

**THE YAZOO LAND
COMPANIES, PP.
3-43, PP. [395-435]**

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THE YAZOO LAND COMPANIES.¹

By DR. CHARLES H. HASKINS, University of Wisconsin.

The spirit of speculation in land was a prominent characteristic of the United States at the close of the last century. Although the Crown had received frequent petitions for land grants in the West, there was little westward migration until the time of the Revolution. Then the number of the emigrants, the cheapness of the lands, and the lack of an established system of sale in small quantities offered many inducements for the formation of great land companies, whose opportunities for speculation were increased by the depreciated currency and the general ignorance concerning the West. So strong did this spirit of speculation become that in 1796 an English traveller could say: "Were I to characterize the *United States*, it should be by the appellation of the *land of speculation*."² In spite of its exag-

¹ For assistance in collecting the scattered material for this paper my thanks are due to Dr. Frederic Bancroft, Librarian of the Department of State, Mr. Brinton Coxé of Philadelphia, Mr. B. J. Davis of Atlanta, Colonel R. T. Durrett of Louisville, Mr. Charles Gayarré of New Orleans, Prof. J. F. Jameson of Brown University, Mr. John Jameson of Boston, Prof. W. R. Sims of the University of Mississippi, Prof. W. G. Sumner of Yale University, and Mr. James Wilkinson of New Orleans, to the assistants of the Clerk of the Supreme Court of the United States, and to the many librarians who have lent me rare works relating to the subject. Through the kindness of President William Preston Johnson and Professors D. J. Lingle and J. A. Fernandez de Trava of Tulane University I have obtained copies of manuscripts in the library of the university. I am particularly indebted to Hon. William Wirt Henry for the loan of papers of Patrick Henry, and to Colonel Charles C. Jones, Jr., and my colleague Prof. Frederick J. Turner for reading the proof-sheets of the paper.

² Priest's "Travels," 132. See also La Rochefoucault's "Travels" (London, 1799), i., 144, ii., 600, 608-617; Dwight's "Travels," i., 218-222.

generation this assertion contained much truth. "All I am now worth was gained by speculations in land," wrote Timothy Pickering in the same year,¹ and many eminent men could have said the same, often with a later experience quite similar. Land speculation involved Washington, Franklin, Gallatin, Patrick Henry, Robert Morris, and James Wilson, as well as many less widely known.

Land companies found a particularly inviting field in the South, where large tracts of land still remained in the hands of the States. Scarcely a State escaped the speculators, but the most extensive operations were carried on in Georgia, where the magnitude of the speculations, the means which were employed, the resistance of the State, the persistent efforts of the purchasers to obtain satisfaction, and the final settlement by Congress and the Supreme Court, all united to form an important chapter of our history.

THE WESTERN TERRITORY OF GEORGIA.

At the close of the Revolution the territory north of the thirty-first parallel which is now included in the States of Alabama and Mississippi was the subject of various conflicting claims. South Carolina contended that this territory was comprised within the limits of her original charter; Georgia claimed it by virtue of the commissions issued to Governor Wright; the United States maintained that it had been withdrawn from the domain of these colonies by later acts of the Crown, conquered by the nation in the Revolution, and ceded to the nation by the treaty of peace; while Spain denied England's right to cede lands below $32^{\circ} 30'$, and held that region as a conquest from England. Georgia's assertion of title, re-enforced in 1787 by the withdrawal of South Carolina,² was resisted by the federal authorities. In 1788 a proposed cession of the region below $32^{\circ} 30'$ was rejected by Congress because it contained

¹ Pickering's "Pickering," iil., 296.

² Except from a narrow strip on the north, soon ceded to the United States. Spain relinquished her claim in 1795.

as a condition the guarantee of the remainder,¹ and in 1797 a committee of the Senate made a report strongly adverse to the State's claim.² The final victory, however, remained with Georgia. In the compromise of 1802 all her demands were granted, and in 1827 the validity of her title was affirmed by the Supreme Court in an opinion which thus sums up the matter :

"There are several reasons for putting the claim of the United States out of the question. She has abandoned it, and, it is very clear, could never have maintained it. The very ground on which she denied the capacity of Spain to conquer, or take by cession, the territory on the Mississippi, was fatal to the pretensions set up by her against Georgia and South Carolina, to wit, that Spain could not acquire by conquest a territory within the limits claimed by an ally in the war. . . . There was no territory within the United States that was claimed in any other right than that of some one of the confederated States; therefore, there could be no acquisition of territory made by the United States distinct from or independent of some one of the States."³

Aside from the question of Georgia's title to the lands, there were serious difficulties in the way of making use of them. They were occupied by the Chickasaws, Choctaws, Cherokees, and Creeks, tribes over which the federal government claimed and exercised an immediate protectorate. "No one could say what was the value of Georgia's title, for it depended on her power to dispossess the Indians; but however good the title might be, the State would have been fortunate to make it a free gift to any authority strong enough to deal with the Creeks and Cherokees alone."⁴ The attacks of the southern Indians on frontier settlements were kept up by the intrigues of the Spaniards, themselves sure to oppose by force all attempts to settle the region south of the Yazoo. The value of western lands for com-

¹ Journals of Congress, iv., 834. -

² "American State Papers, Public Lands," i., 79. References are to the single-column folio edition.

³ Harcourt *vs.* Gaillard, 12 Wheaton, 523. Compare Fletcher *vs.* Peck, 6 Cranch, 87. The documents bearing on Georgia's claim were collected by the Attorney-General in 1796, and are printed in "State Papers, Public Lands," i., 34-67. The foregoing statement of the grounds of the various claims is, of course, not exhaustive.

⁴ Henry Adams's "History of the United States," i., 303.

mercial and agricultural purposes depended almost entirely on the navigation of the Mississippi, over which Spain exercised sole control. So strongly was this felt in the West, that to gain the right to navigate the Mississippi many were willing to leave the Union and become Spanish subjects. In the light of these difficulties, Georgia was quite ready to reap a small financial gain by disposing of the lands on the first offer of favorable conditions.

THE SOUTH CAROLINA YAZOO COMPANY.

The advantages of a commercial settlement on the Mississippi near the mouth of the Yazoo were readily apparent. The only obstacle seemed to be the opposition of Spain and the Indians, and to remove this a number of citizens of South Carolina and Georgia directed their efforts. In 1785 an application was made to Georgia for a grant of lands. As that State "did not yet feel ready to dispose of her territory," nor, doubtless, to protect it from Indians and Spaniards, all that was obtained was the organization of a county to be known as Bourbon, in which, when lands were granted, actual settlers were to have the preference at a price not to exceed a quarter of a dollar an acre. This county, which continued in existence three years, was bounded by the Mississippi, the Yazoo, the thirty-first parallel, and the limit of the territory relinquished by the Indians.¹ The consent of the Choctaws to the proposed settlement was sought by the purchase from one John Wood of a deed which he had obtained from them to a tract of two or three million acres lying near the mouth of the Yazoo. For colonists the projectors looked to Kentucky, whence John Holder² engaged to conduct four hundred families to Walnut Hills (now Vicksburg) before the end of 1789. In the execution of this contract Holder failed entirely. Meanwhile the original plan of the projectors was enlarged,

¹ "Public Lands," i., 100.

² A captain in the Revolution. Collins's "History of Kentucky," i., 13, 255; Forman's "Narrative of a Journey down the Ohio and Mississippi," edited by L. C. Draper, 52.

chiefly through the influence of Major Thomas Washington.¹ Articles of association were adopted, constituting a company to be known as the South Carolina Yazoo Company. The original members were but four in number, Washington of Georgia, and Alexander Moultrie, William Clay Snipes, and Isaac Huger of South Carolina, Moultrie being appointed director. Among those who joined later was the famous Creek chief Alexander McGillivray. To the former idea of a commercial station there was now added the plan of securing an extensive territory and opening it to agricultural settlement.²

THE GRANT OF 1789.

Accordingly, November 20, 1789, a petition was presented to the Georgia legislature, setting forth that the company, having already begun a settlement under the Bourbon act, desired a confirmation of that interest. In this they acted "as well from a motive of general good to mankind and a happiness and prosperity of this State and the union; as their own." They had "in respect to their own Settlements established Connections in Europe, America, and in this State; whereby" it was certain that as soon as their application was granted, "an affrican trade and European Commerce" would "take place at the Yazoo to an immense and vast amount."³ Applications were at the same time

¹ Washington, whose real name was Walsh, was an unprincipled speculator, afterward hanged in Charleston for counterfeiting South Carolina indents. — *Georgia Gazette*, March 24, 31, 1791.

² "An Extract from the Proceedings of the South Carolina Yazoo Company" (Charleston, 1791), i., 15-23, 25; Gayarré's "History of Louisiana under Spanish Domination," 272, 273.

³ Papers of the United States Supreme Court, 1798: Moultrie *et al.*, vs. State of Georgia *et al.*, Document H. Compare a letter of Francis Watkins to Patrick Henry, July 5, 1790, in which he speaks of being "successful on the other side of the Atlantic," and another letter in the Henry MSS., dated February 10, 1790, and evidently written by Moultrie to the Virginia Yazoo Company: "Since the passing of the Law, much has been done in this State, in spreading the Basis of a Commercial System, in Connection with our Company, throughout various Parts of Europe and America: both in regard to Population, from those countries, as well as the various branches of Traffick, & the African Trade."

received from the Virginia Yazoo Company and the Tennessee Company. A bill was brought into the Senate and after amendment passed, on the 7th of December, by a vote of six to three. When it reached the House, there appeared another set of petitioners, the Georgia Company, offering a much higher price for the lands. Efforts to insert this company among the other applicants failed, as did also a motion to increase the amount to be paid; and the bill passed without amendment, and received the Governor's signature on the 21st of December.¹

This act granted to the South Carolina Yazoo Company a tract bounded by the Mississippi, the thirty-third parallel, the Tombigbee, and a line drawn east from a point just above Natchez, and containing over 10,000,000 acres of what is now southern Mississippi and Alabama. The Virginia Yazoo Company received 11,400,000 acres, being all the land of Georgia west of Bear Creek and the Tombigbee and north of the thirty-third parallel. The Tennessee Company's grant included 4,000,000 acres in the region of the Tennessee. The lands in each case were to be reserved as a pre-emption for two years, and at the end of that period, if the stipulated amounts had been paid, grants were to be issued to the companies as tenants in common in fee-simple. The amounts to be paid were: South Carolina Company, \$66,964; Virginia Company, \$93,741; Tennessee Company, \$46,875. The companies were to refrain from attacks on the Indians. The State was not to be liable for previous claims, nor to be put to expense in keeping peace between the grantees and the Indians or in extinguishing the Indian title.²

RELATIONS WITH SPAIN.

The South Carolina Company at once began active measures toward forming a settlement. As their agent in the West they selected Dr. James O'Fallon, a Revolutionary

¹ *Georgia Gazette*, January 7, 1790; Stevens's "History of Georgia," ii., 464 ff. The original public records relating to the sale have been lost or destroyed.

² "American State Papers, Indian Affairs," i., 114; Watkins's "Georgia Digest," 387; Moultrie vs. Georgia, Document A.