

CONTINUITY IN COMMERCE:
DEVELOPMENT OF THE PANTON,
LESLIE AND COMPANY TRADE MONOPOLY
IN WEST FLORIDA

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AS THE YEAR 1782 drew to an end, the framers of Indian policy in British East Florida found themselves in a quandary. Although the evacuation of Savannah and Charleston signaled the end of military campaigning, the precise status of the British Empire in postwar North America remained unknown. To Thomas Brown, Indian superintendent of the Southern District, and Governor Patrick Tonyn, this uncertainty was a matter of real concern; numerous deputations of Indians—some from as far as the Great Lakes region—had descended on St. Augustine seeking assurances of continued British support.¹ The officials responded by encouraging the Indians to remain loyal allies while discouraging them from engaging in offensive warfare with the Americans. Toward the latter end, Superintendent Brown deemed it advisable to divert the minds of the Indian visitors from the warpath by exhorting them to resume their hunting and trade. Brown and Tonyn were particularly anxious to retain the good will of the Creeks, whose domains abutted Spanish, British, and American frontiers.²

Unlike the other Indian delegations visiting East Florida, some 3,000 Creeks, despite Brown's urgings, persisted in their stay. Acutely aware of the covetousness of southern land speculators, a majority of these Indians dreaded the thought of be-

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1. Thomas Brown to Sir Guy Carleton, November 15, 1782, Governor Patrick Tonyn to Carleton, December 23, 1782, Brown to Carleton, January 12, 1783, in Great Britain, Historical Manuscripts Commission, *Report on American Manuscripts in the Royal Institution of Great Britain*, 4 vols. (London, 1904-1909), III, 222-23, 276-77, 325-27.
2. *Ibid.*, 325-27; James H. O'Donnell, III, *Southern Indians in the American Revolution* (Knoxville, 1973), 129-30.

coming dependent on Georgian outlets for their trade. They knew that demands for Creek land cessions would quickly follow any such development.³ In this atmosphere, four prominent East Florida merchants—William Panton, Thomas Forbes, John Leslie, and William Alexander—with the blessings of Tonyn and Brown formed a partnership. On January 15, 1783, the new concern was licensed to engage in the Indian trade under the name of Panton, Leslie and Company, and the partners agreed to establish a trading post within reasonable access of Creek settlements. A site was selected several miles distant from the abandoned Fort St. Marks in the environs of Apalachee Bay, and the post opened for business the following fall.⁴

In April 1783, meanwhile, Governor Patrick Tonyn received official notification of the retrocession of East Florida to Spanish control. Panton, Forbes, and Leslie, not altogether disheartened by the news, bought out Alexander and resolved to seek the consent of the Spaniards to engross the entire southern Indian trade.⁵ To this purpose Tonyn addressed a letter to his Spanish successor on behalf of Panton, Leslie and Company. The partners, he advised, had contributed greatly to the province's well being through "maintaining cordial harmony and trade with the Indian nations"; he recommended granting them the trading privileges they sought.⁶ Georgia and Carolina, the governor warned, were particularly interested in causing the Creeks "to imbibe notions extremely dangerous to the peace of this province."⁷

By this time Thomas Forbes had reached London where he presented the company's case to the Marqués Del Campo,

3. *Report on American Manuscripts*, III, 326.

4. Randy Frank Nimnicht, "William Panton: His Early Career on the Changing Frontier" (M.A. thesis, University of Florida, 1968), 46-48; J. F. H. [John Francis Hamtramck] Claiborne, *Mississippi as a Province, Territory and State, with Biographical Notices of Eminent Citizens* (Jackson, Mississippi, 1880; facsimile edition, Baton Rouge, 1964), 132; Alexander McGillivray to Arturo O'Neill, March 26, 1784, to Estevan Miró, March 28, 1784, in John Walton Caughey, *McGillivray of the Creeks* (Norman, 1938), 72-74.

5. William Panton to John Leslie, July 18, 1791, in *D. W. Johnson et al. v. James Innerarity et al.*, Louisiana State Supreme Court case no. 1156, 1825. Hereinafter cited as *Johnson v. Innerarity*.

6. Tonyn to O'Neill, September 19, 1783, in Joseph Byrne Lockey, *East Florida, 1783-1785, A File of Documents Assembled, and Many of Them Translated*, ed. John Walton Caughey (Berkeley, 1949), 190.

7. *Ibid.*

Spain's ambassador to the English court. Forbes informed Del Campo of the pitfalls inherent in attempting to supply the Indians within the normal Spanish mercantilist regime, since Spain did not produce Indian trade goods and had no use for the pelts the Indians bartered for such goods. Panton, Leslie and Company, Forbes inferred, was both willing and able to conduct the Indian trade through West Florida if permitted direct access to the London market and if guaranteed the right to operate for a reasonable period of time.⁸

The representations of Tonyn and Forbes reached Madrid by December where they came under the scrutiny of Bernardo de Gálvez, captain-general of Louisiana and the Floridas. The popular Don Bernardo, lionized for his conquest of British West Florida, was unimpressed with the proposals. He was not at all ignorant of the importance of trade to maintain successful Indian relations, nor did he harbor delusions on the inadequacies of the Spanish economy for supporting this kind of traffic. Indeed, he had gained special commercial privileges for Louisiana and West Florida designed in large measure to facilitate the southern Indian trade. Thus, he preferred loyal Spanish subjects for the task of promoting Indian friendship while reaping the commercial profits.⁹

Shortly after the fall of Pensacola in 1781, Don Bernardo dispatched his wealthy father-in-law, Gilberto Antonio de Maxent, a New Orleanian and veteran Louisiana fur trader, to the Spanish court bearing proposals for commercial reform and for cementing Indian friendship.¹⁰ Maxent brought about the promulgation of the royal cedula of January 22, 1782. Among other things, this commercial directive opened Louisiana and

8. Forbes to Messrs. Davis, Straham and Co., September 20, 1783; to Del Campo, September 22, 28, 1783, in Archivo General de Simancas, Simancas, Spain, *estado*, *legajo* 8138. The last letter cited also appears in Lockey, *East Florida, 1783-1785*, 161-63.

9. Bernardo de Gálvez to José de Gálvez, December 20, 1783, in Arthur Preston Whitaker, transl. and ed., *Documents Relating to the Commercial Policy of Spain in the Floridas, with Incidental Reference to Louisiana* (DeLand, 1931), 39-41.

10. Bernardo de Gálvez to José de Gálvez, May 26, 1781, Archivo General de Indias, Seville, Spain, *estante* 86, *cajon* 6, *legajo* 12, document 29, photostat in Stetson Collection, P. K. Yonge Library of Florida History, University of Florida, Gainesville. Archivo General photostats and transcripts hereinafter cited as AGI, followed by location and document numbers; Stetson Collection documents will be cited as ST.

West Florida to direct commerce with designated French ports at six per cent duty charges for a ten-year period following the establishment of peace, a provision partly intended to allow the use of French-made Indian trade goods and to open the French market to peltry exports.¹¹ Other court arrangements not only made Maxent a monopolist supplier of Indian wares, but also placed him in charge of Indian affairs in Louisiana and West Florida. Maxent, however, suffered a series of misfortunes, and eventually, charged with smuggling specie, was placed under house arrest and stripped of his official duties. Bernardo de Gálvez instructed Esteban Miró, the ad interim governor of Louisiana, to assume Maxent's responsibilities for Indian affairs.¹²

While the Maxent disaster was unfolding, Panton, Leslie and Company gained an articulate intercessor in the person of Alexander McGillivray, quarter-breed Creek chief and wartime British Indian agent whom the Creeks had installed as their principal leader and spokesman in May 1783.¹³ Shortly afterwards, he learned from Superintendent Brown that the southern Indian department had been ordered to settle its affairs in anticipation of the evacuation of East Florida. Brown advised that the Creeks should apply to the Spaniards for assistance since they too had an interest in checking the American hunger for land which had begun manifesting itself.¹⁴ Panton offered McGillivray similar advice, and he further suggested that he also press the company's cause. As added inducement, Panton promised McGillivray a one-fifth share of the company's profits once it had gained Spanish acceptance.¹⁵

McGillivray heeded the advice. In September 1783 he visited

11. Whitaker, *Documents Relating to the Commercial Policy of Spain*, xxix; Summary of a Representation by Gilbert Antoine de St. Maxent relative to the Commerce of West Florida and Louisiana, October 4, 1781, Royal Cedula Granting New Privileges for the Encouragement of the Commerce of Louisiana, January 22, 1782, *ibid.*, 22-29, 30-38.

12. *Ibid.*, 225n.

13. J. H. O'Donnell, "Alexander McGillivray: Training for Leadership, 1777-1783," *Georgia Historical Quarterly*, XLIX (June 1965), 173, 177, 182-83.

14. David H. Corkran, *The Creek Frontier, 1540-1783* (Norman, 1967), 324.

15. Petition of D. W. Johnson and George Edwards, Panton to Lachlan McGillivray, April 10, 1794, in *Johnson v. Innerarity*. A copy of the letter is in the Albert J. Pickett Collection, Alabama Department of Archives and History, Montgomery, Alabama.

Arturo O'Neill, the Spanish governor of West Florida, in Pensacola and declared that the Creeks intended to turn their backs on the British, to seek peace and trade with the Spaniards, and to frustrate the designs of the Georgians for a treaty and land cession. In January 1784, on discovering the definitive terms of the Paris peace settlement, McGillivray formally appealed to O'Neill for Spanish protection.¹⁶ By way of indicating the advantages of a Spanish-Creek alliance, McGillivray described the exertions of the Carolinians and Georgians "to fix . . . [the Creeks] in their Interests," which if unchecked would render them "Very dangerous Neighbours."¹⁷ Mistakenly or otherwise, he also advised O'Neill that the peace terms specified that British Indian traders would be permitted to remain in East Florida. But the distances involved, McGillivray asserted, made it unfeasible for the Upper Creeks to trade there. As a remedy he asked permission to bring trade goods from St. Augustine to Mobile. O'Neill quickly promised McGillivray Spanish protection for the Creeks, but he offered little encouragement that the Panton firm would be welcomed into West Florida. The Creek spokesman nevertheless persisted in supporting the British concern.¹⁸

In New Orleans, meanwhile, Miró and Martin Navarro, the Louisiana intendant, were devising their own solution for the trade dilemma. In April 1784, the Spanish officials reached an agreement with a New Orleans firm headed by James Mather and Arthur Strother designed to place the West Florida Indian trade on a solid basis. Aware of McGillivray's influence, Miró and Navarro clearly understood that his assent to any commercial arrangement was indispensable. Accordingly, Miró informed the Creek leader that while trade proposals of "all sorts" would be discussed at a treaty congress at Pensacola in May, Mather would be on hand with offers of particular interest.¹⁹

16. O'Neill to Josef de Ezpeleta, October 19, 1783, Alexander McGillivray to O'Neill, January 1, 1784, Caughey, *McGillivray of the Creeks*, 62, 64-65.

17. McGillivray to O'Neill, January 1, 1784, *ibid.*, 65.

18. *Ibid.*, 65; O'Neill to Miró, February 17, 1784, McGillivray to O'Neill, March 26, 1784, McGillivray to Miró, March 28, 1784, *ibid.*, 71-72, 72-73, 73-74; O'Neill to Charles McLatchy, February 6, 1784, encl. No. 2, in Vicente Manuel de Zéspedes to Conde de Gálvez, No. 21, August 16, 1784, AGI 86-6-87, photostat in ST.

19. McGillivray to McLatchy, October 4, 1784, *ibid.*, 82-83; Miró to Navarro,

The Spanish-Creek treaty discussions began on May 30, 1784, and an accord was reached in three days. The Creeks, led by McGillivray, routinely accepted Spanish protection and agreed to trade exclusively through Spanish outlets. Miró and Navarro, representing Spain, promised the Creeks permanent trading arrangements at moderate prices. Miró was sufficiently impressed with McGillivray's abilities to appoint him as Spanish agent to the Creeks. Leaving Pensacola, Miró and Navarro called at Mobile and concluded similar treaties with the Choctaws, Chickasaws, and Alabamas.²⁰

Mather attended the Creek treaty congress, but Panton, delayed at St. Marks, arrived at Pensacola after the Louisiana governor and intendant had departed. McGillivray was less than fully candid in informing his erstwhile colleague on exactly what had transpired in his absence. Panton learned only that Miró and Navarro would recommend placing the Creek trade "on a solid footing" and that they had granted McGillivray immediate permission to bring trade goods into Pensacola either from St. Marks or St. Augustine.²¹ McGillivray mentioned neither the ardent recommendations Miró and Navarro had made on Mather's behalf nor his own vague acquiescence to Mather's trade proposals. Panton left Pensacola to gather the goods that Miró and Navarro had authorized McGillivray to import. He was confident of reaching an agreement with the Spaniards on his return, and unaware that they regarded his mission only as a temporary expedient.²²

Meanwhile, Governor Vicente Manuel de Zéspedes had arrived in St. Augustine and had taken possession of East Florida for Spain. Leslie, Tonym, and Brown quickly convinced him that the services of Panton, Leslie and Company were quite indis-

April 15, 1783, to Bernardo de Gálvez, April 15, 1783, Navarro to José de Gálvez, April 16, 1784, Elizabeth Howard West Papers, P. K. Yonge Library of Florida History. Hereinafter cited as West Papers.

20. Jack D. L. Holmes, "Spanish Treaties With West Florida Indians, 1784-1802," *Florida Historical Quarterly*, XLVIII (October 1969), 141-44.

21. Panton to Forbes, August 27, 1784, in Great Britain, Public Record Office, Chatham Papers, 30/8/344, Part 1, "Extract of Sundry Letters to Mr. Thomas Forbes, Merchant." A copy is deposited among The Papers of Panton, Leslie and Company, University of West Florida, Pensacola. Hereinafter cited as "Extract of Sundry Letters."

22. Navarro to José de Gálvez, August 18, 1784, West Papers; Navarro to O'Neill, June 11, 1784, Joseph Byrne Lockey Collection, P. K. Yonge Library of Florida History. Hereinafter cited as Lockey Collection.

pensable for keeping the Indians tractable.²³ Zéspedes strongly endorsed a company memorial to the King requesting Indian trading privileges in both Floridas "on the same basis as formerly under the British government of this province."²⁴ While awaiting a reply to this request, Zéspedes permitted the company to operate in East Florida as though confirmation had already arrived. He claimed that the exigencies of Indian relations demanded this action. A royal order of May 8, 1786, granted the company the terms it requested, limiting them, however, to East Florida Indian trade alone.²⁵

Panton's quest for merchandise consumed more time and effort than he originally anticipated and eventually led him to a five-month sojourn in Nassau. On his return to West Florida in March 1785, he learned of the competition he now faced from Mather and Strother. To his chagrin, Panton also discovered that McGillivray had agreed to become associated with the rival firm in the Choctaw-Chickasaw trade at Mobile while envisioning a similar connection with Panton in the Creek trade at Pensacola.²⁶ McGillivray joined Panton in May at Pensacola, where the two men reconciled their differences. McGillivray explained the pressures that he had been subjected to during the treaty congress, and he pointed out that Miró had approved the dispatch of a Mather vessel directly to London for Indian wares, a highly favorable precedent if approved by the Spanish crown. Taking consolation in the fact that Mather's ship had not yet returned, Panton planned to make inroads among the traders residing among the Choctaws and Chickasaws, thereby making replacement by his rivals a difficult task.²⁷

Throughout the remainder of the summer of 1785, McGillivray importuned Spanish officialdom on behalf of Panton, Leslie and Company.²⁸ Meanwhile, Panton forwarded to Miró and

23. Leslie to Forbes, August 25, 1784, January 25, 1785, "Extract of Sundry Letters."

24. Memorial of Panton, Leslie and Company, July 31, 1784, Lockey, *East Florida, 1783-1785*, 258.

25. Zéspedes to O'Neill, September 12, 1784, to Bernardo de Gálvez, October 21, 1784, *ibid.*, 273, 296-97; Sonora [José de Gálvez] to Conde de Gálvez, May 8, 1786, to Zéspedes, August 31, 1786, West Papers.

26. Panton to Zéspedes, December 4, 1784, to Forbes, March 15, 1784, in Library of Congress, Manuscripts Division, East Florida Papers, bundle 116L9. Hereinafter cited as EF, followed by appropriate bundle number.

27. Panton to Forbes, May 21, 1785, EF 116L9.

28. McGillivray to Zéspedes, May 22, 1785, to O'Neill, July 6, 1785, for the

Navarro the conditions his firm sought for continuing in the Indian trade. The replies were both tardy and vague. In September he traveled to New Orleans where he succeeded in acquiring passports to import up to 125,000 pesos worth of Indian goods into Pensacola for use in 1786 from "whatever" neutral port subject to six per cent duties. Miró and Navarro justified the concession, noting McGillivray's alarming reports of American machinations to absorb the Indian trade.²⁹ By obtaining the passports, Panton, Leslie and Company had achieved a tenuous foothold in Spanish West Florida.

In 1786, McGillivray, exasperated with the Georgians for occupying Creek lands on the basis of controversial treaties concluded with pro-American Creek splinter factions, plunged the American frontier into general warfare. Supported initially with clandestine gifts of Spanish munitions, Creek war parties made frequent forays through the Georgia backcountry and the Cumberland district, terrorizing the settlements and inflicting considerable property damage. The sporadic fighting continued until mid-1788 when, because of curtailed Spanish support, McGillivray consented to a poorly observed truce.³⁰ Inas-

Chiefs of the Creek, Chickasaw, and Cherokee Nations, July 10, 1785, to O'Neill, July 24, 1785, to Miró, August 20, 1785, Caughey, *McGillivray of the Creeks*, 87-89, 90, 90-93, 93-94, 94-95; McGillivray to Zéspedes, August 22, 1785, Lockey, *East Florida, 1783-1785*, 682-83.

29. Panton to Miró, June 27, 1785, Navarro passport, September 16, 1785, West Papers; Charles McLatchy to Leslie, December 10, 1785, Lockey, *East Florida, 1783-1785*, 742-43; Miró to Navarro, September 16, 1785, Disposition of Navarro in Favor of William Panton, September 16, 1785, Navarro to Conde de Gálvez, October 4, 1785, Conde de Gálvez to Navarro, November 15, 1785, Navarro to Conde de Gálvez, December 12, 1785, Conde de Gálvez to Navarro, January 26, 1786, in D. C. Corbitt, ed. and transl., "Papers Relating to the Georgia-Florida Frontier, 1784-1800," *Georgia Historical Quarterly*, XXI (March 1937), 76-77, 77, 78, 78-79, 79; Panton to O'Neill, July 30, 1785, in D. C. Corbitt and Roberta Corbitt, trans. and eds., "Papers from the Spanish Archives relating to Tennessee and the Old Southwest, 1783-1800," Part I, 1783-1785, *East Tennessee Historical Society's Publications*, 9 (1937), 123-25.
30. Randolph C. Downes, "Creek-American Relations, 1782-1790," *Georgia Historical Quarterly*, XXI (June 1937), 143-75; R. S. [Robert Spencer] Cotterill, *The Southern Indians: The Story of the Civilized Tribes Before Removal* (Norman, 1954), 70-74. Texts of the disputed treaties of Augusta, Galphinton, and Shoulderbone appear in Linda Grant DePauw, ed., *Documentary History of the First Federal Congress of the United States of America, March 4, 1789-March 3, 1791*, 2 vols. to date (Baltimore, 1972-), II, 165-69, 180-83. The Spaniards began to withhold supplies of munitions from the Creeks out of fear that their

much as the fighting served as a barrier against American commercial penetration among the Spanish treaty Indians, it was a fur trader's war. The truculence of the Creeks, however, had little effect on the aspirations of important factions among their western neighbors to improve their lot through American friendship and trade.

From 1782 onward, delegations of Choctaws and Chickasaws occasionally contacted Americans, and in 1786 treaties with American commissioners appointed by Congress were concluded.³¹ These Indians, unlike the Creeks, were relatively free from any immediate threat from American expansionists. But of greater importance, perhaps, the Chickasaws and Choctaws were extremely discontented with the Mobile trade. Their spokesmen complained vehemently against Mather and Strother, not only for overcharging, but also for arbitrarily downgrading the quality of peltry.³² At first Miró dismissed the Indian complaints as so much haggling for better bargains. Both Mather and McGillivray assured him that the Americans could not possibly undersell the Mobile-based firm.³³ Pantón, however, not only could—he did.

In September 1786, Miró, acting on complaints lodged by Mather, warned Pantón to cease and desist from supplying goods to the Choctaw and Chickasaw traders. The demand was followed by a formal market division limiting the traders supplied by the rival houses to their respective trading spheres under pain of confiscation of the goods of violators.³⁴ With

agressiveness, if unchecked, might have led to a direct Spanish-American confrontation. See Miró to O'Neill, March 24, 1787, O'Neill to McGillivray, April 21, 1788, Caughey, *McGillivray of the Creeks*, 145-46, 177-78.

31. Cotterill, *Southern Indians*, 59-61, 66-70. The treaties, negotiated at the Hopewell, South Carolina, estate of General Andrew Pickens, are reproduced in Charles J. Kappler, comp. and ed., *Indian Affairs. Laws and Treaties. Vol. II. (Treaties.)* (Washington, 1904; facsimile edition, New York, 1972), 11-16.
32. Manuel Serrano y Sanz, *España y Los Indios Cherokis y Chactas en La Segunda Mitad del Siglo XVIII* (Seville, 1916), 31-34; Miró to José de Gálvez, June 1, 1787, to Josef de Ezpeleta, September 24, 1787, Lockey Collection.
33. Miró to Don Pedro Favrot, July 6, 1786, D. C. Corbitt and Roberta Corbitt, trans. and eds., "Papers from the Spanish Archives relating to Tennessee and the Old Southwest, 1783-1800, Part II, 1786," *East Tennessee Historical Society's Publications*, 10 (1938), 141.
34. Miró to Pantón, September 6, 1786, EF 114J9; Favrot to Miró, June 28, 1787, to O'Neill, March 12, 1787, West Papers.

many traders disgusted with the edict and on the verge of quitting, how Miró and Navarro could sacrifice "the peace and prosperity of a colony . . . to the interests of one House" left Pantón bemused.³⁵

In 1787, the economic discontent of the Choctaws and Chickasaws intensified. After discovering that deputations from both tribes had parleyed with Georgian agents in the spring, Miró discreetly investigated their complaints. He learned that both Mather and Pantón had experienced losses in 1786 due to a softening of the London peltry market, but while the former responded by raising prices, the latter adhered to the previously agreed upon price.³⁶ For some time Miró entertained notions of awarding Pantón the Mobile trade, but after Mather promised to meet Pantón's prices, the Spanish governor changed his mind.³⁷

The denial of the Choctaw-Chickasaw market was only one of several frustrations experienced by Pantón in 1787. Throughout the previous year, Ambassador Del Campo had inundated Spanish Florida with disturbing reports of the arrival in London of vessels from Louisiana and West Florida. Manned by Englishmen, these vessels had flagrantly violated Spanish commercial codes.³⁸ José de Gálvez, minister of the Indies, passed Del Campo's allegations on to Intendant Navarro, requesting that he answer the charges and exercise greater vigilance. Navarro denied that there had been any smuggling, but the adverse reports from London continued. In October José de Gálvez warned Navarro that if the safeguards covering imports into the provinces were inadequate, the king would rescind the liberal commercial privileges granted in the cedula of 1782.³⁹

Miró and Navarro again denied any wrongdoing, but they did take steps to tighten Spanish control over Mather and Pantón. They resolved to refurbish and garrison Fort St. Marks,

35. Pantón to Leslie, February 22, 1787, EF 144J9.

36. Miró to José de Gálvez, June 1, 1787, Lockey Collection.

37. Miró to Ezpeleta, September 24, 1787, Lockey Collection; McGillivray to Miró, October 4, 1787, Caughey, *McGillivray of the Creeks*, 161.

38. Floridablanca to José de Gálvez, March 16, 1786, Del Campo to Floridablanca, September 5, December 29, 1786, West Papers.

39. José de Gálvez to Navarro, March 21, 1786, Navarro to José de Gálvez, July 22, 1786, José de Gálvez to Navarro, October 5, 1786, Navarro to José de Gálvez, February 12, 1787, to O'Neill, February 16, 1787, West Papers.

which at O'Neill's request, Bernardo de Gálvez had transferred from the administrative control of East Florida to West Florida in 1785. The thought of Britons challenging Spanish sovereignty in the remote recesses of Apalachee Bay had caused O'Neill anxiety from the outset, but the project to reinforce St. Marks had languished for reasons of economy.⁴⁰ In addition, Miró and Navarro issued Panton and Mather import licenses for 1787 so laden with restrictions as to evoke heated protests from both merchants.⁴¹

William Panton, meanwhile, having been denied the Choctaw and Chickasaw trade, had been investigating the possibilities of withdrawing to East Florida, preferably to St. Marks if that location remained under the jurisdiction of complaisant Governor Zéspedes. Not only could the Creeks be supplied from there without any great inconvenience, but the company also enjoyed royal confirmation of its trading privileges in East Florida.⁴² On discussing the matter in St. Augustine with Zéspedes, however, John Leslie learned that St. Marks indeed had been transferred to West Florida control. But the Spanish governor advised against abandoning St. Marks too hastily; it had been part of East Florida when the company submitted its July 1784 memorial and thus should be entitled to its stipulations. Zéspedes promised to try to have the boundaries of East Florida extended so as to reinclude St. Marks or, failing in this, secure its coverage under the company's East Florida commercial privileges. Leslie agreed at least to continue the St. Marks trade for one year.⁴³

In Pensacola, meanwhile, Panton curtly refused the terms imposed by the 1787 import license, informing Miró and Navarro that such restrictions would subject him "to the risque

40. Miró to O'Neill, February 15, 1787, O'Neill to Miró, February 15, 1787, West Papers; Miró to McGillivray, July 13, 1787, in D. C. Corbitt and Roberta Corbitt, trans. and eds., "Papers from the Spanish Archives relating to Tennessee and the Old Southwest, 1783-1800, Part III, January, 1787-August, 1787," *East Tennessee Historical Society's Publications*, 11 (1939), 84.

41. Panton to Miró and Navarro, February 15, 1787, Miró and Navarro license for Mather, March 13, 1787, Lockey Collection.

42. McGillivray to Zéspedes, January 5, 1787, Panton to Leslie, February 22, 1787, EF 114J9.

43. Zéspedes to McGillivray, March 27, 1787, EF 114J9; Zéspedes to José de Gálvez, March 9, 1787, Lockey Collection.

of absolute ruin."⁴⁴ He also announced his intention to retire to East Florida within a year, since his company was able to operate there unencumbered with burdensome restrictions. Disturbed at Panton's threat and realizing the Creek-American tensions, Miró and Navarro somewhat softened their demands and implied that Panton had misunderstood their original intent.⁴⁵ Availing himself of the opportunity for rapprochement, Panton in turn expressed his willingness to remain in Pensacola and West Florida should the company receive privileges there identical to those it enjoyed in East Florida. These included, he alleged, export duty exemptions. He also expressed his reluctance to acquire the Choctaw and Chickasaw trade, at least for the present. In lieu of prevailing adverse peltry prices, the Creeks took all the merchandise that Panton cared to risk. But, he predicted, should the Georgians make peace with the Creeks, the Spaniards would soon "learn the necessity" of granting the Indian trade to persons who sold as cheaply as possible.⁴⁶ With amicable relations restored, Miró and Navarro implored the Marqués Del Campo not to impose excessive restrictions on the imports of Panton and Mather. Preserving Indian friendship demanded the use of every available expedient.⁴⁷

In Madrid, meanwhile, the entire commercial regime of Louisiana and West Florida had been brought under review. The powerful merchant guilds complained that the liberal commercial rules granted to the provinces in 1782 had converted them into sieves through which enormous quantities of contraband flowed into Spain's other American possessions. Moreover, the deaths of Bernardo and José de Gálvez had removed two foremost advocates of a liberal commercial policy from the ranks of Spanish decision-makers.⁴⁸ Within these changing perspectives, the king, on August 16, 1787, canceled the authority of Miró and Navarro to issue import licenses for the Indian trade and instructed the intendant to submit a list of the

44. Panton to Miró and Navarro, February 15, 1787, Lockey Collection.

45. Miró and Navarro to Panton, March 9, 1787, West Papers.

46. Panton to Miró and Navarro, May 9, 1787, *ibid.*

47. Miró and Navarro to Del Campo, March 14, 1787, Lockey Collection.

48. John G. Clark, *New Orleans, 1718-1812: An Economic History* (Baton Rouge, 1970), 232; Report of a Committee of Merchants of Barcelona on the Commerce of Louisiana and the Floridas, June 19, 1788, Whitaker, *Documents Relating to the Commercial Policy of Spain*, 64-74.

articles regularly consumed by the Indians. Other arrangements would be made for their commercial needs.⁴⁹

Late in 1787 Panton encountered new commercial impediments at St. Marks, which he considered both onerous and intolerable. The new commandant, acting on orders from Miró and Navarro, impounded one of the company's vessels that had arrived from Nassau with goods that were needed to replenish the firm's inventories.⁵⁰ Henceforth, it was announced, all ships calling at St. Marks would have to clear Pensacola customs before entering and departing from this duty post. Panton vented his wrath over the latest imposition of the "western Masters" in an abrasive letter to Governor Zéspedes: "If I mistake not," the irate Panton wrote, the royal order of May 1786 sanctioned the St. Marks trade "on the *terms proposed by ourselves*."⁵¹ Unless the privileges formerly enjoyed at St. Marks were restored, Panton vowed that he and his partners would wind up their affairs in both Floridas.⁵²

In 1788, Miró and Navarro allowed the vessels of Mather and Panton to voyage to London carrying peltry accumulated during the past season. The merchants were advised, however, that further imports on their part would require official approval. Mather and Panton used the occasion to submit memorials laying down the conditions they would require for continuing in the Indian trade. Miró and Navarro also sent their superiors advisements expressing their indifferences as to how the Indians would be supplied, but stressing the need for fresh stocks of merchandise in West Florida no later than November.⁵³

The Mather memorial asked the king's indulgence for the firm to borrow 50,000 pesos in the highly inflated paper currency of Louisiana and to exchange it for 50,000 silver pesos from the royal coffers in Vera Cruz. Miró and Navarro endorsed the memorial, citing the services of the firm to the royal interest, confirming its heavy credit outlays, and denying rumors that the

49. Antonio Valdes to Navarro, August 16, 1787, West Papers.

50. McGillivray to Zéspedes, January 5, 1788, Caughey, *McGillivray of the Creeks*, 166.

51. Panton to Zéspedes, January 8, 1788, EF 116L9. (The italics are Panton's.)

52. *Ibid.*

53. Miró and Navarro to Valdes, February 22, 1788, Archivo Histórico Nacional, Madrid, Spain, *estado, legajo* 3888, document 19.

partners had amassed fortunes.⁵⁴ The Panton memorial outlined the difficulties arising from existing restrictions, which if continued, Panton asserted, his company's "ruin in a little time would be perfectly compleat."⁵⁵ He declared he had lost \$30,000 in 1784 and 1785 while weaning the Creeks away from his Georgian competitors. Furthermore, he alleged, his subsequent profits had not been adequate for offsetting the earlier losses. A business so unprofitable could not continue, he maintained, unless the past restrictions were removed and the company gained the liberty to import "freely whatever is necessary for the Indian trade."⁵⁶ In addition, the company must receive the Choctaw-Chickasaw trade exclusively, a measure required for offsetting the losses incurred from competing with the Georgians in the Creek trade. Claiming that American ports were freeing the Indian trade from all duties and imposts, Panton questioned the logic of expecting his firm to "stand forever on the outpost, while others [were] securely at our Expense enjoying a feast within."⁵⁷

Admitting some basis for Panton's complaints of slim profits, but perplexed at his demands for the Choctaw-Chickasaw trade, Miró offered to support a counterproposal that would permit the sale of one-fourth of the Pensacola-based firm's imports on the New Orleans market. Panton declined the offer, insisting that he receive such a concession above and beyond his other demands.⁵⁸ The incensed Miró concluded that Panton's rebuff stemmed from convictions that he was irreplaceable. Although conceding that replacing Panton would be difficult indeed, the governor recommended that perhaps it should be considered, as Panton had not taken the full oath of loyalty to Spain. However, Miró advised, McGillivray must be granted an interest in any successor to Panton, Leslie and Company. Governor Miró

54. Mather and Strother Memorial to Miró and Navarro, n.d., West Papers; Miró and Navarro to Valdes, April 1, 1788, Lockey Collection; D. C. Corbitt and Roberta Corbitt, trans. and eds., "Papers from the Spanish Archives relating to Tennessee and the Old Southwest, 1783-1800, Part VI, 1788," *East Tennessee Historical Society's Publications*, 14 (1942), 97-98.

55. Panton memorial to Del Campo, April 8, 1788, West Papers.

56. *Ibid.*

57. *Ibid.*

58. Miró to Valdes, July 13, 1788, Panton to Miró, August 5, 1788, Lockey Collection; Miró to O'Neill, July 12, 1788, Caughey, *McGillivray of the Creeks*, 189.

also declared that the king should not concede anything to Pantón which would be detrimental to the interests of Mather and Strother.⁵⁹

A royal order of August 29, 1788, authorized Pantón and Mather to import enough goods to sustain the Indian trade an additional year. This, it was felt, would provide the Supreme Council of State the time it needed to devise plans for replacing them.⁶⁰ Pantón's vessel returned to Pensacola in December with a smaller than usual consignment of goods, and Pantón, expecting a denial of his demands, hesitated to extend any more credit to traders. To encourage Pantón, and in light of the tensions among the Creeks, Miró advised him that the king's ministers would soon discover the pitfalls involved in finding a suitable replacement. He promised to recommend his request for duty exemptions.⁶¹

At this juncture, Mather's ship reached Mobile with news that the firm's petition for credit relief had been denied. The cargo it carried was not adequate to support the Choctaw-Chickasaw trade. In February 1789, Miró asked Pantón to take over the Mather concession, informing him that the king would very likely look favorably on his acceptance. Pantón reluctantly agreed; he hoped to have some indication of Spain's disposition toward his memorial before making any commitment.⁶²

In September 1788, meanwhile, the Supreme Council of State had taken the Indian trade question under full consideration, having before it the observations of Miró, Navarro, Zéspedes, and Del Campo. Miró and Navarro had listed the

59. Miró to Valdes, August 28, 1788, Lockey Collection.

60. Valdes to Floridablanca, August 29, 1788, to Zéspedes, August 29, 1788, West Papers.

61. Miró to Valdes, February 12, 1789, Lockey Collection. Miró's encouragement of Pantón stemmed from fears that McGillivray, who was angry at the curtailment of gifts of Spanish arms, and who was also despondent over the uncertainties surrounding Pantón's future commercial status in the Floridas, might consort with William Augustus Bowles, an adventurer backed by Lord Dunmore, governor of the Bahamas, and Bahamian mercantile interests in a bid to rid the Creeks of all dependency on the Spaniards. See McGillivray to Miró, August 12, 20, 1788, to O'Neill, August 22, 1788, O'Neill to Miró, August 22, 1788, McGillivray to O'Neill, August 29, 1788, to Miró, September 20, 1788, Caughey, *McGillivray of the Creeks*, 193-95, 195-96, 196-97, 197-98, 198-99, 199-202; J. Leitch Wright, Jr., *William Augustus Bowles: Director General of the Creek Nation* (Athens, 1967), 26-33.

62. Miró to Pantón, February 28, April 7, 1789, to Valdes, May 20, 1789, AGI 86-6-17-180, ST.

huge credit demands, the attendant risks of recovery, and falling peltry prices as major liabilities in dealing with the Indians. Any Spaniard who contemplated assuming the trade, they advised, should first gain direct personal knowledge of the problems involved. Otherwise, he would very likely abandon the operations quickly, and the Indians would of necessity turn to the Americans.⁶³ Zéspedes had suggested a gradual displacement of the Panton firm by introducing a young Spaniard into the partnership who could gain the necessary business experience before taking it over on his own.⁶⁴ Even Del Campo, despite his suspicions that the West Florida Indian trade served only as a pretext for massive smuggling, had reflected on the folly of dismissing Panton and his associates too abruptly.⁶⁵

In response to such advice, the council in October 1788 called for the advice of Martin Navarro, who had returned to Spain after resigning from the Louisiana intendency. On his recommendation, the council resolved to send Navarro to France, England, and the Netherlands to gather specimens of Indian manufactures for duplication by Spanish artisans. The council also heeded Navarro's advice on the need to encourage Panton and Mather to remain in the Indian trade until the economic takeover was completed.⁶⁶ A royal order of March 23, 1789, authorized the two firms to conduct the Indian trade selling British goods, and it exempted them from both export and import duties.⁶⁷ This directive came too late to benefit Mather and Strother.

This ambitious Spanish project fell victim to the wars

63. Minutes of a Meeting of the Supreme Junta de Estado, September 22, 1788, Whitaker, *Documents Relating to the Commercial Policy of Spain*, 99-103; Miró to Valdes, July 13, 1788, Lockey Collection; Navarro to Valdes, January 8, 1789, West Papers.

64. Zéspedes to Valdes, No. 7, March 24, 1788, Lockey Collection. A translation appears in D. C. Corbitt and Roberta Corbitt, trans. and eds., "Papers from the Spanish Archives relating to Tennessee and the Old Southwest, 1783-1800, Part VI, 1788," *East Tennessee Historical Society's Publications*, 14 (1942), 86-94.

65. Del Campo to Floridablanca, July 4, 1788, Lockey Collection.

66. Navarro to Valdes, January 12, 1789, report of Navarro, January 15, 1789, resolution of the Junta Suprema de Estado, March 16, 1789, West Papers; Navarro to Valdes, December 8, 1789, AGI 87-3-19, Santo Domingo 2665, ST.

67. A copy of the royal order is enclosed in Domingo Cabello to Zéspedes, June 26, 1789, West Papers.

spawned by the French Revolution. Under the privileges gained in 1789 Panton, Leslie and Company increased its sway over the southern Indians until the mid-1790s when the growing strength of the United States and the weakening of the Spanish position in North America created difficulties for Panton and his associates. These were sufficiently serious to prompt Panton to bargain with the Spaniards over means for retiring from the Indian trade without incurring serious losses.

Ironically enough, British merchants were once again firmly ensconced in West Florida within less than a decade after its conquest by Spanish arms. The expulsion of Britons from the Gulf of Mexico had been a prime Spanish objective during the American Revolution. In the case of Panton, Leslie and Company, however, the political imperatives of preserving Spanish hegemony over the southern Indians outweighed traditional Spanish merchantilist tendencies.⁶⁸

68. Thomas D. Watson, "Merchant Adventurer in the Old Southwest: William Panton, the Spanish Years, 1783-1801" (Ph.D. dissertation, Texas Tech University, 1972), 245-62, 298-303.