

*Father Prucha is a member of the faculty at Marquette University in Milwaukee and the author of several books dealing with the role of the army in the West.*

# ARMY SUTLERS

## *and the American Fur Company*

FRANCIS PAUL PRUCHA

THE AMERICAN FUR COMPANY sought a monopoly of the fur trade in the upper Mississippi Valley. Its profits depended upon eliminating competing traders, who by one stratagem or another or by some advantageous circumstance might procure the furs from the Indians before the agents of the company did. During the presidency of John Jacob Astor, from 1808 to 1834, the company had made significant progress. It had benefited from the Treaty of Ghent, which did not renew the privilege British traders had enjoyed in United States territory, and from the law of 1816 which prohibited the licensing of noncitizens in the trade; it had absorbed competing companies; it had lobbied successfully in Washington for the destruction of the government factory system; and it had advanced through its own astute and frequently ruthless business operations.

When Ramsay Crooks assumed the headship of the company as successor to Astor in 1834, the battle had thus been nearly won. The fur business was declining, however, and any loopholes in the exclusive trading in a given area might prove disastrous. Ramsay Crooks and his agents on the upper Mississippi discovered such a loophole in the activities of the army sutlers, and they used every means in their power to prevent the leakage that a sutler's trade might cause.

The army sutlers were civilian businessmen appointed by the secretary of war for each army post, whose function it was to run a store on the post where the officers and men could purchase items not supplied by the subsistence or quartermaster departments. The sutlers were tightly controlled by army regulations. The post council of administration, composed of the three officers next in rank to the post commander and a fourth officer as secretary, determined the quantity and the kind of goods to be stocked, set the prices that the sutler could charge for his wares, and taxed the sutler up to fifteen cents per man each month to provide a "post fund" which could be used to aid "indigent widows and orphans of officers or soldiers," to provide relief for "deranged or decayed officers," to educate the soldiers' children at a post school, to purchase books for a post library, and to maintain a post band. The sutler, in turn, was allowed to present his claims against the soldiers at the pay table.<sup>1</sup>

Stocking a great variety of items and until the early 1830s allowed to sell two gills of whiskey a day to each soldier, the sutlers at well-garrisoned posts could do a reasonably profitable business, for they had

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<sup>1</sup> *General Regulations for the Army; or, Military Institutes*, 70-76 (Washington, 1825). See also *General Regulations for the Army of the United States*, Article 32 (Washington, 1835).

no competition. If the sutler was an enterprising entrepreneur, as many of them seem to have been, he found other opportunities as well. At a post surrounded by a nascent settlement the sutler's store would be well patronized by the villagers, who looked for items among the sutler's stock which they themselves could not produce or supply. At a post deep in the Indian country the sutler might engage in trading with the Indians on the side. It was this latter activity which threatened the American Fur Company and which the company in the 1830s tried to absorb or to stop.

THE AGITATION began at the end of 1834 when the rumor spread abroad that the government intended to establish a new military post somewhere on the upper Des Moines River. Such a post would be in the heart of the territory from which the Western Outfit of the company drew its furs, and Henry H. Sibley, the company's agent at the mouth of the Minnesota River, imme-



Ramsay Crooks

diately alert to what this might mean for his business, began to take action.<sup>2</sup>

Sibley's plan was to gain the sutlership at the new post for himself. To that end he sent an application to Lucius Lyons, the delegate in Congress from Michigan Territory, requesting that it be submitted to the secretary of war. The application was in Sibley's name and that of Hercules L. Dousman, the company's agent at Prairie du Chien. In informing Crooks of his action, Sibley made his motives explicit. "Mr. H. L. Dousman & myself have applied in our own names, (but of course for the Outfit) for the station of sutlers to the post which is about to be established upon the waters of the Des Moines," he wrote. "It is a matter of great importance that this appointment should be secured, as thereby the Indian trade of that fine region of country can be kept in our hands, which is of course the principal object to be gained."<sup>3</sup>

Crooks agreed wholeheartedly and tried every means at his disposal to win the appointment for his men. When he received Sibley's letter, he at once wrote to Lyons in Washington, stressing the business quali-

<sup>2</sup> Henry Hastings Sibley (1811-1891), a native of Detroit, entered the employ of the American Fur Company in 1829 as a clerk at Mackinac. In the summer of 1834 he was invited by Hercules L. Dousman and Joseph Rolette to join them in the Western Outfit of the company. He arrived at his post at Mendota, near Fort Snelling, on October 28, 1834. Later he served Minnesota as territorial delegate and first governor of the state. See Theodore C. Blegen, ed., *The Unfinished Autobiography of Henry Hastings Sibley, Together with a Selection of Hitherto Unpublished Letters* (Minneapolis, 1932); Nathaniel West, *The Ancestry, Life, and Times of Hon. Henry Hastings Sibley, LL.D.* (St. Paul, 1889); Wilson P. Shortridge, *The Transition of a Typical Frontier with illustrations from the Life of Henry Hastings Sibley* (Menasha, Wisconsin, 1919). Sibley's papers are in the Minnesota Historical Society.

<sup>3</sup> Sibley and Dousman to Lewis Cass, October 10, 1834; Lucius Lyons to Cass, November 21, 1834, in Letters Received by the Adjutant General, Record Group 94, in the National Archives. (Hereafter records in the National Archives are indicated by the symbol NARG followed by the record group number.) Sibley to Crooks, November 1, 1834, Letters Received, American Fur Company Papers. These papers are in the possession of the New-York Historical Society, which has kindly granted permission to quote from them. The Minnesota Historical Society has photostatic copies of most of the letters cited in this essay.

fications of the applicants and their ability to supply the new post properly and abundantly with everything the officers and men would require. He assured Lyons that if the appointment could be won for Sibley and Dousman, the delegate would "please the Army, gratify many of your constituents, and confer a particular favor on myself." On the same day he wrote to Sibley's father, Solomon, a judge at Detroit and a person of some prestige in Michigan Territory, urging him to intercede with the secretary of war — "our old friend Govr Cass" — on his son's behalf and to persuade any influential friends at Detroit or in Washington to do the same. "We have always found strong opponents in the *Sutlers*, who are always inclined to dispute the Indian trade with us, while we have no opportunity of selling to the Soldiers," he told the judge.<sup>4</sup>

At the same time, leaving no stone unturned, Crooks sought to enlist the active support of a personal friend, General Charles H. Gratiot, chief of engineers of the army, whose father had been an important fur trader and friend of Astor. Gratiot, as a man in high army position, was often used by Crooks as a sort of Washington agent. "We are extremely anxious to secure the appointment in the present case," he told the general, and he pointed to the competence and unimpeachable character of the applicants and the friendship of the Sibley and Dousman families with Cass. "I beg you will bring to our aid in this matter the influence of your friends," he pleaded, "for the new Fort will be in the immediate neighbourhood of one of our very best sections of country, and a most injurious interference with our Indians will inevitably follow if the Suttling falls into strange hands."<sup>5</sup>

Crooks let Henry Sibley know of the efforts being made on his behalf. "Public men," he said, "are swayed generally so much by considerations of expediency and policy, that you never can bring too much importunity to bear upon them." He reinforced Sibley's own estimate of the impor-

tance of gaining their object: "for as sure as the Suttling passes into other hands, we are certain of finding a new and dangerous opponent in the Suttler."<sup>6</sup>

THE EFFORTS of Sibley and Crooks were of no avail in regard to the Des Moines River post. More than three weeks before Crooks began his campaign of letter writing, the secretary of war had written to Sibley and Dousman to inform them that a sutler had already been appointed. Crooks received the word in garbled form and reported to his agent at Prairie du Chien that "a Mr. *Marsh* had been appointed some time previous — whether it be your old neighbour the Sub-Agent I cannot ascertain yet, but if it be him, and the *Sutler* be not prohibited from all intercourse with the Indians, he will I fear be a troublesome opponent." As it turned out, the concern was unnecessary. The post established in 1834–35 was at the mouth of the Des Moines River, outside the area of trade that was vital to the company. It was garrisoned by two companies of dragoons, and their sutler was Enoch C. March, not the old enemy of the company, but a man appointed sutler to the regiment in 1833.<sup>7</sup>

<sup>4</sup> Crooks to Lyons, December 19, 1834; to Solomon Sibley, December 19, 1834, American Fur Company Letter Books, 1:39, 42. Sibley wrote to Cass in behalf of his son, pointing out the importance of the post for Henry's interests and arguing that the returns from the fur trade should be considered "an indemnity for the sacrifice of his years of banishment from the society of his relatives and friends." Sibley to Cass, January 5, 1834 [1835], Letters Received by the Adjutant General, NARG 94.

<sup>5</sup> Crooks to Gratiot, December 19, 1834, American Fur Company Letter Books, 1:40.

<sup>6</sup> Crooks to Sibley, December 19, 1834, American Fur Company Letter Books, 1:43.

<sup>7</sup> Cass to Sibley and Dousman, November 25, 1834; to Lyons, November 25, 1834, Letters sent by the Adjutant General, 11:148, 149; Register of Sutlers' Appointments, all in NARG 94; Crooks to Rolette, January 12, 1835, American Fur Company Letter Books, 1:102. John Marsh had served as Indian subagent at Prairie du Chien from 1826 to 1832. See George D. Lyman, *John Marsh, Pioneer: The Life Story of a Trail-blazer on Six Frontiers* (New York, 1930).

The matter was not allowed to die, however. Sibley was convinced that the government would soon find it necessary to establish a permanent post on the upper reaches of the Des Moines, and he and Dousman intended to stay in the running for the sutlership. Nor did Crooks slacken his efforts. He wrote again to Gratiot, asking him to find out if the War Department had any intention of building a new fort on the upper Des Moines and if so, when it was likely to be started. Even though he learned that there were no immediate plans for such a post, he urged Sibley to begin at once to work for the sutlership of any post that might be established there in the future. Crooks advised him to "secure the co-operation of all your influential friends and extort from Gov. Cass without delay a promise to appoint you and Mr. Dousman in case such a new Fort be established." He informed Sibley that Cass was expected to be at Detroit in early summer and hoped that Sibley through his father might be able to swing the deal there. "If you wait till the Post is built you will never get the Suttling," Crooks warned. He was hopeful, furthermore, that Cass might be more easily prevailed upon in Detroit than in Washington, where the crowds of applicants might override the company's influence.<sup>8</sup>

WHILE Crooks and Sibley were taking every step possible to secure for the company the new sutlership — if there was to be one — they were also promoting an alternate plan to eliminate the sutler's competition. This was a scheme, originating with Sibley, to get the War Department to prohibit sutlers from having any part in the Indian trade. Sibley first made the pro-

posal to Crooks at the end of February, 1835: "This, methinks, would be but just & proper, as it is exceedingly difficult to contend with Sutlers in that trade, especially in the vicinity of a garrison like this [*Fort Snelling*], where in a hundred ways, it can be made to appear to the simple Indians that their 'Great Father' would be pleased to have them give their furs to one who is so nearly connected with his soldiers. I need not be more specific on this head as you well know what use an artful and energetic man might make of his influence under such circumstances. If such a regulation as the one now proposed be promulgated we would ask no sutlers [*sic*] appointment, and should be able to deal successfully with any other opposition that might make its appearance."<sup>9</sup>

Crooks took up the idea at once, hoping that perhaps Congress by law would exclude sutlers from the Indian trade both inside and outside the forts. The War Department itself, he felt, had power to make such a regulation without congressional action, but, as he wrote to Sibley, "our friend, the Governor [*Secretary of War Cass*] is not the man to 'take the responsibility.'"<sup>10</sup>

Despite his lack of confidence in Cass, Crooks nevertheless wrote to him about the matter, setting forth the advantages which the sutlers enjoyed in trading with the Indians and appealing for some rectification of the imbalance. "It has been repeatedly expressed to me and my own experience sustains the fact," he wrote, "that the Sutlers have an undue influence in the trade with the Indians, who are impressed with the belief that by trading with them, they are securing the favor of the officers of Government. The Sutler protected by a Fort, paying no rent, and being exempt from the expenses incident to the trade, has a decided advantage over the regular Traders, and giving no Bond for the due observance of the laws and regulations: may be less scrupulous if he chooses as to the means he uses to secure a preference

<sup>8</sup> Crooks to Gratiot, March 5, 1835; to Sibley, April 18, 1835; to Rolette, May 14, 1835, Letter Books, 1:233, 332, 398; Sibley to Crooks, February 28, 1835; Dousman to, March 5, 1835, Letters Received, American Fur Company Papers.

<sup>9</sup> Sibley to Crooks, February 28, 1835, Letters Received, American Fur Company Papers.

<sup>10</sup> Crooks to Sibley, April 18, 1835, American Fur Company Letter Books, 1:332.



with the Indians. The situation of Sutler is one of security, comfort, and certain profit, while that of the Indian Trader is far from being so."<sup>11</sup>

As an alternative to complete exclusion of sutlers from the Indian trade, Crooks urged that the sutlers at least be prevented from trading within the limits of the military posts and thus forced to trade on the same footing as the other traders, although even then the sutler would carry special influence with the Indians because of his closer connection with the government. Crooks concluded with a plea for "such regulation as will fairly protect us from this unequal competition and deprive the Sutler of all undue advantage in the trade with the Indians."<sup>12</sup>

Cass's reply, as Crooks had feared, was negative. The secretary of war admitted the force of Crook's arguments but declared that he could not interfere. Not until Cass was replaced was the free hand of sutlers in the fur trade limited, and then with specific reference to the liquor trade. In October, 1837, the adjutant general issued a mildly worded order: "Complaints having been made to the War Department, that the Sutlers on the frontiers are in the habit of trading with the Indians and selling them ardent spirits, the Secretary of War directs, if such be the case, that the practice be forthwith discontinued." Within nine months, however, the interdiction on sutlers trading with the Indians was suspended for a year, at the discretion of the commanding officers, having "due regard to the general interest of the service and intercourse with the tribes on the frontiers," and when that year was up, the suspension was continued until July 1, 1840.<sup>13</sup>

WITH THE POSSIBILITY of a new fort on the Des Moines indefinitely postponed and with the refusal of Cass to prohibit the sutlers' trade with the Indians, the American Fur Company became involved in a new project which proved a good deal more complicated and troublesome than

either Sibley or Crooks foresaw. They turned to the heart of the Western Outfit's area of operation and moved to take over the sutlership at Fort Snelling. This time they did not attempt to win for Sibley an official appointment, since the Fort Snelling sutlership had just been filled. Instead, an agreement was sought with the new sutler, by which the company agent would take over his business.<sup>14</sup>

On April 3, 1835, Samuel C. Stambaugh had been appointed post sutler at Fort Snelling for a term of four years. He was a Pennsylvanian, the editor of a county newspaper, who had been rewarded for his support of the Democratic party by appointment as Indian agent at Green Bay in 1830. It was only a recess appointment, and when Congress reconvened, the Senate on March 3, 1831, rejected his nomination. He then served as secretary to the commission sent into the Indian country west of Arkansas to prepare for the removal of the Indians and was again available for some small political plum when the sutlership at Fort Snelling opened up in the

<sup>11</sup> Crooks to Cass, May 7, 1835, American Fur Company Letter Books, 1:374.

<sup>12</sup> Crooks to Cass, May 7, 1835, American Fur Company Letter Books, 1:374.

<sup>13</sup> Crooks to Rolette, May 14, 1835, American Fur Company Letter Books, 1:398; General Orders No. 70, Headquarters of the Army, Adjutant General's Office, October 24, 1837; General Orders No. 21, Adjutant General's Office, July 5, 1838; General Orders No. 39, Adjutant General's Office, July 8, 1839.

<sup>14</sup> There was some question about the legality of this procedure, and Crooks cautioned his agents not to make their negotiations public. An army order of 1829 had required all sutlers to reside at or near their posts and directed that if any sutler "farmed" his appointment or did not reside at the post, the commanding officer should report him to the War Department. (General Orders No. 47, Adjutant General's Office, July 29, 1829.) This provision was not included in the army regulations relative to sutlers which were published subsequently, and the *General Regulations for the Army of the United States*, 1835, says nothing on the matter. Nevertheless, John B. Culbertson, the sutler at Fort Snelling, offered his resignation "if required to reside at the Post," and the resignation was accepted by the secretary of war. Roger Jones to Culbertson, April 6, 1835, Letters Sent by the Adjutant General, 11:279, NARG 94.

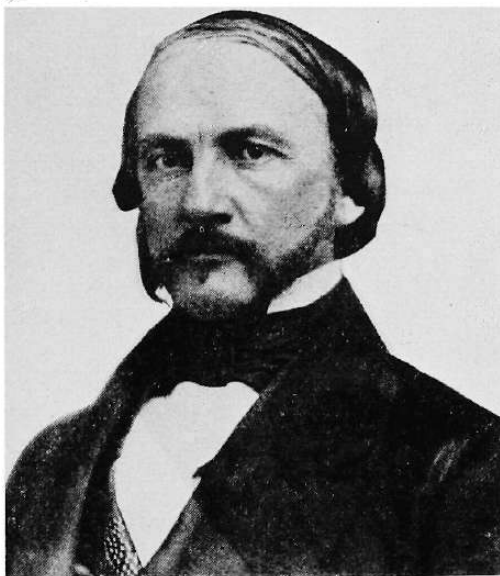
spring of 1835. His title of "Colonel" seems to have had no military basis, nor was he noted for mercantile experience. It is not surprising, then, that Crooks shortly got word that Stambaugh was willing to sell his sutler's privileges.<sup>15</sup>

Crooks wrote an urgent letter to Gratiot, asking him to seek out Stambaugh and to offer him \$1,000 a year if he would cede his rights at Fort Snelling in favor of Henry Sibley. "The Colonel has but little credit, and less knowledge of commercial matters," Crooks informed Gratiot, "& will find it difficult to get along with his new undertaking, which under his management, and his limited means will not yield him as much as we now offer." Crooks, of course, was not seeking to protect Stambaugh, nor was he interested in the sutlership for its own sake. "It is not so much the profit we seek," he admitted to Gratiot, "as to get rid of the competition of the Sutler in the Indian trade, for though he does but little, it is always an annoyance, which I would willingly pay something to get relieved from. The Colonel may imagine the Indian trade he might carry on will be very productive, but whether he accepts our offer or not, he may rest assured he will not grow rich in opposition to us." Crooks intended the payment of \$1,000 a year to apply if there were four companies stationed at the fort, the sum to be scaled down in proportion for a smaller number of soldiers. He authorized Gratiot, however, to raise the price to \$1,200 if necessary.<sup>16</sup>

<sup>15</sup> Register of Sutlers' Appointments, NARG 94; Alice E. Smith, *James Duane Doty, Frontier Promoter*, 114, 117 (Madison, Wisconsin, 1954). For evaluations of Stambaugh by his contemporaries, see "Narrative of Morgan L. Martin," in *Wisconsin Historical Collections*, 11:392 (1888); William D. Hoyt, Jr., ed., "Zachary Taylor on Jackson and the Military Establishment, 1835," in *American Historical Review*, 51:480-484 (April, 1946); William Davenport to R. Jones, May 27, 1837, Fort Snelling Consolidated Correspondence File, NARG 92.

<sup>16</sup> Crooks to Gratiot, May 20, 1835, American Fur Company Letter Books, 1:413.

<sup>17</sup> Gratiot to Crooks, May 27, 1835, Letters Received, American Fur Company Papers.



Henry H. Sibley, 1859

Gratiot went right to work. When Stambaugh arrived in Washington on May 25, the general immediately opened negotiations with him. He discovered at once that Stambaugh was not going to be an easy man to deal with, for he was "somewhat extravagant in his notions of the true value of the sutlership he owns." Stambaugh claimed at first that the previous sutler had made \$6,000 a year, but finally admitted that \$1,500 to \$2,000 was a more accurate figure. Gratiot did a little figuring on his own for Crooks. He found that there were only three companies at Fort Snelling and that this was about the normal force to be expected. He listed for Crooks the number of officers and men and their pay and found that the whole expenditure of the government at the post amounted to \$20,288. Of this Gratiot estimated that \$12,000 to \$15,000 could be secured by the sutler. How much of this would be profit would depend on the markup allowed the sutler by the post council of administration, a figure Gratiot could not at the time supply.<sup>17</sup>

These figures were apparently more encouraging than Crooks had himself expected, for he directed Gratiot to offer

Stambaugh \$1,500 a year for the three companies at the post. "Although \$500 a company is a large price," Crooks wrote, "I am willing to give it for the sake of getting rid of competition in our trade, but if you can obtain for me better terms I trust you will do so."<sup>18</sup>

Gratiot began to bargain with Stambaugh, offering him \$400 per company compared with Stambaugh's demand for \$500, but leaving the impression that \$450 might be agreed to. And he thought Stambaugh would accept the offer. Crooks, however, was getting impatient and was afraid that Stambaugh might find some other party in Philadelphia or New York "simple enough to meet his views," and then all hope of eliminating the competition of the sutler would be lost. Rather than take such a risk, Crooks instructed Gratiot to agree to the \$500 figure and to get an immediate agreement in writing from Stambaugh, to serve until a formal contract could be drawn up.<sup>19</sup>

Gratiot reported that Stambaugh accepted the terms, but when Stambaugh himself wrote to Crooks it turned out that he had his own understanding of the details of the contract. He wanted the \$1,500 per year, plus traveling expenses involved in his going out to the post for the purpose of installing Sibley, upon whom all the duties and responsibilities of the business would fall while he himself would be free during the year to spend the time in Pennsylvania. Furthermore, he wanted \$500 in advance, \$500 at the end of six months, and the final \$500 at the end of the first year. To make these special terms more palatable, he notified Crooks that the sutler at Fort Snelling was permitted to sell two gills of wine to each soldier per day (as a means of discouraging the troops from buying smuggled whiskey) and that he could sell "malt liquor such as Ale and Porter" in any quantity. "I hear from all quarters," he added, "that St. Peters from its location is the best post in the army for a Sutler."<sup>20</sup>

Crooks would not accept the terms set

forth by Stambaugh. It was his understanding, he said, that the \$500 per company was to cover any traveling expenses incurred by Stambaugh. As to time of payment, Crooks would allow no more than half the annual sum at the end of every six months. What bothered him most, however, was the implication in Stambaugh's letter that the agreement was to run for only one year at a time. Unless it were permanent — that is, for the entire term of Stambaugh's commission — Crooks did not consider it worthwhile. He sent his reply to Stambaugh via Gratiot, instructing the general to negotiate further. But Gratiot had no luck with the sutler, who refused to accede to the terms specified.<sup>21</sup>

Crooks of course was disappointed. "The arrangement would have produced to him a much larger income than he can ever derive from the Suttling if conducted by himself; and it would have had a most beneficial influence upon our Indian relations in the vicinity of Fort Snelling," he wrote. He laid the blame for the failure of the negotiations to "the fickleness of the Col. or perhaps the tender of a more tempting offer from some other party."<sup>22</sup>

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<sup>18</sup> Crooks to Gratiot, May 29, 1835, American Fur Company Letter Books, 1:426.

<sup>19</sup> Gratiot to Crooks, June 2, 1835, Letters Received; Crooks to Gratiot, June 4, 1835, Letter Books, 1:442, American Fur Company Papers.

<sup>20</sup> Gratiot to Crooks, June 6, 1835; Stambaugh to, June 6, 1835, Letters Received, American Fur Company Papers.

<sup>21</sup> Crooks to Stambaugh, June 9, 1835; to Gratiot, June 9, 1835, Letter Books, 1:450, 452; Gratiot to Crooks, June 11, 1835, Letters Received, American Fur Company Papers.

<sup>22</sup> Crooks to Gratiot, June 13, 1835; to Rolette, June 15, 1835, American Fur Company Letter Books, 1:461, 463. To Rolette Crooks said: "Having understood that Col. Stambaugh, the new sutler at Fort Snelling, might be induced to dispose of his interest in the business, and believing it important to rid ourselves of his competition at St. Peters, I offered him \$500 per annum for each Company, which he has declined. This I mention to show that we were not unmindful here of the interest of your outfit in the matter, but it will be improper to let the public know that we have had any correspondence with the Colonel on the subject."

THE AMERICAN FUR COMPANY was not yet free of entanglements with Stambaugh, however. The sutler no doubt had little stomach for actually conducting the business and was merely looking for the most advantageous deal. He did not go to his post until late fall, 1835, and then took no supplies with him. When he arrived on the upper Mississippi, Sibley and Dousman sought to come to terms with him there. They proposed to take over the sutlership at Fort Snelling in the spring, manage it entirely by themselves, but allow Stambaugh half of the net profits.<sup>23</sup>

After some negotiations, Stambaugh signed an agreement with Sibley on January 2, 1836. The two men entered into a partnership which was to begin in May and run until April 3, 1839, the end of Stambaugh's commission as sutler. The actual business at Fort Snelling was entrusted

to Sibley, while Stambaugh was to receive a set percentage of the profits. Crooks expected the arrangement to benefit the company substantially, not so much from the profits of the business as from the tighter control it would give over the Indian trade, thus enabling the company to overcome competition which continually cropped up. He forwarded at once the goods Sibley asked for, in value close to \$11,000; the following year the invoice of goods for the sutler came to \$14,133.86.<sup>24</sup>

But the partnership of Stambaugh and Sibley was not a happy one. Some of the difficulty was caused by military circumstances over which the sutlers had no control. The number of soldiers at Fort Snelling was drastically cut in 1837 when troops of the First Infantry were withdrawn for service in Florida against the Seminole Indians. To further complicate matters, the troops departed before they had been paid, leaving the sutler with debts that would be very difficult to collect.<sup>25</sup>

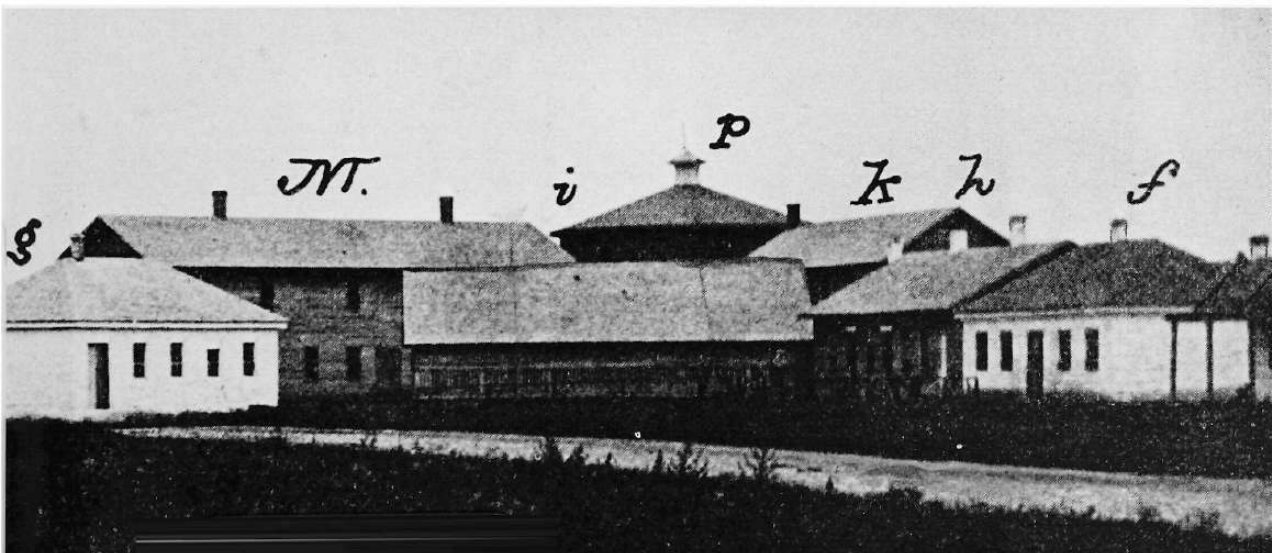
The chief problem, however, came from the unsatisfactory relations of Sibley and Crooks with Stambaugh. The personal recriminations between the two parties were hardly the mark of a successful venture, and by the end of 1836 Stambaugh proposed to take back the whole business on his own account. The American Fur Company men were willing to sell out to him if satisfactory arrangements could be made and proper safeguards for the fur

<sup>23</sup> Dousman to Crooks, November 29, 1835, Letters Received, American Fur Company Papers.

<sup>24</sup> No copy of the agreement has been found, but its provisions can be reconstructed from references in other documents. See Crooks to Sibley, April 27, 1836; to Rolette, May 20, 1837; to Stambaugh, March 15, 1838, Letter Books, 3:104, 4:423, 7:116; Sibley to Stambaugh, October 22, 1837; Stambaugh to Crooks, March 17, 1838, Letters Received, American Fur Company Papers. On the value of the inventory, see Crooks to Sibley, April 27, 1836, Sibley Papers, in the Minnesota Historical Society; John Whetten to Sibley, March 31, 1837, American Fur Company Letter Books, 4:315.

<sup>25</sup> Sibley to Crooks, December 26, 1837, Letters Received, American Fur Company Papers.

*A view of the Fort Snelling sutler's store (marked "f"), looking west*





trade instituted. Crooks gave his blessing to a dissolution of the partnership if the agents on the spot considered it the best move. He wrote to Sibley, "I see the sutling will do something better than heretofore, but I nevertheless believe we shall not grow rich by it, and if there is no danger of the sutler interfering with the Indian trade, I think it would be as well to let the Col. have the whole affair to himself—He might however enter some arrangement with Mr. [Benjamin F.] Baker, and that I should consider injurious to our interest."<sup>26</sup>

By October, 1837, Sibley sent Stambaugh proposals in writing for bringing the partnership to an end before its set date of expiration. There were two principal provisions. First, Stambaugh was to take all the stock remaining on hand and all the debts due the sutler. He was to give notes payable at three, six, and nine months, which were to be endorsed by two responsible persons. Second, he was to obligate himself "not to interfere with the trade in furs & peltries, either directly or indirectly" for the entire period for which the original agreement was made, that is, until April, 1839. The total valuation of stock and debts Sibley estimated to be from \$12,000 to \$15,000.<sup>27</sup>

STAMBAUGH was at his home in Lancaster, Pennsylvania, too far from Fort Snelling for Sibley to carry on negotiations. The task of dealing with him was thereupon taken up by Crooks from his New York office, with Crooks's supplier in Philadelphia acting as go-between in trying to bring the two principals together. It was a strange business, and although extensive correspondence was carried on for more than three months, Crooks and Stambaugh never made personal contact. "I have spared no pains to come to a frank and equitable settlement with Col. Stambaugh for the transfer to him of all our interest in the Suttling at Fort Snelling," Crooks wrote to Sibley at the end of April, 1838, "but I regret to say it has ended in abortion. I went to

Philadelphia to meet him at the time he promised to be there, but he was sick & did not come; and though at different times he led me to expect a visit from him, he never came."<sup>28</sup>

There were two obstacles to the agreement. Stambaugh objected to taking over the debts and wanted only to accept the stock on hand. Crooks, furthermore, was very cautious about the security Stambaugh would offer and the financial integrity of the endorsers he proposed. As the negotiations dragged along, the fur traders suspected Stambaugh of less than open dealing. Sibley and Dousman thought that Stambaugh was prolonging the discussion until it would be too late for the company to supply the goods needed for the store, "when he will go up to Fort Snelling and claim the business on the ground that we have failed to furnish according to contract." Sibley insisted that Crooks send him copies of all his correspondence with Stambaugh, "as I shall then know what reliance to put upon his statements."<sup>29</sup>

Sibley's distrust of his partner was not lessened by the unsuccessful negotiations. "I trust you will be able to arrange with him satisfactorily," he wrote Crooks; "at any rate it will not do to brush him in any way where he can obtain the advantage, for I know his feelings are inimical to the Company rather than the reverse, and if we can succeed in getting rid of him peaceably, it will be quite as much as I anticipate." Sibley was no doubt irritated by

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<sup>26</sup> Dousman to Crooks, December 12, 1836, Letters Received; Crooks to Sibley, February 28, 1837, Letter Books, 4:311, American Fur Company Papers. Baker was a competing trader.

<sup>27</sup> Sibley to Stambaugh, October 22, 1837 (copy); to Crooks, October 22, 1837, Letters Received, American Fur Company Papers. Ledgers from the sutlery and inventories of goods on hand are among the Sibley Papers in the Minnesota Historical Society.

<sup>28</sup> Crooks to Sibley, April 28, 1838, American Fur Company Letter Books, 7:287.

<sup>29</sup> Stambaugh to Crooks, March 17, 1838; Sibley to, December 26, 1837; January 10, 18, 1838, Letters Received, American Fur Company Papers.

Stambaugh's accusations that the meagerness of the profits had been Sibley's fault. Stambaugh had pointed out to Crooks that he had made considerably more profit when he had briefly run the business by himself. "There must, therefore," he concluded, "have been some mismanagement somewhere, in trusting too much on the carelessness of clerks having charge of the business, as Mr. Sibley could not attend to *both* the places under his charge." Sibley roundly denied the charges and insisted in turn that Stambaugh was "far from being a competent judge of any business whatever."<sup>30</sup>

Crooks's reaction was milder, probably because he was farther from the scene. "On the whole it appears to me," he told Sibley when his efforts to meet with Stambaugh had failed, "he never was seriously inclined to make such an arrangement as he has

<sup>30</sup> Sibley to Crooks, February 26, July 2, 1838; Stambaugh to, March 17, 1838, Letters Received, American Fur Company Papers.

<sup>31</sup> Crooks to Sibley, April 28, 1838, American Fur Company Letter Books, 7:288.

<sup>32</sup> Sibley to Crooks, February 25, 1839, Letters Received, American Fur Company Papers.

THE DRAWING of Ramsay Crooks on page 23 was done by Kern O. Pederson from an engraving. The picture of the sutler's store is from the division of photographic archives and research in the National Archives. The portrait of Sibley is owned by the Minnesota Historical Society.

tried to make us believe." Crooks recommended to Sibley that he close out the business according to the original agreement with Stambaugh, urging him to "manage the business in the closest possible manner" so that the inventory would be as small as possible when the partnership came to be dissolved.<sup>31</sup>

Sibley by then had had enough. His experiences as a sutler had taught him that the problems were greater than the profits. Stambaugh apparently made no attempt to have his appointment renewed, and Sibley asserted, "The appointment would have been given to me as an *individual* if I had desired it, but I did not hesitate to express my determination never, *under any circumstances*, to be interested in the sutling business again."<sup>32</sup>

So ended the American Fur Company's efforts to control the sutler's business in the area of its trade. Crooks and Sibley had worked diligently to block the competition which threatened their business. Their effort had met with moderate success but with more irritation than it was worth. And in the end it mattered little. While they were worrying about the competition, increasing white settlement was pushing the fur trade beyond the sphere of influence of the sutler at Fort Snelling.

## Statehood Day, 1872

THE *St. Paul Daily Pioneer* of May 14, 1872, carried the following report: "It was fifteen years ago yesterday since Minnesota was admitted into the Union, and the event was celebrated in an appropriate manner by the State officials. A meeting . . . was held . . . at which the programme of exercises for a proper observance of the occasion was talked over. There was some disagreement . . . which for a time threatened to interfere with the harmony of the occasion. Some . . . wanted to celebrate the day in a manner becoming the dignity of the fifteen year old

commonwealth, and to that end a basket at least of champagne would be necessary. Others thought Rhine wine would answer, while still others were opposed to . . . spirituous liquors. After a stormy debate a compromise was effected, and . . . three gallons of beer was ordered, to be paid for, *pro rata*, out of the contingent funds of the different departments.

"The party was a select one, all reporters were excluded, and hence we are unable to give the speeches made . . . but we learn they were of a very high order."



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