, Sibley Papers.

2. Ramsay Crooks to Robert Stuart, December 5, 1821, Letter Books of the American Fur Company.

3. Chittenden, The Fur Trade of the Far West, 1:325.

4. Robert Stuart to John J. Astor, July 5, 1822, Letter Books of the American Fur Company.

Hercules Dousman.¹ About 1834, trouble broke out between the agent of the American Fur Company, Alexis Bailly, and the United States Indian Agent, Major Lawrence Taliaferro, and Mr. Crooks² deemed it necessary to appoint a new agent for this region. Mr. Dousman then influenced Mr. Sibley to join forces with Mr. Rolette and himself and form a co-partnership with the American Fur Company. This met with the approval of Mr. Crooks, and an agreement was entered into whereby Messrs. Dousman and Rolette continued the business with both the whites and the Indians in the territory around Prairie du Chien,³ and Mr. Sibley was given charge of all the country north of Lake Pepin to the headwaters of the streams flowing into the Missouri River, north and west to Pembina⁴ and north to Otter Tail Lake,⁵ with his base of supplies at St. Peters, afterwards Mendota.⁶ The lead mines of Dubuque formed the southern boundary of the territory under the jurisdiction of Rolette and Dousman. There is no evidence to show that these men did not claim territory east of the Mississippi River. It is certain that Mr. Dousman claimed some of the money due the Winnebagoes under the treaty of 1838.⁷ At that time they were living east of the Mississippi River. The old boundary of 1831 included the "Indians

1. Editor's note, "Reminiscences by Hon. H. H. Sibley" in Minnesota Historical Collections 3:278.

2. Alexis Bailly contrary to instructions, had brought into the country six barrels of whiskey with his outfit of goods. Major Taliaferro seized the liquor and the outfit valued at twenty thousand dollars. The goods were subsequently given up but the whiskey was sent back to Prairie du Chien. "This action brought Ramsay Crooks up to the Agency, who could but approve the Agent's decision, and he proposed to supply Bailly's post by the appointment of Henry H. Sibley Esq. to the vacancy." "Auto-Biography of Major Taliaferro" in Minnesota Historical Collections; 6:203.

3. Henry H. Sibley, "Memoirs of Hercules L. Dousman", Ibid 3:194.

4. Henry H. Sibley, "Reminiscences of the Early Days of Minnesota", Ibid. 3: 245.

5. Ramsay Crooks to Henry Sibley, October 18, 1836, Sibley Papers.

6. Henry H. Sibley, "Memoirs of Hercules L. Dousman" in Minnesota Historical Collections, 3: 194.

on the Wisconsin and upper parts of the Rock River¹ It may have been that these rivers still marked the divisions of territory. With ~~such~~ rich and fruitful territory under the guidance of such able men as Rolette, Dousman and Sibley much might be expected by the head office in New York.

The American Fur Company now carried on a more intensive system of trading; the territory was divided into sections known as Outfits. Definite information concerning the numbers of the outfits, their locations, or the names of their agents is not available in all cases. The Western Outfit was directed by Messrs. Rolette and Dousman at Prairie du Chien.² The Northern Outfit was in charge of Lyman M. Warren, with headquarters at La Point on Lake Superior. In September 1838, he was succeeded by Dr. Charles W. Borup.³ The Fond du Lac Outfit, under William A. Aitkin, was located at Fond du Lac, Lake Superior, about twenty-two miles from the mouth of the St. Louis River. A part of the time Mr. Aitkin appears to have been at Crow Wing. The Sioux Outfit was under the direction of Mr. Sibley at Mendota.⁴ The Traverse des Sioux Outfit was in charge of Joseph H. Brown and Louis Provencalle as agents. The territory of this outfit extended from the mouth of the Sneyenne River to Devil's Lake and west to the present site of Jamestown, North Dakota.⁵ The Yankton

Outfit seemed to have been in charge of Joseph Kenville at least
Notes continued from page 34.

7. The American Fur Company received about forty thousand dollars. Probably about one-fourth of this went to the old company. Hercules L. Dousman to Henry H. Sibley, November 2, 1838, Sibley Papers.

1. Chittenden, The Fur Trade of the Far West. 3:927.

2. Ramsay Crooks to Henry Sibley, May 6, 1839, Sibley Papers

3. Ibid. October 1, 1838, ibid.

4. Hercules L. Dousman to Henry Sibley, November 5, 1838. Ibid.

5. Joseph H. Brown to Henry Sibley, January 23, 1836, ibid.

during the year of 1835, for the Ledger of the American Fur Company credits him with "¹ of Profits on Yankton Outfit '35 as per Agt." No similar items were recorded after this date. Joseph Laframboise appeared to have charge of the Grand Lizierre Outfit near the Lake of the Two Woods.² No location or agent was found in connection with the Little Roche Outfit. The Des Moines Outfit was doubtless located in the vicinity of the Des Moines River with Alexander Laribault³ as the principal agent.

Doubtless there were other outfits whose accounts did not occur in the Ledger of the American Fur Company. All of the outfits do not seem to be placed on the same footing; the Northern and Western Outfits having had precedence over the others.⁴ The profits of the last five outfits seem to have been credited to the Sioux Outfit which would indicate that they were subordinate to the post at Mendota.⁵ The Northern and Western Outfits had some kind of subordinate connection with the depot of supplies at Mackinac. Merchandise seems to have been sent from New York to Prairie du Chien via Mackinac, and the annual collection of furs was shipped to Green Bay (and eventually to Mackinac.)⁶ The important point about these outfits is they encouraged traders to

¹American Fur Company Ledger, 44.

².ibid.82.

³.ibid. 84.

⁴Julius Clark, "Reminiscences of mole-in-the Day" in Wisconsin Historical Collections, 5:379.

⁵.American Fur Company Ledger, 82.

⁶"I want Mr. C [Cooks] to buy our returns at this place hereafter; I will not be troubled with sending Packs to G. Bay any more- some of ours are in the Wisconsin yet. All of our furs can be delivered to them by 1 July or if they prefer we will keep them here till September or October at our expense but I wish to have nothing to do with the enormous expense, risk & trouble of sending them the way we do now." Hercules L. Dousman to Henry H. Sibley, September 4, 1837, Sibley Papers.

use these posts as their sources of supplies and thither transported their furs. In this way the agents of the outfits kept in touch with all the trade extending over large areas.

Aside from these outfits there were many more or less independent traders; men like Joseph Renville and Jean B. Faribault who had traders working under them and for whose collection of the furs they were responsible. These traders were paid through the American Fur Company.¹ These independent traders would secure their merchandise and market their furs with this concern. Many of the smaller traders worked on salaries ranging from one hundred and fifty to five hundred dollars a year.

With such a complex system of trading, it will readily be seen a credit system would naturally result. Nearly all the business of the year was done on this basis. As has been seen this system was not new, and much as it was regretted by those in authority, it was, nevertheless, the custom of the trade and had to be endured.² The traders' invoices for the year together with the accounts of all miscellaneous supplies purchased in the meantime, were carried by the company until the returns of the spring hunts were collected. In some cases the accounts would amount to thousands of dollars.³ The amount of indebtedness was not always cleared at the close of the year; the account of Jean B. Faribault showed that \$3,029.92 was still due the American Fur Company in May 1838.⁴ Usually, however, the accounts were

1. American Fur Company Ledger, 151.

2. "I trust you will not give out a single article on Cr. to the Indians - it must come to this sooner or later and now is the best time to make them feel the change." Hercules L. Dousman to Henry H. Sibley, May 6, 1838, Sibley Papers.

3. American Fur Company Ledger, 151, 255.

4. Ibid. 248.

closed in the spring of each year. The annual invoices of the outfits ranged from \$2,000 to \$4,800; this does not include the miscellaneous supplies for the year.¹ The amounts received for the annual collection of furs and peltries varied from \$2,000 to \$8,000. The following table has been made to show a statement of the business of the Traverse des Sioux Outfit from 1835 to 1838, when the trading post was closed.

	1835	1836	1837	1838
Amount of invoice of goods.	2463.64 ²	2580.50 ³	2431.77 ⁴	2125.22 ⁴
Collection of furs and peltries	6557.24 ²	3755.87 ³	1016.88 ⁴	1100. ⁴
Profit	2422.30 ²	462.36 ³		
Loss			1542.94 ⁴	1212.72 ⁴

As a rule nearly all of the outfits having accounts at Mendota showed a decrease in the annual collection of furs. In one case the sale of furs did not balance the yearly invoice which meant that the outfit lost not only on the original stock but the miscellaneous supplies of the year as well.⁵ In this instance the outfit was closed. Sometimes, however, the loss was carried over to the account of the following year.⁶ In 1838, a specie payment

	Outfit	Year	Invoice	
1 <u>American Fur Company Ledger,</u>	River Des Moines	1836	\$4874.43	p154
	Little Roche	1836	2885.60	155
	Grand Lizierre	1836	2090.67	82
	Yankton	1836	4803.05	81

2 Ibid., 83.

3. Ibid., 153.

4. Ibid., 171.

5. River Des Moines Outfit, ibid., 170.

6. Ibid. 154-55.

was made by Joseph Renville. The Sioux Outfit at Mendota received merchandise and transferred furs to the Western Outfit. The latter acted as a clearing house for the accounts of the Sioux and Northern Outfits. Credit was extended to the retail trade as well as to the traders, but the accounts were usually checked up more than once a year. The Indians ^{also} obtained credit from the company and very often were unable to pay their debts at the close of the year. Since they considered that all debts were cancelled at the end of the year, it was extremely hard to collect back debts. ² It was a serious affair if credit was denied the Indians, for they had no other means of subsistence and sometimes threatened the lives of the traders. Under the old concern credit had been extended to the Indians; and when the final settlement was made in 1834, nothing was said concerning these old debts, nor was there any formal transfer of them to the new concern. The Indians considered them cancelled and the new company believed if they did succeed in collecting any of the old debts, the energy expended was equal to the value received, and kept the money. In 1838, however, when claims against the Indians were recognized by the government, Mr. Crooks wrote to Mr. Warren explaining Astor's ground, and saying that "as we gave him nothing for them, and that he did not give them to us gratis, he has as much right to consider them his property, as any of the goods he transferred." ³ Under

1. "Am't of Inventory as rendered S.O. 1835	\$14,041.02
Am't allowed S.O. for Furs as per a/c 1835	59,298.92
Profit S.O.	11,709.48"

American Fur Company Ledger, 69.

2. "the practice of the Indians to consider all debts cancelled at the close of the year." Ramsay Crooks to Lyman E. Warren, May 22, 1838; Sibley Papers.

3. Ramsay Crooks to Lyman Warren, May 22, 1838, ibid.

these conditions the debts of the old company were recognized and paid by the Indians four years after that concern had gone out of existence.

With the question of Indian credit was closely linked the problem of Indian treaties, and the claims of the company arising under the treaties. Here was a means whereby the Indian could clear up back accounts and restore his credit with the American Fur Company without any apparent effort on his part. No evidence is available to show that the company obtained any of the money received by the Sioux Indians in the treaty of 1837, when they ceded their lands east of the Mississippi River although Mr. Dousman tried to enter a claim of fifty thousand dollars against them.¹ The Chippewa treaty, however, made at Fort Snelling July²⁹, 1837, provided that "the sum of seventy thousand dollars shall be applied to the payment, by the United States of certain claims against the Indians: of which amount twenty-eight thousand dollars shall, at their request be paid to William A. Aitkin; twenty-five thousand to Lyman Warren, and the balance applied to the liquidation of other just demands against them - which they acknowledge to be the case with regard to that presented by Hercules L. Dousman, for the sum of five thousand dollars: and they request that it be paid."²

Claims were most ardently watched by every member of the American Fur Company, and every effort was put forth to recover the old debts of the Indians. If a treaty was to be made at Fort

1. "The Sioux owe us a heavy debt and now is the time to get it" Hercules L. Dousman to Henry Sibley, September 4, 1837, Sibley Papers.
2. United States, Statutes at Large, 7:537.

Snelling, Dousman and Warren and so many others as could come¹ would join Sibley in pushing the claims of the company. The claims of the half breeds were often paid under the same treaty² as the claims of the full blood Indians were paid; and sometimes³ the traders themselves would realize on these claims. Under the treaty of 1842 between the Chippewas and the United States, the American Fur Company received in all \$41,360.28, of which \$27,994.98⁴ went to the old concern. Every other interest of the company was set aside when a treaty was to be made. All the Indians of the tribe flocked to the store to spend their newly acquired wealth, and thousands of dollars flowed into the coffers of the concern at such a time.⁵

The payment of claims under the Indian treaties had a very important effect upon the history of the fur trade. In the first place it affected the Indians; it taught them that their debts would be paid without seeming effort on their part. It also promoted laziness among the tribes. After these treaties were made the Indians thought that they did not have to hunt, for they could get their goods direct from the government. Thus they became independent of the traders and had to be urged to hunt.⁶ In some instances the Indians ceded their lands and removed to other homes farther west, but they did not try to hunt the game in their new surroundings.⁷ In the second place it affected the traders

1. "Auto-biography of Maj. Lawrence Taliaferro" in Minnesota Historical Collections, 6:215.

2. Ramsay Crooks to William Aitkin; October 1, 1838, Sibley Papers.

3. Ibid., May 6, 1839, Ibid.

4. United States, Statutes at Large, 7:594.

5. "The Indians paid pretty fairly; and between their debts and goods, we got \$3500 out of the \$4750 they received." Ramsay Crooks to William Aitkin, October 1, 1838, Sibley Papers. "7,000 out of \$40,000 from sales made by the Indians while at the fort" Hercules L.

Dousman to Henry H. Sibley, November 2, 1838, Ibid.

6. "Your rascally Sioux are making no hunts, they say it is not

and the company; less attention was paid to the collection of furs and peltries. The traders made poorer returns to the outfits, consequently many of the latter were closed during the years of 1837 and 1838.¹ The money derived from these claims² helped to make up for the losses incurred by the panic of 1837. The company turned its attention to retail trade and little by little became more of a mercantile firm. The plus gave way to specie, and the company laid the foundation of a pioneer banking business. The payment of Indian claims by the government led the higher officials in the trade to redouble their energies and influence at Wash-
³ ton. Mr. Crooks wrote that he had "been to Washington this season four
⁴ times exclusively on account of these Winnebago claims."

The selection of commissioners to draw up the treaty⁵ was not done without the influence of the American Fur Company. Some of the claims of the company were said to have been fraudulent. Major Taliaferro, the Agent of Indian Affairs at Fort Snelling and a

Notes continued from page 41.

necessary to work for the traders any more, as they will now have plenty to live on independent of the Traders' goods". Hercules L. Dousman to Henry Sibley, December 22, 1837, Sibley Papers.

"If you can get your Red Cedar Indians off without waiting for the money; it will be very desirable as otherwise I am afraid it will put them too late." Ibid., September 28, 1840, Ibid.

7. Ibid., March 17, 1840, Ibid.

1. The Yankton Outfit was closed in 1837, with a profit of \$49.50; the Traverse des Sioux Outfit was closed in 1838, with a loss of \$1542.92; the River Des Moines Outfit was closed in 1837, with a loss of \$1223.76; the Little Roche Outfit was closed in 1837, with a loss of \$1670.64. American Fur Company Ledger, 152-173.

2. "I have closed Sioux Outfit 1837 -nt loss \$15,946.70-it will take all your Treaty money to make up [MSS.illegible] way" Hercules L. Dousman to Henry H. Sibley, November 5, 1838. Sibley Papers.

3. "the Sioux treaty has also been ratified, but with an amendment ... This amendment was adopted on account of the statements in your letter to me which was read in the Senate". Lucius Lyon to Henry Sibley, June 11, 1838. Ibid.

4. Ramsay Crooks to Henry Sibley, April-1840, Ibid.

5. "Mr. Sanford having managed the business of our St. Louis friend last year at the Saco when Mr. F[leming] was commissioner, and having obtained for them a fair settlement I thought he might serve us materially in the Winnebago investigations, and at my solicitation

bitter enemy of the company, did not hesitate to expose the methods used by some of the officials in securing these claims. In speaking of the Chippewa Treaty of 1837 he says," Hercules L. Dousman and a Sioux trader presented to Commissioner Dodge an account of \$5,000 for a mill for the benefit of the Indians... had no benefit of this mill... but the chief ... said ...to satisfy the men making the claim he... might give five hundred dollars... Nevertheless the \$5,000 was interlined in their treaty; and a plain fraud traded on the helpless Indians". Again,"word soon reached us that Warren, a trader, had marshalled a large body of Pillagers and were coming down... to force the Commissioner to give to said Warren \$20,000 ... Warren got this special sum of \$20,000 for himself, entered into the Dodge Treaty."¹

Banking, in modern parlance, was a "side line" in the case of the American Fur Company. For a long time the concern had handled its own paper, paying its debts to other concerns² and discharging its obligations within the organization.³ The activities of the company grew largely from its own need; the banks were comparatively few in number and at the time of Astor's company, almost none in the West.⁴ The business widened; the company cashed drafts on other cities.⁵

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he consented to pay you a visit pending the examination of your claims". Ramsay Crooks to Henry Sibley, September 25, 1839, Sibley Papers.

1. "Auto-Biography of Maj. Taliaferro, in Minnesota Historical Collections 6:215.

2. Berthold and Chouteau to Ramsay Crooks, August 9, 1820, Letter Books of the American Fur Company.

3. Robert Stuart to John J. Astor, May 20, 1823, Ibid.

4. The enumeration of the different banking activities of the American Fur Company has been taken from a thesis by Sidney Patchin entitled, "The Development of Banking in Minnesota", in part fulfillment for a Master's degree at the University of Minnesota, 1915, pp9-12.

5. "We duly honored the 3 drafts you drew on us at Prairie du Chien last fall, say ...\$908.08 which we charged as directed on the face of the bills." Ramsay Crooks to William Aitkin, April 7, 1840, Sibley Papers.

1 2 44.
sold exchange on its offices in New York; cashed notes, and
3
honored drafts drawn against it when presented. It also collected
4
notes falling due in other parts of the country. Outsiders wished
to take advantage of the only reliable concern in their midst to
send money to other parts of the country, for western banks were
considered little better than wild cat schemes and during the
financial depression of 1837 and 1838 were the first to suspend
5
payment.

It was during this time that Major Stuart sent five
thousand dollars in Missouri bank bills to the American Fur
Company asking them to pay the troops, "and if you have money
enough he would like you to pay them also to the last of December..
Major Stuart says you can pay or not just as suits your interest
and convenience- either way will satisfy him and he leaves it to
6
you to do just as you judge best." bank bills were very unre-
liable during the latter part of 1838, and Sibley was warned against
accepting Wisconsin bank notes and all Michigan notes with the
exception of those of the Detroit City Bank. At this time \$645.50
was sent to Mr. Dousman of which \$71.50 was discarded as counter-
7
feit and notes of broken banks. Protested drafts were another
source of trouble for the company. Under such circumstances this

1. "Mr. Crooks says that the Rev. Mr. Gavin is authorized to draw
on Messrs. Lintilhon & Co. New York for \$1008.34 and that his draft
on them at one days sight will be good - if you can arrange with him
for it please do so." Hercules L. Dousman to Henry H. Sibley,
September 28, 1840, Sibley Papers.

2. "Be kind enough to furnish him [Cut Nose] some goods of his own
selection to the amount of ten dollars which you will charge to
the account of the expedition under my control, under the authority
of the United States." J. N. Nicollet to Henry Sibley, July 24, 1835,
Ibid.

3. Pierre Chouteau and company to Henry Sibley, November 4, 1840.
Ibid. The company at St. Louis drew on Mr. Sibley for \$5,000 and
stated "that you will have that amount at least".

4. "you will also oblige us by seeing our account against the mission-
aries on Rabbit River collected. Charles Borup to Henry Sibley, July 8
1840. Ibid.

5. Hercules L. Dousman to Henry Sibley, May 6, 1838, Ibid.

side line was not always a paying business for the American Fur Company.¹ The method of transporting specie was by placing it in kegs or boxes and sealing them in such a way that they could not be opened without breaking the seal.² The banking activities of the company at this period were carried on more for convenience than as a source of income.

After much the same manner as that in which the American Fur Company conducted a banking business, it engaged in carrying the mail between Prairie du Chien and Fort Snelling. In the summer of 1838; Mr. Dousman complained bitterly to Mr. Sibley concerning the irregularity of the mail, saying he had received no mail from Fort Snelling for a month.³ This was not uncommon; and eventually Mr. Dousman, quite as much for his own convenience as for that of the public, signed a contract with the government for handling the mail. As late as February 18, 1842, the company still carried the mail. If the mails were unduly late and no valid reason could be given, the company had to pay a heavy fine which it tried to exact from the carrier's salary.⁴ This might account for the mail being more regular, at least no more complaints were found in the correspondence.

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6. Hercules L. Dousman to Henry Sibley, November 5, 1838; Sibley Papers.

7. Ibid., November 6, 1838, Ibid.

1. "In case you should be able to do anything...with the draft of John S. McGinnes... of 158.87 we now enclose it to you with the protest." Ramsay Crooks to Henry Sibley, March 5, 1842, Ibid.

2. Ramsay Crooks to William Aitkin, September 8, 1838, Ibid.

3. Hercules L. Dousman to Henry Sibley, July 13, 1838, Ibid.

4. Ibid., February 26, 1842; Ibid.

Not only were banking and the carrying of the mail services which the American Fur Company performed for the benefit of the public; but there were miscellaneous activities in which this great concern engaged. The Hudson's Bay Company wished the personal effects of one of their traders sent to his relatives. Inasmuch as the trader had been killed in this part of the country the American Fur Company spared no pains in getting the desired trunk.¹ The Indians, realizing their ignorance of governmental affairs sometimes gave a power of attorney to the officials of the concern.² The development of a disease among the Indians was reported to the company, and advice was sought as to the remedy.³ Again, the company contributed largely to the success of Nicollet's scientific expedition in this country in 1838. The United States engaged this man to explore the region west of the Mississippi River between the River St. Peters and the Des Moines River, and to make a map of the country. Young Sibley gave the explorer a barge and furnished all the necessary provisions for this undertaking.⁴ Although the American Fur Company exercised its influence in behalf of many laudable enterprises, it usually succeeded in furthering its own interests at the same time. No better illustration of this can be cited than the controversy arising over the purchase by the United States of the island be-

1. Ramsay Crooks to Henry Sibley, October 26, 1840, Sibley Papers.

2. "Many [Indians] have taken our advice and returned to their wintering ground leaving behind them power to act in their behalf." Ibid., October 1, 1838; Ibid.

3. "I am compelled to ask you for some assistance in regard to a disease which is very bad here - the whooping cough. I pray you to ask the doctor for some medicine." Joseph Renville to Henry Sibley, February 22, 1835; Ibid.

4. J. N. Nicollet to Henry Sibley, June 5, 1838; Ibid.

longing to Jean B. Faribault. In 1821, Col. Leavenworth made a treaty with the Indians whereby they ceded a grant of land nine miles square at the junction of the Mississippi and Minnesota Rivers; but reserved the island afterwards known as Pike's Island, giving it to Mrs. Faribault and her heirs.¹ A discussion arose in 1840 concerning the purchase of this island by the government. Faribault's claim was represented in Congress by Col. Stambaugh, a creditor of the American Fur Company. Should Mr. Stambaugh succeed in disposing of the island, he was to receive a commission. Mr. Dousman wrote the following to Mr. Sibley; "Stambaugh¹ is the only man who can handle it to advantage and we must get our pay out of him; we must not let this opportunity slip. See Mr. Faribault and advise Stambaugh at once of what he agrees to".² In this way the company, a seemingly disinterested party, advised one of their traders with the object of securing for themselves an otherwise poor debt. Thus in various ways the American Fur Company extended its name and influence throughout this country; some believed the company harsh and rasping,³ many admitted its shortcomings as a part of the spirit of the time,⁴ and all were willing to share in any public benefits it might offer.

During the panic of 1837, however, clouds began to hover around the horizon of the American Fur Company. The unlimited wealth of Mr. Astor was no longer available, and even the shrewdness and sagacity of Mr. Crooks could maintain with difficulty the

1. Henry H. Sibley, "Memoir of Jean Baptiste Faribault" in Minnesota Historical Collections 3:169.

2. Hercules E. Dousman to Henry Sibley, March 31, 1840, Sibley Papers.

3. John Lawe to Jacob Franks, August 26, 1822, Wisconsin Historical Collections 20:277.

4. "he [Parrant] was no worse than any of the pioneers at the time and if his only crime was selling whiskey to the Indians, they all did it and the American Fur Company under another name sold ten barrels where the other poor fellows sold one." Charles D. Elfelt, "Early Trade and Traders in St. Paul," in Minnesota Hist. Coll. 9:164.

48.

interests of the company in the face of such a financial storm. From 1837 until the company closed its doors in 1842; President Crooks advocated a policy of retrenchment. In a letter to Joseph Rolette he outlined the situation in a few words, "Our commercial distress here exceeds all former embarrassments, so much that the former means resorted to for relief are found totally inadequate at the present juncture, and more than 250 respectable Houses have been compelled to yield to the storm and among them are many who have hitherto been considered impregnable. When such establishments go, everybody else must totter; and it is impossible to tell now who will be on their legs 3 months hence. Almost every House that has stopped will eventually pay their entire liabilities, or at least a large dividend; but payment in a year will not take up a note to-day.- We shall not in such times escape our share of pressure, and you must all exert yourselves to avoid drawing for a dollar either on New York or St. Louis...In all your arrangements you must practice the strictest economy. We have been living in profusion for a few years back: money was as plenty as the sand on the seashore, but that abundance has given place to frightful scarcity; and matters can only be retrieved by prudent management." For a time it looked as though the American Fur Company would not be able to weather the blast; nearly all the outfits reported losses, even the Sioux Outfit had met with serious reverses, and the sales in New York were decidedly few in number and poor in price. ² The money paid under the treaty claims, however, helped

1. Ramsay Crooks to Joseph Rolette, May 26, 1837, Sibley Papers.

2 "I dare not promise myself that we shall sell either Otter, beaver or Muskrat before next March and then the prices will be low". Ramsay Crooks to William Aitkin, September 16, 1837, ibid.

to keep the concern on its feet until the crisis had passed.¹

The hard times were felt on the frontier; during the winter of 1838, Mr. Dousman wrote to Mr. Sibley that "not a pound of Pork; Sugar, Tea, Coffee, Lard and Butter etc for sale in this place... no groceries...Galena; DuBugue etc. are even worse off than this place. [Prairie du Chien]. The People in the mining country will have to kill all their Cattle and eat Corn Bread!"² The western offices in 1840 tried to curtail every item of expense but money was scarce, and business of all kinds was at a standstill.³ The situation in New York at this time was hardly less grave. Ramsay Crooks says " We thought the times very bad in 1837 but that year bad as it was , is not to be compared with the present prostration of confidence and the total absence of all resources. Nobody pays us, and we can only obtain new Notes for old ones." Fortunately the fur trade was good in Europe, and this helped to relieve the congestion in America.⁴

The continued hard times and the scarcity of money had a bad effect upon the business outlook of the company for the future. Mr. Dousman, who was always somewhat dissatisfied with the agreement between the American Fur Company and the party composed of himself, Rolette and Sibley, became more and more discontented.

1. page 40. The treaty was made only a few weeks after Mr. Crooks' letter to Mr. Rolette.

2. Hercules L. Dousman to Henry Sibley, November 20, 1838, Sibley Papers.

3. "Times have never been so hard on this River since it has been settled as at this moment - money is exceedingly scarce and no business of any kind." Ibid. March 31, 1840, ibid.

4. Ramsay Crooks to Henry Sibley, February 17, 1840, Ibid.

He represents the restless, energetic type of a modern business man who is not easily curbed by the more even-tempered insight of a man like Crooks.¹

One of the disadvantages arising from an alliance with a firm in New York was the matter of distance, and the uncertainty of the methods of travel. Goods were sometime unavoidably delayed by the spring floods, low water or frozen streams. The failure to receive goods on time was a serious item especially when payment was to be made to the Indians. Such a case occurred in the early summer of 1840, when Dousman complained that he had lost several thousand dollars' worth of trade because goods ordered from New York had not been delivered on time. He declared that the money had gone to his competitors, that the goods would be out of season, and that the stock would have to remain in the store until the next year.² Another serious handicap was the difficulty of getting the furs to New York early enough in the fall. Sales of furs usually took place in September and again in February or March, and it was especially desirable to dispose of as many furs as possible in the fall, thus saving interest, storage, and insurance charges.³

The furs from Mendota had to be sent first to Prairie du Chien, then to Mackinac and from there to New York. This of course took some time, and when the traders were slow in collecting their furs it was almost impossible to get the furs to New York in time for the September sale. For this

1. "it is all in vain to make known our grievances, they can apply no remedy - we shall have to ease off steam a little while longer unless your metal is like mine and wont bear cooling - it would take an advance of at least ten cents on furs to bring me down to a moderate temperature." Hercules L. Dousman to Henry H. Sibley, February 8, 1837, Sibley Papers.

2. Ibid., July 7, 1840, Ibid.

3. Ramsay Crooks to Henry Sibley, December 20, 1836, Ibid.

reason in 1841, Mr. Dousman wished to sell the yearly output of furs at St. Louis.¹ Mr. Crooks, however, did not favor this policy, and the idea was given up. Goods were sometimes purchased of Pierre Chouteau and Company at St. Louis, by the American Fur Company when the season was too far advanced to order goods from the East.² Under these conditions Mr. Dousman and Mr. Sibley in the summer of 1841, considered severing their connection with the American Fur Company and allying their interests with Pierre Chouteau and Company of St. Louis. It was impossible, however, for Mr. Crooks to come to Prairie du Chien during the summer of that year, and for this reason relations were allowed to continue as they were for another year. Mr. Crooks had alluded to a union between the Western Outfit and Pierre Chouteau and Company in April of that year, and Mr. Dousman considered that "no doubt the change would be beneficial to all concerned."³

Finally in 1842, Dousman and Sibley decided to withdraw from the American Fur Company and cast their lot with Pierre Chouteau and Company. The correspondence gives no date for the contemplated transfer, but in a letter written to Mr. Sibley July 5, 1842, Mr. Dousman says—"Messrs. Chouteau & Co. write me that they will still continue our concern under the name of Western Outfit and I have advised them to charge everything for your dept. to Sioux Outfit and to keep all your transactions with them separate and distinct from those for this place."⁴ There is no record of

1. Hercules L. Dousman to Henry Sibley, June 22, 1841, Sibley Papers.

2. Pierre Chouteau and Company to Henry Sibley, November 12, 1842, Ibid.

3. Hercules L. Dousman to Ramsay Crooks, May 11, 1841, Ibid.

4. Hercules L. Dousman to Henry Sibley, July 5, 1842, Ibid.

an actual transfer at this time, however. On July 7, 1842, Mr. Crooks wrote to Mr. Dousman, "You will of course take the Inventory as usual in detail and pack up separately such articles as are not to be taken by your new concern- we shall ere long say more on this subject."¹ Rumors were now afloat that the American Fur Company was heavily involved and in all probability would continue but a short time. This rumor was confirmed when word was received on "the 10th of September...the Co. had made an assignment of all its effects to George Ehinger for the benefit of Creditors but how much they will pay God only knows".² The business of the American Fur Company now passed into the hands of the Pierre Chouteau and Company of St. Louis, and undoubtedly the affairs of the Western Outfit were transferred with the other property belonging to the company.

The news of the failure of the company did not come unexpectedly to those who had watched the current of affairs. For sometime the foreign market had been unusually dull; difficulties in China had closed the Canton market, and as a result, there was no market for the finer furs, such as otter and beaver, and the manufacture of silk hats in England had seriously damaged the sale of beaver in that country.³ The unusual continuance of the hard times, and the disinclination of the Indians to hunt both had their effect on the concern. To this should be added the usual competition of other fur buyers

¹ Ramsay Crooks to Henry Sibley, July 7, 1841, Sibley Papers.
² Hercules L. Dousman to Henry Sibley, October 20, 1842, Ibid.
³ "Unless the war in China is soon ended, Otters will be dead capital." Ramsay Crooks to Henry Sibley, July 7, 1842, Ibid.

whose influence, though small in comparison with that of the American Fur Company, nevertheless at this time was a matter of no small concern.¹ Perhaps the most immediate cause of the failure of the company was the poor returns in furs for the year 1842. Even Mr. Crooks had anticipated no such falling off in the year's output.² As a result there was no other choice than for the American Fur Company to make an assignment September 10, 1842, which closed the business of the company. No evidence is available to show the amount of the loss of Dousman, Rolette and Sibley in the failure of the company. Mr. Dousman seemed very much concerned at the first report of the failure, for he wrote to Mr. Sibley, "My earnings of 18 years I consider lost and I am used up root and branch."³ On October 3, 1842, Mr. Dousman instructed his partner "to hold on to everything in your possession", adding, "Mr. Sire is now here; he came up no doubt Mr. Rolette's debt to them; he has attached all to get these papers [inventory] and secure [^] Mr. Rolette's property in this Town, consisting of all buildings where he now resides and a few Town Lots in St. Fricolle".⁴ Chittenden infers, however,⁵ that Crooks finally settled all accounts with a loss to no one. In his letter of October 13th, to Mr. Sibley, President Crooks says that he expected to arrive at Prairie du Chien in time to settle the affairs of the company and "I am anxious to settle everything relative to our late joint business before I return

1. "Our trade is so poor at present, that the smallest opposition does a great deal of injury." Dr. Charles Borup to Henry Sibley, July 21, 1842, Sibley Papers.

2. "We are sorry to perceive the entire returns will be much less than formerly, but that cannot be helped now." Ramsay Crooks to Henry Sibley, July 25, 1842, Ibid.

3. Hercules L. Dousman to Henry Sibley, October 20, 1842, Ibid.

4. B. W. Brisbois to Henry Sibley, October 3, 1842, Ibid.

5. Chittenden, The Fur Trade of the Far West, 1: 249.

to New York." ¹ The affairs of the company may have been turned over to the St. Louis concern during the late fall. In after years, however, General Sibley spoke of the transfer as occurring in 1843. ² It may have been that the actual possession began with the new year. The death of Joseph Rolette, December 1, 1842, left Dousman and Sibley to carry on the affairs of the new concern. The actual settling of the business was of course done in person and only the brief statement remains that "all debts due Western Outfit were deducted from inventory and paid by the new Upper Miss. Out." ³

Thus the great American Fur Company passed into history. Although the fur trade in this region continued for almost twenty-five years, the hey-day of its existence had ceased. Little by little the Indians were pushed farther west, the settler took the place of the trader, and towns sprung up on the sites of the old trading posts. The activities of the company were varied; its influence almost unlimited, in fact it was perhaps the greatest single factor in the early development of this region. Gradually other institutions came in and carried on the work which the American Fur Company had begun, so that its influence was felt long after it had ceased to exist; it had served its day.

1. Ramsay Crooks to Henry Sibley, October 13, 1842, Sibley Papers.

2. Henry H. Sibley; "Memoir of Hercules L. Dousman", in Minnesota Historical Collections, 3:196.

3. Hercules L. Dousman to Henry Sibley, December 28, 1842, Ibid.

CONCLUSION.

The American Fur Company, as a business institution, was perhaps as well organized as any concern of its time. It chose young men to represent its interests on the frontier, men whose ability and high sense of honor quickly won for them the respect of their subordinates in the trade as well as of the community in which they were placed. The high standard of business honor set by John Jacob Astor and Ramsay Crooks was strictly maintained by them; and although the name of the company was sometimes besmirched with accusations of dishonesty, there is nothing to show that these men approved of unfairness in any form.

The modern interpretation of monopoly was put into practice by the American Fur Company. In extending its activities the great name of the company was maintained, but the smaller concerns that it absorbed, though losing their identity, nevertheless kept much of their independence. The officers of the smaller companies were given a place in the large concern as soon as the company was merged into the great corporation. In this way the American Fur Company obtained men with initiative and experience, officials with executive ability and traders who were familiar with the country and the Indians. With such a class of employees comprising the ranks, great freedom could be given to the subordinates, and it is this lack of restraint which largely characterized the business dealings of the company and is one of the chief factors in its success. Even the humblest trader was urged to write to the highest

officials, and his interests and opinions were carefully considered. It was this absence of restriction that characterized both the policy of Astor and Crooks; that placed the men on their honor, and that won for the American Fur Company the loyalty and co-operation of its members.

using this loyal spirit as a weapon, the company did not hesitate to crush every semblance of opposition and competition in its way; its fury when aroused by a rival was quite as ferocious as was its docility when it enjoyed undisputed sway. Ramsay Crooks best sums up the method of management when he says, "It is a matter of sincere regret that this opposition had not been crushed in the bud, which always costs much less than at any time afterwards, but it is useless to repine and all that remains to be done now is to persevere against it with never sleeping vigilance till their hopes of success are annihilated- no compromise- no arrangement of any sort must be entered ^{into} with them, or their people, unless you and Messrs. Rolette and Dousman deem it best to buy them out on condition of their withdrawing from all the Indian trade forever- I dislike this buying out, for it generally is an encouragement to others to try their hand, still I am willing that you do whatever you think most advantageous." ¹ The history of the American Fur Company is the history of frontier development in the Northwest; with the passing of its activities and influence a new era dawns, the trader moves on and the settler takes his place.

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