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The British Ministry and the Treaty of
Fort Stanwix

By Clarence Walworth Alvord, Ph.D.

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The British Ministry and the Treaty of Fort Stanwix¹

By Clarence Walworth Alvord, Ph. D.

In the seventh decade of the eighteenth century a newspaper contributor in Great Britain wrote the following concerning the rapid succession of ministries that had attempted the government of the country during the early years of the reign of George III:²

The variety of persons, who within a very short compass of years, have been produced to the public in the first employments of the state, hath diverted our attention from a more important object; from the measures they have pursued or meant to pursue. Amused and deluded by a succession of illustrious names, we have hardly had time to consider their different systems of administration, and have been more anxious to know by whom employments were filled, than how they were executed.

To the present-day student of the period, the same difficulty presents itself under a similar guise; for the kaleidoscopic changes in the British ministry during the middle of the eighteenth century renders the tracing of the ministerial de-

¹ It is the expectation of the writer to publish, in the near future, a more complete treatment of his conclusions concerning the Western policy of the British ministry than is contained in the following pages. For this reason, and on account of the shortness of time before the manuscript was to be sent to the press, it seemed sufficient to indicate the conclusions without setting forth the complete line of argument; although reference has been made to the principal sources for the interpretation herein maintained.

² Almon, *A New and Impartial Collection of Interesting Letters from the Public Papers*—Sept., 1760 to May, 1767, vol. ii, p. 218. Letter from Vindex.

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velopment interesting, while it has made difficult the discovery of the principles of policy. Instead of several distinct parties with definite platforms, such as is characteristic of the present politics of Great Britain, there were in the middle of the eighteenth century many groups of men around their several leaders, whose chief object was office-holding. To accomplish this end the various groups were willing to make combinations with almost no consideration of conflicting policies. In fact, one of the prevailing theories of government justified such non-partisan ministries, by preaching the need of harmony between king and parliament, which could never be maintained by the predominance of either, as had been the case in former years.

Arbitrary absolutism under the Stuarts, and party government under the supremacy of the Old Whig nobility, had both been tried. Harmony could be obtained, it was thought, by a ministry composed of all factions working in union with the king. This theory made acceptable to many politicians of that period the hybrid ministry, composed of opposing groups, which the Earl of Chatham brought together in 1766, and that not less curious combination of 1768 under the Duke of Grafton.⁸

It would be a hopeless task to seek for ministerial policies in such a jumble of factions, were the groups and sub-groups of politicians, with their personal biases, not easily distinguishable; and if the hostility of certain groups to each other did not render combination difficult, if not impossible. Thus among the various factions, such as George Grenville's, the Duke of Bedford's, the Duke of Newcastle's, the Earl of Bute's, the Marquis of Rockingham's, and William Pitt's, with the sub-groups led by Lord Shelburne and Conway, we find that certain of these would not act with others. In spite of attempts at reconciliation, the Rockinghams would not join with the Grenvilles, and the Bedfords always objected to Conway and Shelburne. It is out of such slight indications that we must draw an interpretation of the policy favored by any given ministry. This is the purpose of the present paper, wherein it is attempted to trace the Western policy of the ministry from the autumn of 1763 to the autumn of 1768.

⁸ Ruville, *William Pitt, Earl of Chatham* (New York, 1907), iii, p. 9.

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The period which has been selected begins with a definite act on the part of the ministry; namely, the proclamation of 1763, wherein is formulated for the first time the policy proposed to be followed towards the West. The intermediate time is one of constantly changing or inchoate ministries, when the West as such received very slight attention, so that it is most difficult to determine what was the attitude of the ministerial party at any given time. The period ends with the treaty of Fort Stanwix, in 1768, which is the first definitive action taken after the proclamation. Our subject narrows itself down, therefore, to tracing the relation between these two acts, the Proclamation of 1763 and the Treaty of Fort Stanwix.

It was my pleasure a year ago to read a paper on the "Genesis of the Proclamation of 1763" before the Michigan Pioneer and Historical Society.⁴ The limited time for this paper forbids a reproduction of the arguments advanced at that time; but for my present purpose it is necessary that I should review very briefly some of my conclusions. The management of Indian affairs during the previous years had been so badly conducted by the several colonies, that the natives were being continually exasperated, until they broke out in the uprising known in history as Pontiac's War.

The particular grievances of the Indians were, the irregular practices of the traders, and the illegal encroachments on their lands by the colonists. After a careful examination of the conditions, the British ministry determined that the only means of maintaining justice in their relation with the native tribes, was to centralize the management directly under the imperial government. This was the purpose of the proclamation. The policy formulated at that time, as far as it interests the argument of this paper, may be divided under the following headings:

First. There should be established a boundary between the lands that may be settled by white men and those reserved for the Indians.

⁴ Printed in *Michigan Pioneer and Historical Collections* (Lansing, 1908), xxxvi.

The Treaty of Fort Stanwix was but one of a series of Indian treaties, which mark the definite step in the development of the Western policy, to which reference is made.

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Second. The land reserved for the Indians should be opened up for future colonization only through purchase by the crown.

Third. Regulations for the Indian trade should be made in the future.

Two of these subjects require some further notice. On account of the outbreak of Pontiac's War, the ministry felt the necessity of determining immediately a temporary boundary line in order to reassure the Indians. Therefore, the line of the Appalachian divide was chosen; but this was to be replaced, as soon as peace with the Indians was secured, by a line farther to the westward, which should include the already partially-settled lands of the upper Ohio region. The neglect to do this, was the cause of many disturbances on the frontier, caused by speculators and settlers pushing westward in anticipation of the ministerial action.

The ministerial policy in regard to future settlements beyond this Indian boundary line, is not so easy to determine. Lord Shelburne was responsible for the wording of these passages concerning Indian affairs, and there can be no doubt but that he, like his friend Benjamin Franklin, anticipated a time when colonies would be planted as far west as the Mississippi. As far as our scanty evidence shows, his colleagues agreed with him in this; but this subject became, in the period under consideration, the one concerning which there was the greatest disagreement among the ministers. Should the policy of westward expansion be decided upon, it would be necessary to establish western boundaries for several colonies, such as Virginia, the Carolinas, and Georgia, which claimed the West on account of their sea-to-sea charters, and any action directed to that end was likely to arouse protests from the Americans. This policy was frequently contemplated, and at times apparently adopted, by the ministry; but positive and final action was deferred till the outbreak of the Revolutionary War, which brought all negotiations to an end.⁵

⁵For the history of the proposed colony of Vandalla, to which reference is made, see Alden, *New Governments West of the Alleghanies before 1780* (Madison, 1897), pp. 19 *et seq.*

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After the resignation of Lord Shelburne from the presidency of the Board of Trade,⁶ in early September, 1763, his place was filled by Lord Hillsborough, who enjoyed the favor of the Bedford faction. The new president had had no experience in colonial affairs, and, since the situation on the frontiers was critical, he adopted the proclamation already partially written by Lord Shelburne; and this was issued on October 7, 1763. The policy announced at this time remained, practically unchanged, as the ministerial policy for over four years. Before 1768, Lord Hillsborough did not, except in minor details, oppose the plan for the West formulated by his predecessor. This is true also of those who succeeded him as president of the Board of Trade, and of those who held the more important position of secretary

⁶ For a discussion of the Board of Trade, see Kellogg, "The American Colonial Charter," in *American Historical Association Report*, 1903 (Washington 1904), pp. 214 *et seq.* The administration of colonial affairs was complicated by the exercise of power by both the secretary of state for the Southern department and the Board of Trade, who were not always in agreement concerning policies. During the period under discussion three methods of unifying the administration were tried. From 1757 to 1766, the president of the Board of Trade was generally given a seat in the ministry, where he could defend the recommendations of himself and his colleagues. In July, 1766, at the coming into power of the Chatham ministry, the Board of Trade gave up all its executive functions to the secretary of state for the Southern department, so that one man became responsible for all colonial policies. In January, 1768, another step was taken towards unification, when the new secretaryship of state for the colonies was created. Shortly after that, this secretary became president of the Board of Trade also.—Smyth, *Life and Writings of Benj. Franklin* (N. Y., 1905), v., pp. 147, 149. Throughout the period the members of the Board of Trade appear generally willing to follow the lead of their president or of the secretary of state, and at no time does there appear much initiative among the subordinate members, although a close study of the personnel of the Board of Trade is necessary, before accepting exclusively this view. See *Grenville Papers* (London, 1852-53), ii, pp. 219, 246, iii, pp. 73, 81; Walpole, *Memoirs of George III* (New York, 1894), ii, p. 236.

Shelburne resigned at this time because of the failure of the negotiations to secure the co-operation of Pitt.—*Chatham Correspondence* (London, 1838), ii, pp. 241, 245.

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of state for the Southern department, the office that had general charge of colonial affairs.

The principal duty in regard to Western affairs that remained for Lord Hillsborough, was to carry out two lines of policy that had already been determined. These were to draw up the regulations for the Indian trade, and to establish by treaty with the Indians the boundary line west of the Alleghanies. On account of the unsettled condition of the Indians due to the war, Lord Hillsborough was unable, before he was superseded, to take up this latter subject, although he kept it constantly in mind. The new president of the Board of Trade undertook, however, to work out the regulations of trade. In this he was ably assisted by the Indian agent, Sir William Johnson, and others, who kept up a continuous correspondence with him concerning the subject.⁷

The result of these efforts, was a plan for the future management of the Indian trade, that was submitted to Johnson and others for criticism on July 10, 1764.⁸ The plan contemplated the complete centralization of Indian affairs. The representatives of the British government were to be two superintendents, one for the Northern department and one for the Southern, under each of whom were deputy agents, commissaries, and other minor officials. All relations with the Indians were to be conducted through these officers. For the maintenance of justice among the traders and Indians, the deputy agents and commissaries were, in civil and criminal cases, to be granted the judicial power of justices of the peace; and the right of appeal to the superintendents, in major cases, was reserved to all pleaders in the courts. Trade was to be permitted only at designated posts, where commissaries were to be stationed. That the Lords of Trade had in mind the prevention of some of the evils from which the Indian trade had suffered under the previous management of the colonies, is shown by the articles prohibiting the sale of liquors to the Indians and the one fixing the price of goods. The last articles dealt with the boundary which was still to be established, and prove that the Board of Trade intended to follow the policy of Shelburne in this matter.

⁷ See correspondence in *N. Y. Colon. Docs.* (Albany, 1856), vii.

⁸ Printed in *Ibid.*, pp. 637 *et seq.*

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This plan for the management of trade was, in the course of time, submitted to many persons for criticism. Sir William Johnson approved the spirit of the plan, and criticised only a few articles. His acceptance of the plan as a whole might have been anticipated, as the Board of Trade had followed almost exclusively the recommendations which he had made during the past years.⁹ The criticisms of Lieutenant Governor Colden of New York and those of Colonel Bradstreet were also distinctly favorable.¹⁰ A few years later Lord Shelburne asked Benjamin Franklin for his opinion. He answered: "The regulations in this plan seem to me in general very good." He then proceeded to make a few criticisms of several details, such as fixing prices and the prohibition of the sale of liquor.¹¹

The Grenville ministry adopted the plan, but since the maintenance of the proposed establishment would be expensive, and the principle of the ministry was economy, it was proposed by the Lords of Trade to lay a tax on the Indian trade for the support of the Indian government. This required an act of parliament, but the subject was never pushed; and later the outcry of the colonists against the stamp act made such action appear inexpedient.¹²

In July, 1765, the Grenvilles yielded to the Rockingham ministry. This was the only true party ministry of the period. It was composed of representatives of the old line Whigs, who were distinctly favorable to the American colonies. The attention of the ministry during its year of life was so occupied with undoing the acts of its predecessor, such as the stamp act, the cider act, etc., that the question of the West never became a live issue. That the ministry was in favor of a liberal policy, is proved by the offer of the presidency of the Board of Trade to Lord Shelburne, but this he refused.¹³ Conway became secretary of state for the Southern department; after Shelburne's refusal, the presidency of the Board of Trade was given to Lord Dartmouth; and the personnel of the board was taken

⁹ Johnson to Lords of Trade, Oct. 8, 1764, *Ibid.*, p. 661.

¹⁰ Colden to Lords of Trade, Oct. 12, 1764 and Bradstreet to Lords of Trade, Dec. 4, 1764, *Ibid.*, pp. 667, 690.

¹¹ Smyth, *Life and Writings of Franklin*, iv, p. 467.

¹² *N. Y. Colon. Docs.*, vii, pp. 634, 964.

¹³ *Rockingham Memoirs* (London, 1852), i, p. 234.

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over from the previous ministry almost without change.¹⁴ Although there is no act of these men during this year to indicate their attitude toward the West, their later acts and letters show that they were ready to accept the policy that had been so ably formulated by Lord Shelburne in the Proclamation of 1763. This is as much as can be said concerning the Western policy of the Rockingham ministry.

In July, 1766, the newly-created Earl of Chatham came into office again and formed his "broad bottom ministry," which included representatives from as many factions as was possible. Chatham brought into the ministry only four of his immediate followers, among whom was Shelburne. He was made secretary of state for the Southern department, and was granted liberty to carry out his American policy.

It is surprising to find Lord Hillsborough accepting the position of president of the Board of Trade under Shelburne. In a letter¹⁵ to George Grenville, Hillsborough explained that the position as it was offered to him by the minister carried with it a seat in the cabinet; but that he refused the presidency unless the board was made a committee for report only, and was relieved of all the executive functions that had been acquired during the last decade. The letter contains many insinuations against an unnamed person, who can only be Lord Shelburne; but the fact remains that Shelburne made the offer, and Hillsborough accepted the post on condition that Shelburne assume all executive duties, and thus have a free hand to carry out his American policy. Hillsborough did this in the year 1766—Hillsborough, who has been regarded as a constant opponent of the expansion of the colonies westward.

The explanation is to be found in the fact that since the year 1763, the question of the West had not been a live issue, and that while Hillsborough was president of the Board of Trade, he had shown his willingness to carry out Shelburne's policy, as far as action was needed at the time. In 1766, therefore, there was no means for either to know that they would differ radically when the West should again enter the horizon of ministerial policy. As far as the trouble in the seaboard

¹⁴ *Grenville Papers*, iii, pp. 73, 254.

¹⁵ *Ibid.*, p. 294.

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colonies was concerned, it is apparent that Hillsborough was willing to give Shelburne every opportunity.¹⁶ Within two years the two men were to discover that they differed on many questions; but before that time, Hillsborough had resigned his subordinate position in order to enter upon other duties. This occurred in December, 1766. Lord Clare accepted his place on the Board of Trade, and he also appears to have been ready to follow rather than to lead.¹⁷

Never was there a weaker ministry than this one of the Earl of Chatham's. Before the end of the year, Chatham himself withdrew, on account of illness, from active participation in affairs, and left to Grafton and Conway the guidance of the ministry. But his deputies constantly feared to assume responsibility for action without consulting their chief, who almost as constantly denied them access to his presence.¹⁸ Shelburne was not on friendly terms with his colleagues, was frequently absent from meetings, and would have willingly resigned had he not regarded himself as Chatham's personal representative.¹⁹ It was hardly to be expected that definitive action would come from such a jellyfish body; yet it was this ministry that was to take the first step toward the completion of the policy of 1763.

You will recall that I grouped this policy under three headings: first, the establishment of an Indian boundary line west of the Alleghanies; second, the purchase of territory west of this line for the purpose of colonization; and third, the announcement of regulations for the Indian trade. Nothing had been done towards carrying out any of these provisions. It is not surprising, therefore, that the father of the policy, Lord Shelburne, should urge the ministry to action.

¹⁶ That Hillsborough was at this time regarded as a supporter of the Chatham policies is proved by the letters exchanged by Chatham and Shelburne, when it was proposed to offer the Spanish mission to Hillsborough. Chatham is surprised at the proposal which meant "unfixing the most critical office in the kingdom so happily fixed through and by my channel."—*Chatham Correspondence*, iii, pp. 114, 115, 121.

¹⁷ *Rockingham Memoirs*, i, p. 78.

¹⁸ *Memoirs of Duke of Grafton* (London, 1893), pp. 109 *et seq.*

¹⁹ Fitzmaurice, *Life of Shelburne* (London, 1876), ii, pp. 59 *et seq.*

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Before following Shelburne's career, it will be necessary to take a hasty glance at affairs in America, so that we may follow the sequence of events. Since 1763 settlers had been crowding across the mountains, which were still the boundary line, and settling in the upper Ohio valley.²⁰ The settlement at Pittsburg was already called a town, and pioneers were finding their way down the river in the search of fertile fields, thus invading territory where the Indian titles had not yet been purchased by the crown. Although the ministry had fully intended that this territory should be opened for settlement, the delay in establishing the proposed boundary line made the action of the frontiersmen distinctly illegal, and contrary to solemn pledges given to the Indians. In spite of the exertions of Sir William Johnson, and because of the failure to proclaim the needed regulations of the trade, the Indians were as systematically and regularly cheated as under the former rule of the colonies.²¹ For both these causes Indian outbreaks occurred, settlers and traders were killed, and a general Indian war was imminent, so that it was time that the ministry should act.

At the same time pressure was being brought by Americans upon the ministry, to fulfill the implied policy of the famous proclamation and to open up to colonization wide stretches of land west of the proposed boundary. As early as 1762, General Amherst urged the erection of a colony around Detroit.²² In the spring of 1763 some Virginians, among whom the Washingtons and Lees were conspicuous, formed the Mississippi Company for the purpose of establishing a settlement on that great Western river. George Croghan wrote from London, in 1764, that there was talk of a colony in the Illinois country,

²⁰ The correspondence of the period is full of this westward movement. The most accessible collection of letters is in O'Callaghan, *Documentary History of New York*, ii, pp. 881 *et seq.* See also Washington's Journal in Ford, *Writings of George Washington* (New York, 1889), ii, pp. 289 *et seq.*

²¹ *N. Y. Colon. Docs.*, vii, p. 960. This reference is to a very able review of the Indian relations by Sir William Johnson, written to Lord Shelburne, Sept. 22, 1767.

²² Shelburne MSS., in *Historical Manuscripts Commission Report*, v, 1876 (London, 1876), p. 217.

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and that he was recommending to the ministry such an undertaking. At about the same time General Lyman went to London to promote his scheme of a settlement on the lower Mississippi. In 1766 some Philadelphia merchants, having learned of the possibility of a colony in the Illinois, associated with themselves Governor Franklin and Sir William Johnson in a company to take up a large tract of land in that region. Benjamin Franklin was made a member of the company, and was appointed its representative in London, where it might be expected that his friendship with Lord Shelburne would give him an advantage over his competitors for ministerial favors.²³

Moved by the petitions and letters of these interested parties, Lord Shelburne began in the fall of 1767 to put into execution his comprehensive plan for the West. The first subject to receive his attention was that of the boundary line, concerning which he had received letters from General Gage, Sir William Johnson, and others. How unimportant this whole subject had been deemed by the ministry during the last few years, is shown by the fact that the letters from the Indian superintendents, announcing that arrangements were already made with the Indians to cede the required territory, had been mislaid; and it was only after diligent search that they were found.²⁴

The actual urgency of the case, for an Indian war was threatening, compelled the Board of Trade, on December 23, 1767, to agree with Shelburne in recommending that the line should immediately be established; and orders were sent to America to that effect.²⁵ By a series of treaties—the one at Fort Stanwix with the Iroquois, and that of Lochabar, in 1770, with the Southern Indians, being the most important—a continuous boundary line was run from the Great Lakes, back of the Appalachians, around the coast of Florida, and through the southern part of the East and West Floridas, almost to the

²³ For the substance of this whole paragraph see Alden, *New Governments*. The subject of these land projects has been ably worked up by Dr. C. E. Carter of Illinois College, who expects shortly to make public the results of his research. The conclusions which he has reached will change several traditional views of the subject.

²⁴ Smyth, *Writings of Franklin*, v, pp. 67, 68, 113.

²⁵ *N. Y. Colon. Docs.*, vii, p. 1004.

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Mississippi River.²⁶ Thus, in accordance with the policy intended at the time of the Proclamation of 1763, a large extent of territory was opened up to immediate settlement, the most important part of which lay south of the Ohio and extended westward to the Great Kanawha.

To understand Shelburne's plans for Indian management and the erection of colonies within the Indian reservation, the financial situation in England must be kept in mind. The ministry had been greatly embarrassed by the success of the opposition in cutting down the British land tax from four to three shillings in the pound. The consequence of this was, a demand upon all departments for economy, and a desire to find revenue from other sources. Charles Townshend, the chancellor of the exchequer, proposed to the ministry his famous duties on imports into the American colonies, in order to compensate somewhat for this loss of income.

This proposal called from Shelburne a letter to Chatham, dated February 1, 1767, in which he briefly outlined his plans for raising a revenue in America. "I have always thought," he wrote, "the quit rents may be so managed, without having too great a retrospect, as to produce a certain sum: and I have likewise had reason to think that such a new method of granting lands might be devised, under the direction of my Lord President, as might give infinite satisfaction to America, contribute to the ascertaining property, preventing future suits at law, and in great measure prevent the Indian disturbances, and besides all, incidentally produce a certain revenue, without its being the object."²⁷ During the summer, these ideas assumed more concrete form, and led to direct proposals. His plan and reasons are set forth in the following quotable words in a letter to General Gage on November 14, 1767:²⁸

The enormous expence attending the present method of employing the Troops cantoned in the back settlements and frontier posts of

²⁶ For a full discussion and his map of the line see Farrand, "The Indian Boundary Line," in *Amer. Hist. Rev.*, x, No. 4. See also the map herewith published, in the preparation of which I have had the co-operation of both Prof. F. J. Turner and the Editor of the present volume, Dr. Thwaites.

²⁷ *Chatham Correspondence*, III, p. 185.

²⁸ *Sparks MSS.*, in Harvard University Library, xlii, vol. 3, p. 120.



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North America with the heavy contingent charges arising from the transportation of Stores, and the danger to which the discipline of the army is exposed to by the regiments being broken into small detachments, have all been very often and very justly represented in your letters. To remedy these evils no measure seems to bid fairer than one, which by establishing Governments where provisions and necessaries may be furnished on the spot, will render half the posts now kept up unnecessary, while the remainder may be partly transferred to the care of the several Provinces, and partly maintained at a much less expence. The illicit Trade with the French and Spaniards will be intercepted by our Traders in their passage; the Indians will be prevented from incursions into the back settlements, precise and definite boundaries will be put to the old Colonies; the Trade and Manufactures of Great Britain will be extended into the remotest Indian Nations; and such posts only will require to be garrisoned as command the different Indian communications or the intercourse between His Majesty's different Colonies by the great Rivers and Lakes.

These were the ideas that inspired Shelburne's communication of October 5, 1767, to the Board of Trade, wherein he outlined the scope of his Western policy.²⁹ He pointed out that the present method of managing Indian affairs was very expensive, and that, if the plan proposed by Lord Hillsborough in 1764 were now put into execution, this expense would be increased; and he intimated that the colonials were better able to manage these delicate matters than a ministry unfamiliar with the nature of the Indians. He recommended, therefore, that the British Government renounce the attempt to centralize the management of the Indian trade, and place it in the control of the colonies, as was the case a decade before.

His other recommendation reminds us of Franklin's plan to cut up the whole West into colonies.³⁰ Shelburne desired that three new colonies be formed at this time: one at the mouth of the Ohio, one at Detroit, and the third at the Illinois. This plan proposed the immediate purchase from the Indians of territory west of the boundary line, which was according to Shelburne's plan to be made the western boundary of the Eastern colonies. The policy received the support of Secretary Conway,

²⁹ *N. Y. Colon. Docs.*, vii, p. 981.

³⁰ Smyth, *Writings of Franklin*, iv, p. 70.

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and it was expected that the members of the Board of Trade could be persuaded to recommend it.³¹

Before the Board of Trade could make any recommendation concerning these proposals, changes in the ministry occurred, which withdrew the management of colonial affairs from Shelburne's hands. For many months negotiations had been conducted by the Duke of Grafton, who was selected as head of the proposed new combination, although the Earl of Chatham still retained his position in the ministry. After the failure to secure the co-operation of other factions, Grafton determined to unite with the Bedfords, in spite of their known hostility to the American colonies.³² For two reasons it was determined to divide the secretaryship of state for the Southern department: first, because the duties were too many to be properly performed by one man, particularly since colonial affairs had become so important; and secondly, in order to create a new position in the cabinet for a friend of the Bedfords. The division of the secretaryship into that of the Southern department and that of the American colonies was not a new proposal, for it had been discussed by the two previous ministries.³³

This decision affected Shelburne's department, and the negotiations throw some light on the attitude of his colleagues toward his colonial policy. The Bedfords, who believed in coercive measures towards the colonies, desired that Shelburne should retain the Southern department and leave to them the American affairs. But this did not please the Duke of Grafton, who urged Shelburne to take charge of the new department; because, he said, "the Bedfords cannot be trusted with it, on account of different principles" and because he (Grafton) was well pleased with Shelburne's administration. Shelburne, however, preferred to retain charge of European affairs, unless he received from the Earl of Chatham an order to the contrary.

³¹ *Id.*, v, p. 46.

³² *Memoirs of Duke of Grafton*, pp. 139 *et seq.*; *Bedford Correspondence* (London, 1842-46), iii, pp. 365 *et seq.*; Walpole, *Memoirs of George III*, iii, pp. 43 *et seq.*

³³ *Ibid.*, p. 77; *Chatham Correspondence*, iii, p. 294; Fitzmaurice, *Life of Lord Shelburne*, ii, p. 1; *Grenville Papers*, iii, p. 235.

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On account of ill health, Chatham made no sign.³⁴ The negotiations ended, therefore, according to the wish of Shelburne and the Bedfords; and Lord Hillsborough was appointed secretary of state for the colonies. The policies pursued toward the West for the next few years, may be regarded as his.

Little is known as to what Hillsborough's exact attitude was, at the time of his appointment, towards the various American problems. We have already seen that he had twice held the presidency of the Board of Trade, but on neither occasion had developed any decided policy. As far as the West was concerned, he had been ready to carry out Lord Shelburne's plans. So far were his ideas unknown, that there was talk of making Benjamin Franklin his under-secretary, to assist him in building up the new department.³⁵ Although Franklin put no faith in the ministerial talk, he was very uncertain in regard to Hillsborough's plans and did not regard him "in general an enemy to America."³⁶ It is probable that the choice of Hillsborough was made because he was not pledged to violent measures toward the American colonies, as were the intimate friends of the Duke of Bedford.³⁷

Lord Shelburne's letter of October 5th to the Board of Trade had forced the issue of the West upon the ministry. The object of Shelburne's plan had been so concealed in the proclamation of 1763 that few had understood it; but now its full scope was disclosed, and a careful consideration and a decision thereon was expected from the ministry.

The question of the management of the trade was financial in character and, since economy was the talk of all ministers, the recommendation to transfer the burden of this department of Indian affairs to the colonies met with no opposition. The utility of erecting colonies in the far West was, however, open to dispute, at least it so appeared to many men of that time.

³⁴ These negotiations may be found in *Chatham Correspondence*, III, p. 297, and in Fitzmaurice, *Life of Shelburne*, II, pp. 68 *et seq.* They are not mentioned in *Memoirs of Grafton*. See also account in Walpole, *Memoirs of George III*, III, p. 98.

³⁵ Smyth, *Writings of Franklin*, v, p. 90.

³⁶ *Ibid.*, pp. 91, 143 *et seq.*

³⁷ At least the conversation of Grafton with Shelburne, referred to above, would give ground for such a belief.

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To them such a course seemed of little commercial value to the mother country, since the new colonies would be situated so far from the sea-coast; it would be likely to arouse another Indian war, at a time that it was expected the boundary lines would satisfy the Indians; it did not appear necessary, so long as the colonies remained uncrowded; it would destroy the fur-trade, which had not proved as valuable as was anticipated in 1763; finally, the expense of such enterprises would be great.⁸⁸

The answer of the Board of Trade to Lord Shelburne's recommendations, dated March 7, 1768,⁸⁹ was undoubtedly inspired by Lord Hillsborough. There was substantial agreement with the recommendation concerning the transference of the management of the trade to the colonies; but the lords of trade did not think it wise to abolish altogether the offices of superintendents of the Indians, since there were several functions that could best be executed by the British government—such as the purchase of land, the making of treaties, and general oversight over the interests of the Indians. It was, therefore, determined to continue these offices.

The Board of Trade did not misunderstand the significance of Shelburne's policy concerning colonies in the far West. They wrote:

The Proposition of forming inland Colonies in America is, we humbly conceive, entirely new; it adopts principles in respect to American Settlement different from what has hitherto been the policy of this Kingdom; and leads to a system which if pursued through all its consequences, is in the present state of this Country of the greatest importance.

The scope of this new policy was revealed to them by the arguments advanced "by the authors of the proposals themselves," to be nothing less than "the entire possession and peopling of all the Country which has Communication with the

⁸⁸ See the various arguments in the Board of Trade Report, March 7, 1768, in *N. Y. Colon. Docs.*, viii, p. 27, and the opinions of General Gage in *Doc. Hist. of N. Y.*, ii, pp. 835 *et seq.*; also Gage to Shelburne, "Board of Trade Papers," Pa. Hist. Society, Jan. 17 and Feb. 22, 1767. The last objection appealed strongly to Hillsborough—see letter to Gage, April 10, 1768, *Mil. Cor., Series Amer. and West Indies*, vol. 124, Public Record Office.

⁸⁹ Printed in *N. Y. Colon. Docs.*, vii, p. 19.

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Rivers Mississippi and St. Lawrence.” This was the issue before the Board of Trade and the new secretary of the colonies. After setting forth the reasons, which have already been indicated, the report opposed the recommendation of Lord Shelburne, and his broad-gauged policy was rejected.

It would be a mistake to interpret this action as indicating a final purpose on the part of the ministry to maintain a large Indian reservation in the heart of America. Two years later, Lord Hillsborough was still in doubt in regard to the final disposition of this vast West. In a most illuminating letter to General Gage, in which the secretary exposes his most secret thoughts, he writes:⁴⁰

The commerical advantages which may be derived from these possessions and the near relation they bear to the safety and security of His Majesty's North American Dominions in general under them are an object deserving the most serious attention but the great difficulty lies in suggesting a proper plan for the improvement of them to these ends that will not either be attended with an Expense too heavy for the State to bear, or otherwise liable to very great objections.

After stating the arguments for and against posts and colonies west of the Indian boundary line, he sums up his own state of mind in these words:

In the meantime from what I have said you will see, that though I am fully aware of the propriety of some possession on the Mississippi that should have the effect to secure the Commerce and mark the Dominion of the Country which belongs to his Majesty on the East side of it; yet nevertheless the only two methods of obtaining this object are each of them accompanied with such objections as leave my judgement in a state of perplexity I am not able to get over.

In closing it is necessary to call attention to the difficulties confronting the ministry over the disposal of the land on the south of the Ohio and outside of Pennsylvania, that had been opened up for colonization by the establishment of the Indian boundary line. According to the opinion of the Board of Trade, this belonged to Virginia by her charter rights; and already surveys had been made there for the Vir-

⁴⁰ *Amer. and West Indies*, vol. 114, July 31, 1770, Public Record Office.

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ginia soldiers of the French and Indian War.⁴¹ There were, however, other possible means of disposing of it. The old Ohio Company began immediately to put forth its claims. The merchants, who had suffered during the Pontiac War, and had been reimbursed by a concession of land by the Indians at the treaty of Fort Stanwix, also set forth their claims. The Mississippi Company, of Virginia, having failed to obtain territory for the establishment of a colony on the Mississippi, applied for territory in this region. The Philadelphia merchants associated with Benjamin Franklin, Governor Franklin, and Sir William Johnson, immediately formed a new company, known by the name of the Walpole Company, and desired permission to establish a colony there also.⁴²

Here were, indeed, a plenty of claimants. But among them all, Lord Hillsborough and his colleagues favored the Philadelphians and gave them every encouragement. Several reasons for the establishment of a new colony in this corner of the West appealed to the ministry. It would promote law and order among the disorderly crowd of the frontier; it would prevent encroachments on the Indian lands; it would settle once for all the question of the western boundaries of the seaboard colonies. Therefore the ministry, under the influence

⁴¹In the *Report of the Board of Trade of March 7, 1767*, occurs the following: "Your Majesty will be pleased to observe that altho on the one hand the Settlements in the new established Colonies to the South are confined to very narrow limits; yet on the other hand the middle Colonies (whose state of population requires a greater extent) have room to spread much beyond what they have hitherto been allowed and that upon the whole one uniform and complete line will be formed between the Indians and those antient Colonies, whose limits not being confined to the Westward has occasioned that extensive settlement" etc. An examination of the correspondence of the period has led one to believe that it was not generally thought at this time that the Indian boundary line marked the western limits of the colonies.

⁴²For these various schemes see Alden, *New Governments*. A discussion of some of the rights of the rival claimants may be found in *Plain Facts* (Philadelphia, 1781), a pamphlet issued by Samuel Wharton in 1781.

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of Hillsborough, were ready to promote such an establishment.⁴³

In the next few years, the disposal of this land on the upper Ohio became one of the paramount issues in the Western policy of the ministry. Conditions then arose that made Hillsborough change his mind; and he wrote his famous report opposing all colonies west of the Alleghanies, which has misled so many into believing that he and all ministries of which he was a member were at all times opposed to westward expansion.⁴⁴ But this whole question must be postponed for discussion in another paper on the Western policy of the British Ministry that led to the Quebec Act.

⁴³The discussion of this point lies outside the subject of this paper; but a study of the correspondence of the period has led me to the belief that Arthur Lee was correct in his interpretation of the ministerial policy, when he wrote: "Lord Hillsborough was then lord of trade. Frequent conversations with him convinced me that the ministry were fixed in prosecuting their American plan, and were determined to make such alterations in the colonial governments, as should accommodate them to the new system of parliamentary power. A government west of the Alleghany mountains was to be constituted on this new ministerial model, under the name of Vandalia."—Lee, *Life of Arthur Lee* (Boston, 1829), i, p. 246. See also Alden, *New Governments*, p. 44. It is possible that the ministry in adopting this policy had in mind Shelburne's arguments for his Western policy, particularly the financial one wherein he pointed out the means of raising a revenue from land grants. The treasury board began at this time to take charge of the sale of lands, and the most potent reason for making the large grant to the Walpole Company was the promise of a monetary return—see *Considerations on the Agreement of the Lords Commissioners * * * with the Hon. Thomas Walpole* (London, 1774).

⁴⁴Franklin, *Settlements on the River Ohio* (London, 1772).

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