PHILADELPHIA-MISSISSIPPI VALLEY TRADE AND THE DEPOSIT CLOSURE OF 1802

BY C. RICHARD ARENA*

WHEN Spain closed to the United States in 1802 the right of deposit at New Orleans, Philadelphia firms trading with Spanish New Orleans were among those affected. Notable among such firms was that of Thomas and John Clifford. An examination of the Cliffords’ experience with the deposit closure throws light on the relations among early nineteenth-century Philadelphia, New Orleans, and the pioneer Mississippi Valley settlements.

The Cliffords were extensively engaged in the export of a wide assortment of finished goods to New Orleans and valley settlements, while receiving in return such items as cotton, sugar, and specie, especially Spanish silver and gold. In addition, they also boasted a brisk commercial exchange with other parts of the world, including the West Indies, England, France, and Holland. The Clifford correspondence involving the Mississippi Valley fully illustrates how this firm suffered the most serious trading and financial reverses—as did many other American businessmen—for the period covering the deposit closure of 1802-1803. Yet this same revealing source offers convincing testimony, when carefully studied in its entirety, that the closure was not in itself the cause mainly responsible for the economic setback.

It is necessary at the outset to review briefly the historical background of the deposit closure. It will be recalled that in accordance with the terms of the Treaty of San Lorenzo of 1795 between the United States and Spain, the United States gained two unmistakable economic advantages. The first was the right to enjoy the

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1 The Clifford Papers, 1722-1832, business correspondence and miscellaneous manuscripts; approximately 10,000 items in 29 volumes. (Historical Society of Pennsylvania, Philadelphia.)
free navigation of the Mississippi River, and the second was the privilege of deposit at New Orleans. It is article twenty-two of the treaty which deals with the granting of the deposit, establishing a time limit of three years from the date of ratification. Upon its expiration Spain would designate “an equivalent establishment” on “another part of the banks of the Mississippi.”

The arguments both immediate and protracted which grew out of the actual exercise of the deposit privilege were numerous and a never-ending nuisance. As long as Spain was at war with Great Britain, from 1796 to 1802, however, they hardly became critical. This may be explained in part by the fact that Spanish Louisiana, among other Spanish American colonies at this time, looked to the United States for vital supplies, such as foodstuffs and cargo ships. Town merchants and surplus producing farmers both along the Eastern seaboard and in the interior river valleys were more than ready to respond to Spain’s need in this respect. In 1801, for example, United States trade on the Mississippi River comprised the impressive total of 550 river craft that had descended from various Western settlements to New Orleans, and some 200 ships that had come up-river to take on cargoes at the same port.

In June, 1802, information concerning abuses of the right of deposit by the Americans was received by the Spanish court from the consul located at Philadelphia, Balentín de Foronda. Similar reports had already been transmitted by the secretary of hacienda, or treasury, to the secretary of foreign affairs as early as April 26, just one month after the conclusion of the Treaty of Amiens that brought peace to France and Great Britain. It was a most opportune moment for the Spanish court to act, which it did, by sending a royal order marked “very secret” to the acting Intendant Juan Ventura Morales at New Orleans. This colonial official was authorized to close the deposit to the Americans, an instruction with which he complied by publishing a proclamation to that effect on October 18, 1802.

Just a few days before Morales acted, Evan Jones, serving as

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3 Ibid., p. 488.
4 Ibid., pp. 488-489.
the Cliffords’ factor at New Orleans, informed his Philadelphia clients on their financial condition in the province:

*Thomas and John Clifford, Gross Amount of Sales*

October 11, 1802

<table>
<thead>
<tr>
<th>Shipment</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sloop Liberty</td>
<td>about $800</td>
</tr>
<tr>
<td>Thomas Wilson</td>
<td>about 5000</td>
</tr>
<tr>
<td>Roebuck</td>
<td>about 7600</td>
</tr>
</tbody>
</table>

**TOTAL** $13400

"from which the freight, duty, etc are to be taken”  

Jones also added that he had sent on to Natchez the *Roebuck’s* cargo, amounting to about $4,400, which he entrusted to his clerk, a Mr. Joachim Martin.

Following the closure order the Cliffords began to receive the most discouraging reports on their sales at New Orleans as well as Natchez. In February, 1803, Jones twice mentioned how poorly his clients’ goods were moving at Natchez. In the first letter he stated that a boat from that port had arrived with a cargo of unsold goods of the Cliffords. The articles in question consisted of *estopillas*, or fine hemp cloth. Six days later Jones again wrote of the poor sales at Natchez.

Considering the obvious decline in the volume of business that characterized the trading activity of the Cliffords after the closure, it would be pertinent to note Jones’ own views on the effect of the closure in this regard. On November 5 he described New Orleans as a scene of confusion “still,” with “no one sure what [would] happen.” Business there was “at a standstill.” Only one vessel had arrived and actually unloaded its cargo since the closure order; moreover, the brig *Dispatch* from Philadelphia was still in the river. As for the law forbidding trade between New Orleans and the United States, Jones offered the important observation that the American ship which had unloaded its cargo had done so by having Spanish subjects claim it as their own property. "It

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5 Clifford Papers. Jones to Thomas and John Clifford, New Orleans, October 11, 1802.
9 *Ibid.*, same to same, November 5, 1802.
remains to be seen," he added, "whether this practice is to be
allowed in the future." 10

About a month later Jones elaborated much more freely on the
steadily deteriorating commercial interests of his Philadelphia
clients. 11 He carefully pointed out how he had expected, at first,
that the closure order would serve as a blessing in disguise, a
golden opportunity for the Cliffords to unload their heavy stock
of unsold goods that was on hand when the order went into effect.
For Jones had reasoned that the immediate effect of the order,
logically, would be the end or serious curtailment of the importa-
tion of American goods into New Orleans, thereby creating a
scarcity which the Cliffords could not fail to exploit handsomely.
True, he had paid all of the legal duties on their imported mer-
chandise, but the anticipated high prices should quickly cancel
this expenditure. It was the unqualified belief of Jones, initially,
therefore, that the closing of the deposit to Americans would be
a boon to his Philadelphia business contacts.

Unfortunately such bright speculations were never realized. For
American goods did indeed continue to arrive at New Orleans after
the closure, thanks to a healthy quickening of smuggling activity.
And not only were such goods capable of preventing the much-
desired scarcity, but their actual, profuse abundance made it im-
possible for the honest American merchants, such as the Cliffords,
who had paid the legal duties, even to compete on the market with
them! 12 It was the very sad task, therefore, of Evan Jones to con-
fess to the firm of the Cliffords in Philadelphia that, in view of the
above, he was without the means of directing any remittances in
the form of specie to them at that time. What little there had been
in New Orleans simply disappeared into the smugglers' pockets. 13

If there was disappointment in New Orleans over the closure
order, one could easily imagine the reception with which this news
was met in the Philadelphia business community. The General
Aurora-Advertiser notified the public on November 24, 1802, with
the caption "NEW-ORLEANS SHUT." 14 The article stated that
Spain had failed to fix a new place of deposit for American

10 Ibid.
11 Ibid., January 10, 1803.
12 Ibid.
13 Ibid.
14 The Philadelphia General Aurora-Advertiser.
produce, in accordance with the treaty between the United States and Spain. Hence the closure constituted "an infringement" of the treaty, a subject to which the United States government should direct its "immediate attention."

According to the above newspaper, therefore, the port of New Orleans was "shut." Evan Jones, meanwhile, wrote that American goods were being received. Whom were the Cliffords to believe? Evidently further clarification on this question was requested of the New Orleans factor, inasmuch as Jones touched on this point with some exactness in his letter of January 10, 1803, to Philadelphia:

No risk is run in sending vessels in to the Mississippi, they lay at anchor opposite the Town as they please & take in openly American produce & Spanish privately.

From Natchez, which was the key river port of the American Mississippi territory, the Cliffords received a firsthand report concerning the effect of the closure there. On December 8, 1802, Samuel Postlethwaite wrote on the closure: "Our situation is really very unpleasant—the Government at N. Orleans seems[s] determined to throw every difficulty in the way of our Trade—The Deposit is yet closed and no prospect of any change." Touching on the topic of cotton, which was becoming a principal New Orleans export to Philadelphia at this time, he observed that there were unfavorable accounts "from every source": its price was down and few wanted to sell. Recalling the previous year, when Philadelphia-New Orleans trade had been very brisk, Postlethwaite added, "... time will perhaps reconcile them [the cotton growers] to the change between this and last year, but for the present it greatly embarrasses the collection of debts." He was probably attempting to justify his own failure to send remittances to the Cliffords—his debtors had failed him, and thus he found himself short-handed.

Much farther away from Spanish New Orleans than Natchez

15 Ibid.
16 Clifford Papers. Jones to the Cliffords, New Orleans, January 10, 1803.
17 Ibid., Postlethwaite to the Cliffords, Natchez, December, 1802.
18 Ibid. Note: sometimes the name Postlethwaite appears without the final 'e.'
was Lexington, Kentucky, but with economic ties to Philadelphia that were similarly close. It is not surprising, therefore, to find that the Cliffords opened their dispatches from their agent there, William Morton, only to read much the same story. But Morton’s references to the closure were characterized by a greater degree of resentment and desire for aggressive counteraction than those from Natchez. He was convinced that “our Kentuckians” were being kept “easy” only by the hope that the closure would very soon be removed. They would not, he added, “await the tardy formalities [of negotiations] . . . in foreign courts”; rather, given a very few “leading characters [to] step forward[,] 15 or 20,000 could be put in motion in a very short time . . . ,” that is, “in motion” against Spanish New Orleans. It was Morton’s personal hope that such a violent recourse would prove unnecessary, for he was also involved in direct trade with Natchez and New Orleans and very much anxious about the closure. He closed by apologizing for sending so small an amount to pay his Philadelphia creditors: eventually he hoped “to have the pleasure to pay every Dollar.”

Wherever the Cliffords had agents or customers in the West, including the Mississippi Valley, the “regrets” and “promises to pay every Dollar” became inevitable insertions in every dispatch. The problem of the collection of debts was the subject of the letter of David Leigler from Cincinnati, dated December 28, 1802.

Once Morales’s proclamation closing the deposit had been published (October 18, 1802), the controversy and confusion which followed slowly lessened in intensity. It gradually dawned upon Westerners and Easterners alike that the closure really did not close anything at all. Anyone interested in making a personal reconnaissance of the controversial port during this period could have determined this fact for himself—as did John D. Clifford. He could also have discovered that Spanish authorities, not French as was rumored, were actually in control of the Province of Louisiana.

Philadelphia ships, along with other vessels from the Eastern seaboard, continued to enter the port of New Orleans. United

19 Ibid., William Morton to the Cliffords, Lexington, February 4, 1803.
20 Ibid.
States Customs Records have been studied to compile the following summary of inward entries, that is, into Philadelphia from New Orleans, from October, 1802, to May, 1803, the months of the closure:

Daniel W. Coxe received shipments from New Orleans on November 1 and December [?], 1802, and January 2 and 4, 1803. His shipments consisted of the usual sugar and cotton, the chief Louisiana exports at the time. Only one arrival is listed for the month of February; this was the ship Mars, under Captain Crane, arriving on the 22nd with a cargo for Coxe. Three vessels are recorded for March: on the 8th, the schooner Adventure, under Captain Denabre, whose sole cargo consisted of “15,000 Bricks Manufactory of the U. S.”; on the 22nd, the brig Sophia, under Captain Lord, carrying cotton for Coxe as well as for Read and Forde; and on the 31st, the brig Tartar, under Captain Strong, with “100 Bales Cotton, Produce of the U. S.” for Simon & Hyman Gratz. On April 6 the schooner Bee, under Captain Bragg, arrived from Natchez by way of New Orleans, its sole cargo consisting of five bales of cotton marked “Produce of U. S.” and consigned to the firm of Thomas & John Clifford. One other vessel listed for this month, on April 16, the brig Esperanza, under Captain Orso, carried cotton and sugar for William Ross and James Dawson & Co. Finally, there were three vessels that left the port of New Orleans for Philadelphia during May, the last month in which the closure order was in effect: the sloop Susanna, under Captain Thomas Morgan, with a cargo of cotton; the schooner Enterprise, under Captain Ray, with cotton for Coxe and Thomas & John Clifford; and the schooner Ruby, under Captain Martin, with additional cotton for the Cliffords, and a cargo described as “Manufactory of the U. S.” for Bickham & Reese.

Thirteen officially registered vessels from New Orleans to Philadelphia act as a rather convincing number to demonstrate that the Mississippi port was hardly “closed shut” as had been supposed by those who had heard of Morales’s closure order.

Although the order did not end the trade between the two ports, it did provide a constant hindrance to the direct flow of trade between them. It will be recalled that Spain suspended all neutral

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National Archives, Washington, D. C.
commerce between the Spanish Province of Louisiana and "friendly" states simultaneously with the withdrawal of the deposit. Actually, the order on eliminating neutral trade, which was aimed at the promotion of the monopoly of Spanish-American commerce for the exclusive profit of the mother country, marked a restoration of pre-war economic principles for Spain. The Peace of Amiens, concluded in the spring of 1802, not only afforded that country a brief respite from her continental wars, but gave her the desired opportunity to rescind the emergency order of 1797, allowing trade between her American colonies and neutrals, which included the United States.

The means by which trade was maintained between Philadelphia and Louisiana, in spite of the prohibitive Spanish laws, was to resort to the time-honored custom of smuggling. Smuggling was more commonly practiced than following legal procedures, because the only period in which their vessels could legally enter New Orleans on the same terms as those of Spain was from June 11, 1798, to October 18, 1802. With the exception of this period they had conducted their commercial activity by masquerading as Spanish or French nationals in order to circumvent the laws.22

Evan Jones fully informed his Philadelphia contacts of this state of affairs, by explaining that neither Spanish cotton nor any produce of the province of Louisiana could be "legally" shipped on American vessels.23 He added that Americans were likewise prevented from reshipping produce from American territory, once unloaded at New Orleans; cotton and tobacco from the West were barred from the province absolutely. Jones then made the significant observation that "it is frequently done [by the smugglers]."24 He forthwith hesitated not the slightest, in the same letter, to place an order for merchandise from Philadelphia! He requested a supply of some "Screws &c for pressing cotton."25 It should be recalled that the Cliffords were among those Philadelphia merchants who continued to receive cotton shipments from New Orleans during the deposit closure.

23 Clifford Papers. Jones to the Cliffords, New Orleans, March 17, 1803.
24 Ibid.
25 Ibid.
Regarding the availability of American vessels to transport the goods of exchange between Philadelphia and New Orleans, Jones could expect little serious trouble. In March, 1803, he observed on one occasion that the Americans maintained ninety vessels, mostly square rigged, at the harbor of New Orleans, while there were twenty and more within five leagues of the city. Many had actually been waiting for more than three months in the hope of taking on some freight.\textsuperscript{26} Inasmuch as New Orleans cotton was advertised as of November 25, 1802, in the Philadelphia newspapers (about a month after the closure),\textsuperscript{27} Jones’s comments were probably noted with special care by his Philadelphia clients. And as late as November 27, the \textit{General Aurora-Advertiser} contained a sailing announcement for the “Fast Sailing Brig \textit{Spanish Lady}. . . . A regular trader. . . . For freight or passage . . . and to sail in about 2 weeks.”\textsuperscript{28} Nor was there ever any subsequent notice to the effect that the \textit{Spanish Lady} did not go to New Orleans.

No less significant as a basic reason for the ineffectiveness of the closure order in frustrating Philadelphia-New Orleans trade relations was the old problem of food shortages in the Spanish province. Acting Intendant Morales had no choice, because of this problem, but to allow the importation of flour. And by also permitting cotton from Natchez to reach New Orleans—upon payment of the usual six per cent duty—he thereby granted entry to vital United States goods for re-exportation. For the act of paying the duty “nationalized” these products, thus entitling them to be taken on as cargo by Spanish ships, subject to another six per cent duty. On February 5, 1803, he “confirmed the privilege as to flour,” acting on the request of the governor and the \textit{cabildo}. Eventually he allowed all provisions to enter the province.\textsuperscript{29}

It is apparent that the serious losses being sustained by Philadelphia merchants, such as the Cliffords, during the closure could not be attributed to this same act of closure. The ease with which not only American, but British goods as well, illegally entered New Orleans, plus the fact that Spain re-opened French and

\textsuperscript{26} Ibid.
\textsuperscript{27} Philadelphia \textit{General Aurora-Advertiser}; the item reported that the “firm of [Alexander] Cranston, [Andrew] Alexander, & [James] Smith . . . [had] 11 Bales New Orleans COTTON.”
\textsuperscript{28} Ibid.
\textsuperscript{29} Whitaker, \textit{Mississippi Question}, 195-196.
French West Indian trade, explain why Evan Jones complained in March, 1803, about the “continued influx of goods from England, France, & U. S.” It became commonplace for him to close his correspondence with the sad news that he had not “a farthing of remittance” for them in return for the merchandise sent him from Philadelphia. Meanwhile American vessels continued to “flock in every day” at New Orleans. On March 25 Jones noted that there were now “up to 120 square rigged vessels here—at least $/4 from U. S.”

A final observation should be made on the question of the inadequacy of the closure order in really blocking United States trade. Spanish officials from the governor to the ill-paid customs guard did not enforce the order because the governor entertained the very clear fear that such action could precipitate two explosive situations beyond the control of the local authorities. The first involved the creoles, or well-to-do merchants and planters, who were capable of instigating a revolt, as they did against the first Spanish governor’s unpopular economic decrees. Secondly, there was the growing American protest from every section of the country, and fortified by Western threats of an attack against the province. Spain’s foreign agents were busily supplying information concerning American intrigues—some quite openly avowed—involving the province. Even as far away as London, Spanish officials were urgently penning dispatches to the court, urging it to beware of the Westerners’ momentary attack.

It has already been mentioned that the firm of Thomas and John Clifford of Philadelphia was associated with trade with several settlements in the American West as well as with New Orleans. Much of their Western trade, however, was handled by way of Spanish New Orleans. On February 1, 1803, Samuel Postlethwaite & Co. of Natchez wrote to the Cliffords concerning a project which, upon being successfully executed, would result in

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30 Ibid., 196-197.
31 Clifford Papers, Jones to the Cliffords, March 10, 1803.
32 Ibid.
33 Ibid., same to same, March 25, 1803.
35 Ibid.
a profit for all interested parties. At the time Postlethwaite was already in debt to the Philadelphia merchants for unsettled accounts.

His project consisted of assembling, within the next two weeks, a cargo of about three hundred bales of cotton for the ship Mary, at Natchez and bound for the city of New York. Its captain, a Mr. Darling, would have to get through the port of New Orleans first, seemingly a minor item, inasmuch as the subject was ignored completely in the correspondence. Postlethwaite calculated that the three hundred bales, weighing some 100,000 pounds, would bring about $20,000, for which amount the cargo would be insured. In any event, should the Mary fail to reach New York by at least April 1, then “insurance ought to be made on the best terms possible.” A Mr. William Turner was to accompany the shipment to New York with instructions “to sell as soon as he can, placing the proceeds in your [the Cliffords’] hands.” Finally, the Lexington contact, William Morton, also in debt to the Cliffords, would meet Turner in Philadelphia. A postscript, dated February 7, recorded a slight change in the above arrangement: less cotton than had been anticipated was available for shipment, which would make the cargo now worth $15,000.

Toward the end of February, Morton confirmed the Postlethwaite letter and the role that had been assigned to him in the commercial venture therein outlined. He stated positively that he would depart for Philadelphia in about two weeks. Moreover, he advised the Cliffords of a second shipment being prepared, probably also of cotton, for either New York or Philadelphia. At the same time Morton mentioned the deposit closure, remarking that there had been no change in that respect. Morales, he understood, was becoming absolutely insufferable in the affair, threatening Americans “with chaining them to wheelbarrows, and . . . [claiming] the orders of the King his master for all he has done.” Morton concluded by citing the scarcity of specie at Natchez, as well as of buyers for the large crops of cotton available there. Later he decided against making the intended journey to Phila-

39 Clifford Papers.
40 Ibid.
41 Ibid.
42 Ibid., Morton to the Cliffords, Lexington, February 28, 1803.
Philadelphia for reasons of inadequate transportation facilities—"intolerable" weather and road conditions. Postlethwaite sailed on the 12th of February aboard the *Mary* from Natchez, with "nearly 300 bales cotton," and bound for New York. It was Morton's expressed hope that he had been "able to make Insurance." The *Mary* safely completed her journey to New York as originally planned. On April 4 Morton wrote to the Cliffords, acknowledging the news of the arrival of Postlethwaite, and expressing his confidence in their giving to the Natchez merchant the "best advice" in disposing of the cotton. About two and a half weeks later Morton again thanked the Philadelphia firm for the "advice to, and civilities shewn" to Postlethwaite, who, Morton expected, was at that time journeying back to New Orleans.

It can be appreciated from the above economic activity how Spanish New Orleans served as an indispensable link, directly joining the economic interests of the most important Eastern seaports of the country and the mushrooming Western settlements. The great Mississippi Valley, with its vital Spanish outlet to the markets of the world, had long enticed the fur trapper and frontier settler. By 1802 the advantages that it offered to Philadelphia merchants were no less attractive.

Frequently the ties which bound the Philadelphia merchant to Louisiana and the West also extended to Europe. The important cotton exporter at New Orleans, William Dunbar, for example, made use of a Philadelphia banking house to cover a debt for goods imported from London. The Cliffords shipped their cotton and sugar directly from New Orleans to Liverpool. A dispatch addressed to this firm, dated Liverpool, May 2, 1803, contained a listing of "Prices Current, American Produce." British customers of the Cliffords, and probably those of other American merchants as well, must have been aware of the smuggling activities of Americans as a means of exporting cotton out of New Orleans. For this Liverpool listing advised the reader that any cotton from

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11 *Ibid.*, same to same, March 8, 1803.
12 *Ibid.*, same to same, March 8 and 15, 1803.
14 *Ibid.*, same to same, Lexington, April 22, 1803.
15 Rowland, [Mrs.] Dunbar, ed., *Life, Letters and Papers of William Dunbar*. . . (Jackson, Miss.: Mississippi Historical Society, 1930), 115-116. This was the banking house of Samuel Breek, Jr.
16 Clifford Papers.
New Orleans could be imported on American ships, as long as it was accompanied by a certificate stating it to be produce of the United States. The British, who had been—as they still were—engaging in smuggling in Spanish America long before there even was a United States, probably read such notices without blinking an eye.

On May 21 Evan Jones informed the Cliffords that the deposit had been re-opened; at the same time he noted the beginning of the descent of produce from the "upper country." He also mentioned the loading of cotton on the ship Superior, to their account, and destined for Antwerp. The Cliffords, who had very little encouragement from their past letters from this agent, no doubt anxiously awaited the outcome of this venture. The significant thing about this particular correspondence is its indication of the close connection between New Orleans and European ports and the commercial activities of Philadelphia merchants during this period. To the Cliffords, therefore, the Mississippi Question had a direct bearing on both their domestic and their international trade.

It is obvious that the extent of trade between Philadelphia, Spanish Louisiana, and the Western settlements of the United States was dependent upon the existence of peace or war across the ocean. Spain was usually at war during the eighteenth century, and from 1778 to 1810 Americans traded with Spain and Spanish America as a neutral. The tendency was to trade legally with Spain and illegally with her American colonies, which was in keeping with European practices of the day.

The war had led to the Spanish demand for American flour: both from the Western settlements, making good use of the Mississippi, and from Philadelphia, which gradually lost its earlier fear that the West would be a serious competitor in that respect. President Jefferson noted that Spain's return to peace affected

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47 Ibid.
48 Ibid.
49 Ibid.
50 Ibid. During this period the Cliffords were trading with the following foreign ports: Liverpool, St. Petersburg, Antwerp, Barcelona, Bordeaux, Amsterdam, and Dublin.
52 Whitaker, Mississippi Question, p. 152.
adversely the status of American consular agents in her port of New Orleans:

Neither Spain nor France allows any foreign nation to keep a consul in their colonies in time of peace. In consequence of this, our consul at New Orleans has had his functions suspended by the governor, and peremptorily inhibited from the use of them. I think it even doubtful whether they would permit us to have there even an informal agent to exercise any public duty.\(^5\)

It follows that it was no mere coincidence that the serious economic crisis which characterized Philadelphia-New Orleans business relations during the closure occurred while Europe was precariously enjoying a respite following the Peace of Amiens. Describing the deteriorating trade between New Orleans and the United States in general during this period, Evan Jones pointed out to the Cliffords on March 13, 1803, that "there are houses in this place [New Orleans], who within these 18 mos past, have received consignments from the U. S. for at least $200,000 in Return!"\(^5\) He thus hoped to convince his Philadelphia clients of his own blamelessness in their Louisiana losses: "The bad success of other people, to be sure, is no great consolation for you. It may serve however to show that your Agent is not the only one, who cannot find a sale for his goods."\(^5\) The bitter pill which it was Jones' function to serve to the Cliffords was, then, the sad news that between January and March of 1803 he had sold only between $400 and $600 of their goods, without collecting over $100 even on these sales.\(^5\) The following month he put up the remainder of their goods for auction, a measure he had long favored. This move was sanctioned by John D. Clifford, who had been making a tour of the firm's Western connections, including that of New Orleans.\(^5\)

The Cliffords had good reason to know that success of their agent Evan Jones in New Orleans was not unrelated to the ques-

\(^2\) Jefferson to Gallatin, Monticello, August 14, 1802; in Henry Adams, _Writings of Albert Gallatin_ (Philadelphia, 1879), I (1801-1803), 84-85.
\(^3\) Clifford Papers.
\(^4\) Ibid.
\(^5\) Ibid., Jones to the Cliffords, New Orleans, March 17, 1803.
\(^6\) Ibid., same to same, April 13, 1803.
tion of war and peace in Europe. In May, 1803, about a week prior to the British declaration of war against France, ending the Peace of Amiens, the firm of Ridgway Merlens and Company of Antwerp wrote to the Cliffords.  

Ridgway Merlens advised them to expect to “obtain a very handsome price” for their coffee in the event of war breaking out in Europe. Then on May 28, Jones at New Orleans, who had not yet learned of the resumption of hostilities on the continent, expressed the opinion that the strong possibility of war between France and England “leaves much uncertainty in N.O.” Had he been clairvoyant, he might have added that once again America was about to receive an amazing and unexpected boon from the impending war—nothing less than the entire province of Louisiana itself.

Did the Western and New Orleans agents of the Cliffords represent a “get-tough” policy against Spain to obtain the re-opening of the deposit? As far as their correspondence indicates, the question must be answered in the negative. Actually the American diplomatic representatives at this time were painting a much more explosive state of affairs on American reaction to the closure than was the case. This may be explained on the grounds that it suited Jefferson’s diplomatic strategy to have France and Spain believe that the federal government was barely able to check the hostile intentions of its own citizens regarding the closure. On March 8, 1803, Secretary of State James Madison wrote to the minister to Spain, Charles Pinckney, on the West’s increasing irritation over the closure, predicting that “a new crisis” would surely occur if the deposit were not re-opened in time for the “spring craft.” He also included “the propositions moved in the Senate by Mr. Ross, of Pennsylvania,” the Federalist spokesman in favor of more action against the Spaniards at New Orleans. Pinckney was no doubt also receiving numerous memorials from the Westerners to the federal government demanding action on the issue. These stressed the economic crisis allegedly caused by the closure, and alternately threatened a direct attack against Louisiana.

Ibid., Antwerp, May 9, 1803.
Ibid.
Ibid., Jones to the Cliffords, New Orleans, May 28, 1803.
Ibid.
or secession from the Union. The following extract forms a typical example:

Memorial to the President, Senate, and House of Representatives of the United States. January, 1803

Your memorialists, inhabitants of the states west of the Allegheny Mountains [complain that the port of New Orleans is closed. The taxes which they owe the United States cannot be paid because their produce has no outlet but down the Mississippi, and will therefore rot in the granaries.] . . . the delay of only a single season would be ruinous to their country . . . an imperious necessity may consequently oblige them, if they receive no aid [from the federal government], to adopt themselves the measures that may appear to them calculated to protect their commerce, even though those measures should produce consequences unfavourable to the harmony of the confederacy.63

A similar memorial that was sent about the same time to the federal government ended with the signers’ solemn pledge of their lives and fortunes in support of “such measures as congress” may take. The signers in this case were William Forman, Speaker of the House of Representatives, and John Ellis, President of the Council of the Mississippi Territory.64

That such memorials did not represent the unanimous Western view at this time is supported by the Cliffords’ business correspondence that involved Philadelphia-New Orleans-Western economic activities. On the subject of the Westerners’ secession threats, William Morton of Lexington informed the Cliffords, on March 8, 1803, of an article that appeared in “one of our Frankfort papers” suggesting that Kentucky withdraw from the Union.65 Then the governor demanded that the editor disclose the name of the unsigned writer of the article. Upon the name being made public, “. . . the populace in contempt burned him [the writer] in effigy.”66 The Cliffords were further assured regarding Kentucky’s peaceful intentions on the deposit question when, toward the end

63 Francois Barbé-Marbois, Histoire de La Louisiane et de la Cession de cette Colonie par la France aux Etats-Unis (Paris, 1829), 419.
64 Ibid., 417–418
65 Clifford Papers.
66 Ibid., Lexington, March 8, 1803.
of March, Morton wrote that he believed that Kentucky citizens would not resort to violence in the controversy. Instead, he stated, they would wait for the "executive" to complete diplomatic negotiations then under way with Spain and France.\textsuperscript{67}

Reports from New Orleans continued no less even tempered than those from Lexington. Although their business affairs were suffering mightily, the Cliffords received no cry from Evan Jones that the closure was the cause. Jones's principal complaint centered around the fact that he was "overstocked" with the Cliffords' goods at New Orleans. On one occasion he explained how, in failing to obtain specie in return for their stock, he sought cotton or sugar in exchange. To this end he "tried every considerable retailer in town, & offerd [sic] your linnens in exchange for even Sugar, which may be had on a credit of 6, 8, & 10 months, without the smallest success. The uniform answer is, that their stores are already full, which is certainly true." Characteristically, he ended on the pessimistic note that he had "no cash to send" to Philadelphia.\textsuperscript{68} In no instance did Jones even imply that it was the closure order which was responsible for the Cliffords' disappointing business condition at New Orleans.

That Philadelphia-Spanish New Orleans trade reflected domestic and international crises during the deposit closure (October, 1802, to May, 1803) is made manifest by the contemporary correspondence of Philadelphia businessmen such as the firm of Clifford & Co. This source clearly shows that while it is true that this firm's trade seriously declined after the closure order, it was not the order \emph{per se} that was responsible. The temporary cessation of hostilities in Europe, paralleling the closure, had more—much more—direct effect in this regard. For not only did trade decline throughout the West, but along the Eastern seaboard as well.

The reliability of the contemporary press accounts as to the nature of the closing of the deposit must also be seriously questioned in the light of this business correspondence. The latter source offers conclusive evidence that Philadelphia merchants, as well as Westerners, did not find the port of New Orleans "closed shut" following the posting of the proclamation of acting Intendant Juan Ventura Morales. Considerable cargoes of cotton, a

\textsuperscript{67} Ibid., same to same, Lexington, March 27, 1803.
\textsuperscript{68} Ibid., Jones to the Cliffords, New Orleans, March 13, 1803.
chief export of New Orleans, were actually shipped into and out of this port by the Western agents of the Philadelphia firm. The agents of Philadelphia merchants at New Orleans were not lamenting the lack of the means of receiving goods from the United States, but rather they emphasized the problems of having a surplus of such goods on hand. They discouragingly noted the too-active operations of smugglers, who were able to add constantly to this surplus.

Shortly before the resumption of hostilities in Europe in 1803, the Cliffords were advised by correspondents on the continent that their trade would benefit from the anticipated outbreak of war there. This change in the status of already war-drenched countries in that part of the world also wrought an alteration of conditions in Spanish Louisiana about the same time: the withdrawal of the closure order by Morales in May of the same year. Thus conditions of trade involving Philadelphia, New Orleans, and the Mississippi Valley were definitely related to events in Europe, events beyond the control of any merchant, politician, or citizen in America.

The concern over the decline of trade between Philadelphia and the Mississippi Valley immediately following the closure of the deposit at New Orleans also demonstrates the clear emergence of the Mississippi Question from a sectional to a national issue. Business correspondence such as that of the firm of Clifford & Co. of Philadelphia affords the student of American history rewarding and fresh insights concerning the political, social, and economic phases of this period. Unlike the period from 1798 to 1802, the common theme of the correspondence of the immediate closure period reflects the steady decline of business activity among the Eastern seaboard, New Orleans, and the Mississippi Valley, as well as the significant causes behind this decline.