

PANTON, LESLIE AND COMPANY
INDIAN TRADERS OF PENSACOLA AND
ST. AUGUSTINE

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THE NORTH AMERICAN peace settlement of 1783 confirmed the Spanish in their reconquest of Pensacola and returned His Catholic Majesty's banner to the bastions of the Castillo de San Marcos at St. Augustine; however, it did not end—but rather intensified—the struggle for the allegiance and trade of the 45,000 Indians on the Florida frontier. A new and dynamic United States, surging to the Mississippi, and from its Bahamas outpost a covetous England, intrigued with the savages to turn the Spanish out, and failing that, to divert to their own nationals and treasuries a part at least of the considerable trade of the Creek and Cherokee—and to a lesser extent—Choctaw and Chickasaw Indian nations.

The Indian trade of the southern frontier, though fraught with uncertainty for both investor and participant, was early an important aspect of southern commerce. With the restoration of peace, this trade beckoned ever more promisingly to those ready to risk life and fortune in its pursuit. The trader and trading post were the principal government link with the native, and the contact once joined revolutionized the Indian's economic life. His deterioration to utter dependence upon the trader for flints, guns, ammunition and rum rapidly impaired the distinct Indian culture and whatever native industry he might have possessed. To acquire the necessary skins to trade for European products, the Indian hunted his traditional game preserve to extinction and succeeded only in making his precarious state more dependent than ever upon the white man's trade and bounty.

On this fluid southern frontier many traders and trading houses were to contend for a share of the Indian trade, but few lasted long enough to inscribe more than their names in the area's records. One group, however, consisting of Scotch merchants William Panton, John Leslie and Thomas Forbes, due to their business sagaciousness and the role circumstance seemingly thrust upon them, became the trading colossus of the late eighteenth century southern frontier. Together with their wily al-

ly, vociferous yet "silent" partner, Creek Chieftain Alexander McGillivray, Panton, Leslie, and Company (as the Scots were known in the Floridas after 1783) provided the stabilizing base upon which the Spanish built their Florida Indian policy. Without the influence of Panton over the half-breed McGillivray and the latter over the Creeks, it is doubtful if renewed Spanish rule could have been maintained in the Floridas.

Immigrating to South Carolina in the decade preceding the American Revolution, this rather remarkable group of Scots secured land grants and found their way, though separately, into the Carolina-Georgia-northern Florida Indian trade. Later family tradition supposed Panton, Leslie and Forbes organized and operated as a unit before the Revolution, but no mention of them as a business group seems to appear in Carolina-Georgia pre-Revolutionary newspapers. Leslie was in the firm of Alexander and Leslie, and Panton acted as the lesser member of the trading house of Moore and Panton in Savannah, Georgia.

During this same period, Panton acquired an interest (possibly through debts owed to Moore and Panton) in the Georgia-Florida trading operations of James Spalding. Spalding, who had also come out in the 1760's, was established at St. Simon's Island, Georgia, trading southward into eastern Florida. Here he had two main trading posts about fifty miles apart on the west bank of the St. Johns River: the "lower store" being situated near present day Palatka; and the "upper store" at Astor in Lake County. Two lesser stores were opened at a later date at Alachua and at Talahasochte on the Suwannee River.

Family tradition and some authorities have held Panton constructed a wharf in Pensacola, at the request of General Gage, as early as 1774, and was trading there at the time of Spanish reoccupation. However, he was not listed by the Spanish as among the inhabitants in 1781; nor does his name appear in official British West Florida records of the time. Perhaps Panton, himself, settled the point when in a letter dated 1797, he made reference to a "Residence of Twelve Years" in Pensacola.

To the Indian a major annoyance of the Revolution had been the disruption of their trade with the whites. Perceiving the British would withdraw from the Alabama-Georgia Indian country following their defeat, McGillivray and several of the

other Creek leaders in January 1783 sought out Governor Tonyn in St. Augustine. To him they presented a petition that the British establish a trading post at St. Marks on the Wakulla River. Still in British territory, this post would reduce by half the distance the Creeks would otherwise be required to travel for British trade.

Naturally, McGillivray and the Creeks wanted the post to be operated by Panton, Leslie and Forbes, who during the later stages of the war had been entrusted with the distribution of military supplies as well as present buying for Britain's Creek and Cherokee allies. With characteristic effectiveness the Scots had seen to it that the Indians were better armed and supplied than ever before. In presenting new military equipment to the warriors Panton personally made a point of telling them the weapons were to be used to kill Americans! As a reward for Panton's war contribution, Governor Tonyn licensed the post to him and it was placed in operation the following year.

On July 12, 1784, Great Britain evacuated East Florida. To maintain renewed rule in both Floridas, Spain needed the support of the Indians, many of which lived in the Spanish-American boundary area between the thirty-first parallel and the Tennessee River. The price for this friendship and support was trade, and preferably in high quality British manufactures to which the Indians had grown accustomed. If Spain could not supply this trade, there were land-hungry, trade-hungry Americans eager to fill the void.

Few of the Spanish officials understood the politics of the Indian trade better than Governor Arturo O'Neill of Pensacola, who even before the return of East Florida, declared:

I wrote some time ago to the intendant at Havana to send goods, and likewise to the intendant at New Orleans to arrange the trade in skins with the Indians before the enemy, on account of this failure and by means of his trade, should attract them to his side; but up to the present I have had no reply from Havana, and the intendant of New Orleans replies I should look to Havana as His Excellency Bernard de Galvez directed me to do. At present all the Indians are in the greatest harmony with us and we shall easily keep their friendship by means of trade, or the purchase of skins. If this is not put into practice immediately, I foresee that the result may be that they will become our enemies. . . .

In East Florida Governor Zepedes on his own initiative permitted Panton to continue operation of the small trading post at St. Marks. A short time later, administration for the post passed to the government of Pensacola with the transfer of the east boundary of West Florida from the Apalachicola River to the Suwannee. Through negotiations with the Indians in 1784 and 1785, the Spaniards obtained permission to regarrison the fort, and two years later a small detachment was finally assigned. This garrison had the dual mission of protecting the Panton store and preventing illicit trade in the Creek country.

To penetrate further into West Florida, Panton utilized the same tactics as those successfully employed in originally gaining the St. Marks outlet. He prevailed upon McGillivray, and through him the other chieftains, to lobby for a Panton monopoly in Pensacola in 1784. Armed with a petition and supported by a Creek delegation, McGillivray pleaded the Panton cause before a not-unsympathetic Governor O'Neill—but with limited success. The House of Panton gained admittance to Pensacola pending final crown decision, but immediate official support for a Panton monopoly in the west was not the governor's to give.

For a time, another English trading house, James Mather and Arthur Struther of Mobile, thwarted a Panton monopoly. In 1789 this company went under and the last serious threat to Panton, Leslie and Company was removed. Panton had gradually won out in the favor of the West Florida and Louisiana officials. He had scored heavily with Governor O'Neill at the time of the 1784 Indian Congress in Pensacola by rushing supplies and presents from the St. Marks store when those promised by Mather and Struther did not arrive in time. Panton's prompt action saved the Pensacola officials from acute embarrassment and the Congress from calamitous collapse.

Panton moved the headquarters of the House to Pensacola because of a developing four to one dollar volume of trade there over St. Augustine.

Religious qualifications were not imposed on the traders, but subsequent disputes arose as to whether the Protestant partners should study Catholicism with an eye to eventual conversion.

PANTON AND THE OATH

Another condition of the Panton, Leslie monopoly was the ". . . indispensable circumstances of taking the oath of fidelity and obedience [to the Spanish Crown] which they have promised." Panton temporized, and after nine months urging submitted a modified form of the oath to Governor O'Neill. O'Neill forwarded it to Gov. Miró of Louisiana, requesting to be informed whether Panton's format was suitable, since it was not "arranged according to what the royal order provides." It appears O'Neill never received an answer, and out of the resulting confusion grew the story that Panton had never taken the oath.

While the Scots maintained cordial relations with the various governors, quarrels and misunderstandings were frequent with subordinate officials, and especially so after Panton officially succeeded Mather in the west. His annoyance with the presumptuousness of petty commercial officials and their cumbersome ordinances moved Panton on one occasion to exclaim that as an English subject he was bound only by English law! As late as 1799, Panton continued to view his trade as assisting the Indians to "retain their attachment to the English Nation." This attitude was not lost upon the lesser Spanish, who groused about the profits the Protestant plucked from what they rightly felt should have been their Indian trading plum.

By 1797 custom officials were complaining, that since 1787, when Panton had obtained an exemption from the 6% duty under the trade *cédula* of 1782, "it has never been possible to ascertain what he Imports and Exports." Over the years they directed a number of representations to Havana regarding Panton's alleged and actual violations of the monopoly, for the crafty Scot was not above turning an extra dollar in contraband trade with the civilian population whenever the opportunity availed. These protestations generally went for naught, as such was the nature of Spain's Indian trade dilemma, that as late as 1800, the Marquis de Caso Clavo, writing to the home government from Louisiana in justification of the Panton monopoly, confessed, "Replacing Panton [is] a project that since January, 1777, has been thought of . . . but never has a house presented itself who would or could take charge of this trade."

Complete in its monopoly after 1789, the House of Panton experienced rapid growth and extensive profits in the next several years, and Spain's influence among the frontier Indians through the Panton-McGillivray combine reached its zenith. Virtual rulers of the frontier, Panton and McGillivray complemented each other neatly; yet, this was not an alliance built solely upon a political-economic need. They were fast friends in a friendship with its antecedents in the joint adversities Panton and the senior McGillivray had suffered at the hands of the Georgia patriots during the American Revolution. Upon the chief's death, Panton wrote to the father:

Your son was a man I esteemed greatly—I was perfectly convinced that our regard for each other was mutual—It so happened that we had an interest in serving each other which first brought us together, and the longer we were acquainted the stronger was our friendship.

I found him deserted by the British without pay, without money, without friends and without property, saving a few negroes, and he and his nation threatened with destruction by the Georgians, unless they agreed to cede them the better part of their Country—I had the good fortune to point out a mode by which he could save them all, and it succeeded beyond expectation—

The influence of McGillivray and Panton over the frontier Indians was so vital to Spain and so frustrating to the Georgia settlers, that the State of Georgia offered in vain to return the confiscated property of Panton and McGillivray's father if the Indian trader and the Creek leader would desert the Spanish service. To McGillivray, never a wealthy man, the temptation must have been considerable, for his father's confiscated estate was reportedly valued at between £25,000 and £30,000. In 1797, summing up what he considered to be his own and the firm's service to Spain, Panton declared:

If it had not been for us, who kept the Indians from joining with the American Banditti . . . there was nothing to have hindered them from appearing at the Gates of St. Augustine and Pensacola, and if the French party in Kentucky had been sure of not being opposed by the Indian tribes the fate of these Provinces would have been decided long enough before peace was made with France; during twelve years that we have been here peace with these Savages has been preserved

& their depredations restrained, more owing to our exertions and moderate fair Trade that We allowed Them than to any other means, while during the greatest part of that time the Frontiers of America has been deluged with Blood:—

Finally, to all this must be added Panton's reputation for unswerving fairness in his dealings with the redman. Creeks and Cherokees openly expressed their confidence in Panton in calling upon him to act as mediator in disputes over stolen horses, and losers in good faith accepted his judgments in lieu of inflaming the frontier in tribal warfare. The Spanish governors, too, came increasingly to rely on him in such matters; yet, the significance of his rôle as a peacemaker has never been fully recognized. In one instance answering the Baron de Carondelet, of the Louisiana government, Panton wrote in regard to his handling of the Indians:

I thank you for your friendly confidence, which be satisfied I will never abuse . . . I should have gone to the Indian Nation long ago altho' my bodily infirmity renders that journey more painfull to me than it used to be. . . . But I did what was nearly equal to it I sent expresses to every part of the Nation, with letters to my friends using such language & reasoning as I knew would have most effect to dissuade the Indians from committing any further depredations on those Colonies, & I am happy to find that my arguments has had some effect—A part of the horses are already returned, & other Stolen property is on its way to Pensacola, I have had a visit from three of the Principal Chiefs of the Upper Townes, & the Mad Dog of the Tuckabatches is now in my house who shall not depart without receiving his lesson—And if I find that a journey is absolutely requisite in order to procure peace neither bodily infirmity nor the inclemency of the season shall prevent me from undertaking it. . . .

Supported in part by its own capital, the firm had extensive credits, sometimes in excess of \$80,000, available through its London underwriters. At the height of the firm's expansion and influence, Panton, from the Pensacola headquarters, directed partners and associates in London, Nassau, Havana, St. Augustine, New Orleans and Mobile, and maintained agents at outlying posts on the St. Johns River, at the aforementioned St. Marks, at Prospect Bluff on the Apalachicola River and at Chickasaw Bluff on the Mississippi. Pack trains carrying Panton goods penetrated along Indian trails even into the country beyond the

Tennessee River. To supply this sprawling trade empire, the House operated fifteen ocean going vessels, as well as numerous smaller ones, and at the Pensacola nerve-center, fifteen clerks were employed to process an estimated \$50,000 worth of stock kept on hand for traders and Indians.

The unexpected death of the irreplaceable McGillivray in 1793 was but the first of many vicissitudes the Company was to face in the deteriorating Spanish power position on the Florida frontier. The Treaty of San Lorenzo two years later, setting the Florida boundary at the 31st parallel, removed totally from Spanish jurisdiction Indians who owed the Company staggering debts of \$60,000 at St. Augustine and \$140,000 at Pensacola. Another \$200,000 was on the books for supplies advanced to the increasingly improverished Florida Spanish governments. Panton, perceiving these debts if uncollectable could ruin the firm, offered without success to return the monopoly to the crown for the \$400,000 outstanding, and to remain in the Spanish service until he had trained a Spanish successor.

Other discouraging events cut heavily into the Company's profits. William Bowles, an adventurer in the pay of British merchants in the Bahamas, twice in a five year period, attempted to break the House's monopoly in the Creek country by looting the Prospect Bluff store. Bowles was captured shortly after the second attack, but the firm sustained damages of \$28,000 in the two raids.

Spain's alliance with England against France from 1793-1795 subjected the Company's vessels to seizure by French warships and privateers. Losses were great, and in one instance interception of an inbound Panton vessel meant 60,000 lbs. of outgoing skins were left on the docks without means of shipment. Later, Spain's break with England placed Panton under suspicion in both countries. After much difficulty and negotiation, he managed to continue the indispensable flow of Indian trade supplies from England by bringing them into the Floridas in neutral American bottoms. If all this were not enough, nature seemed to conspire against the Scots. In one year alone losses of cargo from worms reached \$15,000.

By 1801 Panton's health had failed, and he died at sea on February 26th of that year, while enroute from Pensacola to Nassau in search of a helpful climate. After Panton's death, the

House reorganized as John Forbes and Company with John and Thomas Forbes as the senior partners. Among the junior partners, each of whom had an interest only in the particular branch to which he belonged, were Panton's nephew, James Innerarity, and Philip Yonge. John Innerarity, who held a clerkship in the West Florida branch from 1802, was admitted to partnership in 1812. Upon the retirement of John Forbes in 1817, he, together with his brother James guided the destinies of the Company until its final dissolution nearly a quarter of a century later.

Panton's death terminated the effectiveness of the firm as an instrument of Spanish Indian policy; the advancing Americans and changing business conditions slowly destroyed its monopoly. The succeeding partners occupied themselves primarily with attempts to collect back debts and claims, and to protect the Company's extensive properties. Land ceded to the firm for Indian debts totaled 1,200,000 acres, most of it pine barrens, and Spain later settled 1,500,000 arpents of adjoining lands on the House to compensate for other losses.

As American annexation of the Floridas became increasingly apparent, the House considered various schemes—such as one of the Innerarity brothers obtaining American citizenship in advance or the settling of sturdy highland Scots on the lands—to prevent the otherwise inevitable “squatting” by the onrushing Georgia and Alabama frontiersmen. And lastly, as though to repudiate all that Panton had stood for, the firm dispatched a lobbyist to the American capitol with instructions to present the partners as “mere merchants” and not as successors to the once proud Pensacola and St. Augustine trading house that had served as the basic instrument of Spanish Indian policy in the Floridas.

The above account is based upon the records and correspondence of the members of the Company, as preserved by their descendants in two collections known as the Greenslade and Cruzat Papers, and in the materials gathered over a period of years by Elizabeth Howard West. All of these papers are repositied in the P.K. Yonge Library of Florida History, University of Florida.