The Antecedents to Cascadia as a Cross Border Region

A.K. McDougall (University of Western Ontario) and **Lisa Philips** (University of Alberta)[1]

Abstract

For the short period from 1834 to 1863, the Pacific Northwest, centered in Cascadia, was an entity in the global economy. The region became a coherent economic unit under the management of the Columbia District of the Hudson's Bay Company, which developed an economic hinterland, a coherent economic and trade strategy, an aggressive marketing agenda and control of marketable resources in the region. It strategically built a resource base to meet market needs and played an extensive entrepreneurial function, for example selling Finish boots in California in 1840 and Puget Sound grain in western Siberia by 1843. This paper traces the broad outline of the rise and fall of this economic empire and draws attention to the role of state power, manifested at the levels of identity and legal construction, in ending the coherence of that regional entity. In a time when the logic of Cascadia on environmental and regional grounds is apparent to many, this paper highlights how the border and the attendant identities of political actors divided and ended its coherence. Its demise may offer insight into the forces which bolster the border which divides it today.

Introduction[1]

For the short period from 1834 to 1863, the Pacific Northwest, centered in Cascadia, was an entity in the global economy. The region became a coherent economic unit under the management of the Columbia District of the Hudson's Bay Company, which developed an economic hinterland, a coherent economic and trade strategy, an aggressive marketing agenda and control of marketable resources in the region. It strategically built a resource base to meet market needs and played an extensive entrepreneurial function, for example selling Finish boots in California in 1840 and Puget Sound grain in western Siberia by 1843. It provided timber in England in competition with Scandinavia and maintained a brokerage house on the Sandwich Islands, where it competed in the Pacific trade, placing goods from the Pacific Northwest and purchasing goods for resale in the Northwest. The Hudson's Bay Company maintained an efficient system of cross country communication linkages with Red River, Hudson Bay, the

[1] *A.K. McDougall* Department of Political Science, University of Western Ontario, London, Ontario, Canada N6A 5C2 *akmcdll@uwo.ca and Lisa Philips* , Department of Anthropology, University of Alberta, Edmonton, Alberta, Canada T6G 2R3 lisa.philips@ualberta.ca

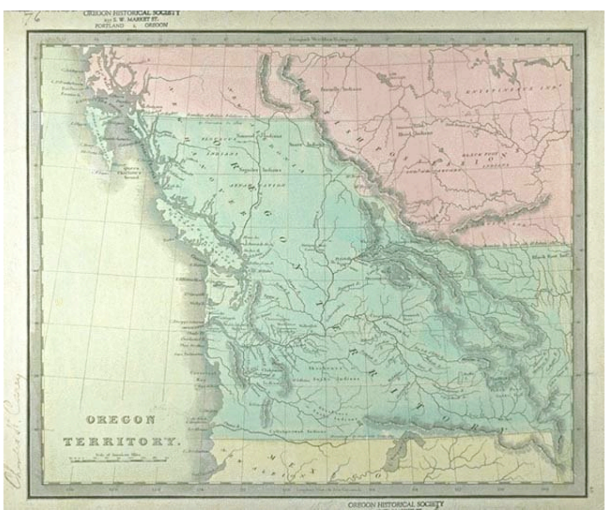
eastern British colonies and thence with England. It was not unusual for children of officers of the Hudson's Bay Company stationed in the Columbia basin to be sent to the Red River for schooling in the 1830s, almost a decade before the fabled Oregon Trail "opened up travel" across the continent. Regular mail linkages were maintained across the continent and, by the mid 1830s, by ship to Europe. At the same time, Hudson's Bay Company officials took sabbaticals in the Canadas or in Europe.

This paper will trace the broad outline of the rise and fall of this economic empire – with an ulterior motive: it will draw attention to the role of state power, manifested at the levels of identity and legal construction, in ending the coherence of that regional entity. In a time when the logic of Cascadia on environmental and regional grounds is apparent to many, it is hoped that this paper will highlight how the border and the attendant identities of political actors divided and ended its coherence. *Its demise may offer insight into the forces which bolster the border which divides it today.*

What is Cascadia?

The physical extent of Cascadia varies. Having its *origin in 1818, in the treaty of joint occupation between the United States and Great Britain,* the Oregon Territory linked (Spanish) California on the south with Alaska on the north. This area which will be defined as Cascadia in its larger version, included the watersheds of the Columbia, Snake and Willamette Rivers and the watershed of the Pacific Coast to Alaska. It included most of present day Oregon, Washington, Idaho, and all but northeastern British Columbia, along with a bit of Montana. This larger version, which we are calling *Greater Cascadia*, is in contrast to *Lesser Cascadia*, which includes the watershed of the Salish Sea, or Puget Sound and the Gulf of Georgia.

Figure 1 – Oregon Territory



Source: iloveoregon.com/images/Oregon_Territory_map.jpg

The Oregon Territory was under the joint jurisdiction of Britain and the United States from 1818 to 1846. This allowed citizens of both countries equal access to the region, and thence placed the region on the fringe of the statist system. British subjects were technically under the British law, while Americans were subject to American control. Early European and Hawaiian occupants were in close contact with Native communities, which had their own practices and customs. The result was a form of social order which was, on the one hand, dependent on local practice and, on the other, uncomfortably vague to new arrivals from established states. The emergence of Cascadia as a player in the global economy occurred during this period.

Greater Cascadia included three main features, the Columbia River hinterland, the Fraser River, and Puget Sound estuary. Lesser Cascadia did not include the Columbia River hinterland and thus did not include the land east of the Cascade Mountains. This distinction was significant as the political and economic order evolved in the region.

Early Trade in the Pacific Northwest

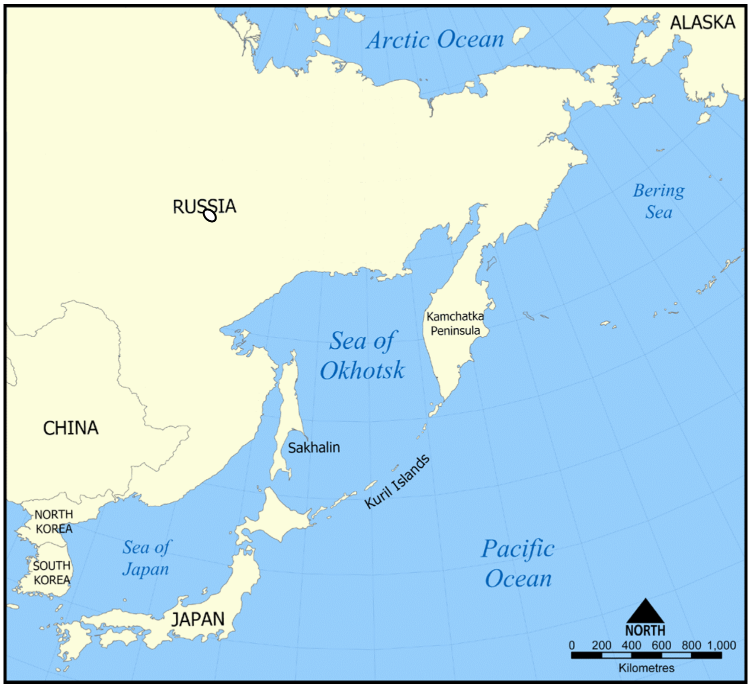
The Pacific Northwest was considered a distant land with resources to be extracted by the adventurous. It started as part of a global market circuit for the Spanish. Magellan entered from the south around South America, proceeded north along the coast and then turned east to the Philippines with the trade winds (1519-1522). It was not until 1565 that Andres de Urdaneta discovered that, by sailing north from the Philippines, he could return by the westerlies to what is now California and then south to Mexico. That circuit, including India and China, was to become an annual trading trip for Spanish vessels. The coast north of the 42° was outside of this early Spanish circuit.

Russia was the next European state to establish its presence in the North Pacific. By 1639, Russian traders were sailing out of Okhotsk. Sea otter was a valuable commodity in China and in the 1720s Russian traders established a trade route from Okhotsk through Kyakhtia to penetrate the market in northern China. With Vitus Bering's second expedition in 1740, Russia harvested the sea otter resources of Alaska for their China trade. That trade flourished for a generation before it was brought to the attention of other west European countries through the publication of the report of Captain Cook's third voyage in 1784.

The next year, 1785, the French sent Jean François Laperouse to establish a settlement in the Pacific Northwest. He traveled around the Horn and explored the coastline near Mt. St. Elias as a base for a possible settlement, he tested the sea otter market in Macao, and then left his navigator at Okhotsk so that he could report his findings to the court in Paris. This was fortunate for the navigator as Laperouse's ship sank near the New Hebrides. Thomas Jefferson was the American emissary to France at the time and the initiative raised Jefferson's concern over the strategic implications of the Northwest for American interests.

British exploratory missions followed under Vancouver. During the late 18th century, American and British traders challenged Spanish claims to the west coast. By the turn of the century the Spanish had consolidated their position in California, Vancouver had claimed Hawaii for the British, and the Nootka Convention of 1818 had established joint Spanish and British claim to the Northwest, south of Russian claims which were above 54º 40'.

Figure 2 – Russian Far East



Source: en.wikipedia.org/wiki/Okhotsk

Between 1789 and 1820, state struggles in Europe had an impact on the Northwest coast. France declared war on Britain in 1793. When Napoleon was victorious in Europe, the British consolidated their resources to fight a European War. Between 1785 and 1794, thirty five registered British vessels were trading on the Northwest Coast. In the decade after war broke out, that number shrank to nine and then between 1805 and 1814 it fell to three.[2] As a result, and largely by default, trade along the Pacific Northwest coast was left increasingly to Americans from the northeastern states during that period. The European conflict, on the other hand, brought Britain and Russia together while the Americans were seen as friendly to France.

The Emergence of Cascadia

Early European incursions assumed a more permanent character in the early nineteenth century. While the Atlantic Ocean was made treacherous by naval blockades during the Napoleonic era, Boston merchants traded furs and sold them in China. Boston entrepreneurs, including the Winship family, attempted to establish permanent posts near the mouth of the Columbia River prior to the war of 1812 but they were not successful. Further east, independent trappers had moved across the American landscape following the Missouri River and the South Pass. John Jacob Astor, who had successfully built an American presence in the fur trade on the western Great Lakes, received Jefferson's blessing and attempted to gain a western foothold through his newly created Pacific Fur Company. In 1811, he had Fort Astoria built at the mouth of the Columbia River. His plan was to link trapping on the Missouri watershed with the west coast. His outpost was staffed by former Northwest Company employees, whom he had recruited in Montreal. After a series of misfortunes in their first year, they attempted to cut their losses by selling Astor's assets to the Northwest Company. While Astor was not able to establish a hold on the Columbia, his plans reflected the potential of the region.

During that period, the major force in the northwest fur trade was the Northwest Company. It had expanded west across the continent and by 1806 had established trading posts on the upper reaches of the Columbia River. When the Northwest Company and the Hudson's Bay Company ended their competition in 1821, the combined company under the name of the Hudson's Bay Company, became the major fur trade presence west of the Rockies. Their hinterland and communications system extended east across the continent. North of the Missouri River, they were unrivaled. On the west coast, their major competition came from the sea where companies, largely from Boston, continued to carry on a sea based trade with communities along the Pacific coast.

A third actor on the west coast was Russia. The undisputed leaders in the sea otter trade during the 18th century, they faced competition from the 'Boston Men'. The Russian presence on the coast was not limited to eastern Siberia and Alaska. With supply pressures originating in the European war, the Russian American Fur Company moved south along the Pacific Coast in 1812 to establish farms at Bodega Bay, California. The farms were also to be a base from which to hunt sea otter off California but the primary purpose of this base was to provide food for its outposts in Alaska. The Ross farms were heavily staffed to provide farm goods and for the defense of the establishments. Aleuts employed by the Russians led the sea otter hunt as far south as present day Los Angeles. Although the farms were able to provide the basic food needs of the Russian forts in the northwest, they proved an administrative nightmare for the company, since they were inefficient, although, at the same time, their size threatened local Spanish authorities.

Building an Economic Presence

The Hudson's Bay Company (HBC) addressed the challenges posed by the Columbia in 1824. That summer, John McLoughlin, an old Northwester and George Simpson, the HBC Governor responsible for field operations, traveled to the mouth of the Columbia to set plans for the newly-consolidated fur trading company on the Pacific slope. After they reviewed company resources on the Columbia watershed, they made three significant decisions. First, the company would no longer share Fort Astoria with the Americans, which it was obliged to do since the region was under the joint jurisdiction of Britain and the United States by the convention of 1818. Instead, it would build its own fort as the center for its operations up the Columbia near what is now Vancouver, Washington. Second, the Company would expect the District to become as self sufficient as possible to offset the cost of transporting goods west of the Rockies. McLoughlin, given his political influence with the Northwesters on the HBC board in London, and the reputation he accrued during the amalgamation negotiations, was given unusually broad discretion in the running of affairs on the western slope of the Rockies and eventually his jurisdiction was extended north to include affairs across the Northwest. A council of chief factors and traders in the region became his advisory council. Finally, McLoughlin and Simpson agreed that the Columbia River would be the logical border between British and American domains once it was set. In anticipation of, and to help realize that possibility, the Hudson's Bay Company located its headquarters, Fort Vancouver, north of the River and sent settlers, when they appeared, south.

The major competition for the Company on the west coast was identified as the ocean traders from the northeastern states who cruised the coast as part of their circum global trade network. To counter their presence, the British successfully negotiated a treaty in 1825 with the Russians, which offered free navigation and access to each other's ports. On the west coast, McLoughlin established a series of forts stretching from Russian Alaska along the Northwest coast to the Columbia River and eventually south to Yerba Buena, which is now San Francisco, California. These forts were designed to provide permanent trading links with local communities and they were supplied by Company ships. The tactic proved successful in that the personnel at the forts were able to build contacts with local communities and often undercut or anticipated the arrival of American traders.

As the Columbia District established itself, the emphasis on self sufficiency led to a shift in regional policy. At first, Company employees who wished to settle in the west had to return to their place of recruitment and only then could return on their own. In 1824, the Company changed that policy and permitted retired employees to settle, and farm, on French Prairie south of the Columbia along the Willamette River. The Company then bought the settlers' excess produce. The Willamette Valley was the chosen destination for these independent farmers; fertile land and a guaranteed market through McLoughlin's plan to build regional productive capacity made the venture successful. By 1832, McLoughlin reported to the Hudson's Bay Company Board that the Columbia District had produced 1800 bushels of wheat, 1200 of Barley, 600 of peas, 400 of corn and 6000 bushels of potatoes.[3]

The mouth of the Columbia River proved treacherous for shipping. Fort Vancouver provided access to trappers and farmers along the Columbia and Willamette Rivers but sea contact was risky. As the District extended its farming operations east of Fort Vancouver and north of the Columbia, the Cowlitz River valley was settled. The Cowlitz opened access to Puget Sound. To improve the Company's coastal linkages, Fort Nisqually was founded in 1833 at the south end of Puget Sound. It offered sea access to the Pacific coast and, by traveling up the Cowlitz River, a harbor which helped the company avoid the dangerous shoals at the mouth of the Columbia. The land around the Fort soon became an extensive agricultural operation including large pork and sheep herds. Then, in 1836, Company resources were used to underwrite the importation of cattle from California through the Willamette Cattle Company. Former employees and emigrants from the Red River and Quebec operated as independent contractors, borrowing money from the Company and paying it back with interest. The Company bought their excess produce.

As the farming capacity of the district grew, so did its trade. In 1828-1829 the first shipment of lumber was sent to the Sandwich Islands. Then, in 1832, as markets opened for salmon and grain, the Company appointed an agent in the Sandwich Islands under the Columbia District to broker trade. In return for coffee, sugar, molasses and rice, the company sold flour, fish and lumber to the islands. The agent in the Sandwich Islands negotiated contracts for the exports from the Columbia west to other islands and to ports in central and South America. They also arranged for the importation of European goods to the coast. At one point, they even coordinated the sale of land otter pelts to China through a contract with the East India Company. As trade grew, two more ships, the Dryad and the Llama, were added to facilitate the west coast trade by the Company. In addition in 1832, McLoughlin bought out William McNeill, a successful American trader on the Northwest coast, and then employed him and his ship to extend Company trading capacity.[4]

When the monopoly of the East India Company ended in 1834, the agents assumed a wider role on behalf of the Company. By that time the Hudson's Bay Company agents on the island were operating independently of, and often at cross purposes to, American and British trade agents on the islands. An example is offered in a dispatch to London by Richard Charlton, the British Consul. He criticized the Hudson's Bay Company agents in a manner similar to Simpson's later criticism of McLoughlin's relations with Americans:

> As already noted there are only two British residents in this town …who have not signed the petition—These two are the agents of the Hudson's Bay Company—that grasping and avaricious body has cast its longing eyes on this beautiful Archipelago, and by making large advances of money to the native King and Chiefs has endeavored to obtain influence and control over them. Were this influence sanctioned by any proceeding either tacit or active, on the part of the British government, we would apprehend the most serious detriment to the property of ourselves and other petitioners, but we trust to your exertions to place before Her Majesty's Ministers a fair view of the effects which would result from granting directly or indirectly to that body any privileges in the Archipelago—most of the Petitioners have some knowledge of the oppressions committed by it on the Indians of the Columbia River and North West Coast of America, and its base truckling to the Americans and Russian interlopers on British territory in that quarter ...[5]

As the Hudson's Bay Company reviewed its affairs in anticipation of a parliamentary review of its charter in 1838, it had established substantial farming operations at Fort Vancouver on the Columbia River, north of the Columbia on the Cowlitz River, and at the southern end of Puget Sound at Fort Nisqually. All were connected by an overland route used to link Fort Vancouver with the Northwest coastal trade based in Puget Sound. Saw mills were operating on the Columbia and Willamette Rivers. French Prairie was populated by a farm community working on a contractual basis with the company. Their excess production was added to that of the District to provide for the needs of fur trading posts in the region and for sale internationally.

1838 marked a watershed in the development of the Columbia economy. In anticipation of the review, McLoughlin was called to London for the Parliamentary hearings. There, the board decided to reconstitute the farming operation at Fort Nisqually as the Puget Sound Agricultural Company. While the Company was refining its plans in anticipation of a potentially hostile Parliamentary review, especially given the end of the East India Monopoly in 1834, the question of the border and its eventual location were raising tensions between the United States and Britain. In 1838, the United States sent an expedition under Commodore Charles Wilkes to reconnoiter the Oregon Territory. The size of the Hudson's Bay Company operations on the west coast had raised some concern in Washington. The American Ambassador in London was told to ascertain the status of the Hudson's Bay Company in light of the joint occupancy agreement of 1818. The British Foreign Office responded curtly to the query, repeating that the Company held an exclusive license to trade on the west coast but that that mandate applied only to British entities. The Company was just pursuing its trading mandate, and thus the region, remained open to British and American settlers equally. Their answer set the course for later changes.

On the western slope, two events of significance followed the meetings in London. James Douglas was posted to Fort Vancouver from his prior posting in the New Caledonia District as

McLoughlin's lieutenant. At McLoughlin's direction, he led trading expeditions to Alaska and California over the next three years to extend the markets of the District. On the Columbia, McLoughlin assumed an increasingly influential role as a trader of produce and settler goods, assisting American settlers as they arrived and purchasing their produce—just as the Company had worked with earlier settlers in the Willamette Valley. His actions extended the trade of the Company but violated the Imperial sensitivities of Hudson's Bay Company Governor George Simpson and the Board in London.

In 1838, Douglas sailed north to open negotiations with the Russians over joint rules of trade with Native communities and with a proposal to lease the fur rights of the southern Russian territory around Stikine and the Nass River. On the trip he noticed the high quality of the Russian boots and offered to purchase shipments for the California trade. The result was that Finnish boots entered the west coast market via Siberia in 1839. At that time, Douglas also entered preliminary negotiations over the provisioning of Russian forts in Alaska. The result was a contract giving the Columbia District a ten year monopoly to provision the Russian posts in Alaska starting in 1839. The monopoly was linked to a lease system where the HBC could establish fur trading posts on Russian territory and an agreement that the two companies would not compete in the fur trade. The agreement closed the coast to American traders [6] since the Russian forts had been part of their market in their circum global network of trade. The agreement also solved a problem for the Russians: with the sea otter population reduced off California, they were able to close the Ross Farms and end the administrative headaches they had spawned.

Over the next five years, the agreement proved profitable for both the Columbia District and the Russian American Fur Company. At its peak, the Columbia District provided supplies for the Russians not only in Alaska but also in Oshkosh and western Siberia.[7] Following the successes of his trip north in 1838, Douglas was sent south to California. Negotiations were difficult but resulted in the export of livestock north to the Columbia and also in the establishment of a post at Yerba Buena, which focused on trade in tallow and hides.

Based in the mercantilist tradition, the Hudson's Bay Company enjoyed a Royal Charter granting it a monopoly of trade on the Pacific slope. That monopoly applied to British subjects and not to Americans. As a mercantilist operation, the test of success was the profit generated by the District in its annual return to the Board of Governors in London. McLoughlin could explore and exploit potential markets as the officer responsible for the Columbia District. The Company agents on the Sandwich Islands worked at his direction but the quest for capital to fund District initiatives was not central to the District agenda; approval of the Board in London for new endeavors and the justification of expenses incurred in the pursuit of trade was. The Columbia District was globally engaged. The mandate to be self sufficient gave it the capacity to strategically address opportunities but its plans were always subject to the response of 'the Governors'. By 1838, McLoughlin's initiatives on the Columbia were starting to raise concerns in London. Simpson for one was increasingly uncomfortable with the expansive character of the Columbia District's empire.

On his side, McLoughlin adhered to the practice of buying goods and selling merchandise to anyone who would purchase them. American settlers were treated as customers and treated with respect. If American competitors appeared, McLoughlin adjusted prices to undercut their business or to make their presence unprofitable. On the other side, Imperial considerations were more significant to the Governors in London. They felt Americans should not be supplied or, "encouraged to settle in the region". For McLoughlin, the Imperialist edicts from Simpson and the Board would potentially contravene the Convention giving American and British subjects equal status in the Territory. Reports from Commodore Charles Wilkes and Jason Lee, an early missionary, confirmed his approach and thanked McLoughlin for his hospitality and support for American settlers. The tension between Simpson and McLoughlin was to be a major impediment to the future growth of Cascadia.

Seeds of dissension between McLoughlin and Simpson were rooted in a fundamental difference in their identities. Simpson was an aspiring British magnate. McLoughlin was a Canadian who rejected British domination. He was faithful to the Company but was an entrepreneur situating himself in the Northwest. The two men disagreed increasingly over strategy. They differed over coastal trade and the establishment of forts on the west coast, and over the significance of international trade in contrast to the original fur trade mandate of the Company. In 1837 Quebec nationalists, led by Louis Joseph Papineau, revolted against the British. McLoughlin sympathized with the nationalists and befriended F. Xavier Mathieu when he fled from Quebec to the Willamette Valley. Simpson was knighted for his support of the British.

In 1838, McLoughlin visited Quebec on his way to meet the Hudson's Bay Company Board in London. During his visit, the political differences between Simpson and McLoughlin became obvious. Differences are found in the records in late 1840. For example, when the Company sent 21 families from the Red River settlement to farm at Fort Nisqually, in an attempt to counterbalance the growing American presence in the area, many stayed at Nisqually only briefly before moving to the more fertile Willamette Valley south of the Columbia River. Simpson blamed McLoughlin for the failure of the initiative to increase the Company's presence north of the river.[8]

Relations turned worse in 1841 and 1842, when McLoughlin established a trading post in Yerba Buena. Formal trading arrangements were negotiated by Douglas with the Governor of California. The Columbia District prepared to extend its trade south along the coast. At the same time, the negotiations with the Russians were completed and a Hudson's Bay Company fort, Taku, was established in Russian territory at Stikine. On his tour of the coast in 1842-18433, Simpson disapproved of these initiatives and ordered the Yerba Buena post closed along with two of the trading posts on the west coast. McLoughlin dragged his feet with respect to Yerba Buena. At the same time, Simpson ordered the staff at Sitkine reduced. This left John McLoughlin, McLoughlin's son, as the only officer at the post. That spring, John McLoughlin faced a revolt from the trappers located at the post and he was murdered. Simpson happened to be on his way north at the time, having spent part of the winter on the Sandwich Islands. He investigated the murder and concluded that the incident was under Russian jurisdiction and was partially the fault of the younger McLoughlin. The result was a refusal to punish the culprits. McLoughlin was devastated and never forgave Simpson. Instead he pressed unrelentingly for a redress of his son's death through members of the Hudson's Bay Company Board.

Possibly reflecting their different political orientations, the two men also differed over the impact of the impending state border across the region. McLoughlin was an entrepreneur. He still hoped that the border would follow the Columbia River but until it was implemented, he supported and traded with American settlers. They offered an increasingly significant market. Simpson was concerned that the Company limit its activities to the British domain. His response was to move the District headquarters from Fort Vancouver to Victoria, on the southern tip of Vancouver Island, so that it would be situated in British territory.

As tensions rose, McLoughlin prepared to retire from the Company. He had acquired some land and built a mill at Oregon City. In acknowledgement of his ownership of the mill, McLoughlin offered to pay for its expansion out of his own account. Simpson accepted his personal payment but did not acknowledge his private ownership of the property. This was to cause difficulty for McLoughlin, when he attempted to claim title for the land before the later settler government.

Problems between Simpson and McLoughlin led to the removal of the control of the Sandwich Islands Agents from the Columbia District. The shift in responsibility reduced the strategic potential of the District in international trade. At the same time, Simpson demanded the closure of Yerba Buena, the District's foothold for trade in California. He split the headquarters between Fort Vancouver and Fort Victoria and privileged the allocation of Company assets to British territory. McLoughlin continued to build company resources on the Columbia and to trade with its residents. His initiatives promoted the Company as a trading entity in a rapidly evolving economic context. Douglas was sent by Simpson to Fort Victoria in anticipation of the Company moving its headquarters there. Despite these difficulties, the Russian—Hudson's Bay Agreement for provisions was renewed in 1841 for another twenty years.

A New Social and Economic Order

As the economic empire of the Columbia District, based on the resources of Greater Cascadia, was being challenged by internal Hudson's Bay Company politics, a new social and economic order was emerging on the Columbia. That order, and the ensuing conflict with the older order, would tear Greater Cascadia apart. In 1846, the era of shared jurisdiction over the region ended. A border between American and British territories was drawn along the 49° parallel and down the Strait of Juan de Fuca.

Steps toward a settler government started with the death of Ewing Young in 1841. The Americans needed to set up a provisional government with the authority to probate his estate since he had "no apparent heir". Once its job was completed, the government dissolved. A second attempt at political organization was made the next year with a set of "Wolf Meetings". Unlike the inclusive procedures of 1841, these were run by settlers and the Hudson's Bay Company and its employees were excluded. Their meetings led to a gathering at Champoeg in the Willamette Valley on May 2, 1843, where the settlers voted to create a Provisional Government. The form of the settler government then was set in the Organic Act of July 1843.

The elected provisional government reflected a massive change in the population of Oregon south of the Columbia. American settlers were moving west. The census of 1845 in Oregon reported a population of 2109 of which 1900 were American immigrants. In August 1845, McLoughlin who was still in office, recognized the Provisional government. In return, Hudson's Bay Company employees were allowed to participate in the provisional government and the settlers agreed to recognize the rights of the Hudson's Bay Company under the Convention of Joint Occupation. One Company officer, Frank Ermantinger, ran for Treasurer and won. McLoughlin was criticized for his action by Simpson and by Peter Skene Ogden who was promoted to a board which would manage the affairs of the Columbia District. McLoughlin was demoted and then retired in 1846.

By 1848 over 11,000 settlers had made the trip across the Oregon Trail.[9] Their presence swamped the earlier population. Promises of land, made in Washington, for settlers led to a new set of problems in Cascadia. The US Congress passed the Donation Land Law in 1850, promising American settlers 320 acres each. Who was entitled to land? Who was not?

The settlers brought their traditions of political organization with them, and their views of citizenship. Dual citizenship was not permitted, so Hudson's Bay Company employees had to declare their intention to become American citizens if they were to vote or retain their land. Indians were excluded from citizenship. In 1845, a head tax was placed on all Sandwich Islanders hired to come to Oregon.[10] Then in 1849 the Council attempted to remove Catholic priests from the Territory.[11] Finally persons of "more than half Indian blood" were classified as Indians and were not able to become citizens by law in 1855. That act was revised in 1857, as long as the applicant met settler standards. Since citizenship was required for land ownership, these actions were significant and offered the chance to American settlers to dispossess many members of the earlier communities.

McLoughlin continued to purchase the excess produce from settlers while he was in office. In 1845 and 1846 the Hudson's Bay Company bought produce[12] from Americans and former employees to meet the Company's trade needs. The settlers had an established market for their produce. After the state border was imposed and export conditions were placed on goods leaving the Columbia River in 1847 that practice ended. The result was a year with little cash in the Oregon economy. Attempts were made to find a market but with little success. This changed in 1849 with the discovery of gold in California and then in southern Oregon. With the rapid increase in population caused by the gold rush, San Francisco became the market for Oregon produce and the west coast location for eastern financial interests.

The discovery of gold transformed the economy on the west coast. Gold was accepted quickly as a medium of exchange. Those with gold drove prices up when they wanted to acquire scarce supplies. Used as currency for merchandise, the gold was then sent east where its value was higher in centers such as New York, thus doubling the potential profit of the capitalist. Prices and profits ran the system. Merchants needed capital from the eastern seaboard to fund their operations. Portland was emerging as the center of commerce in Oregon but its future depended on its control of shipping on the Columbia River. . In October 1853, Wells Fargo connected Portland to the gold camps in southern Oregon. The demand from the camps caused prices in Portland to soar.

Portland was situated at the junction of the Willamette and the Columbia Rivers. As gold was discovered in eastern Washington and then in Idaho and British Columbia merchants in Portland struggled to keep the city at the hub of river transportation. Portland had to be the base for shipping operations. If it were not, the market for its merchants would be reduced. After much competition, the Oregon Steam Navigation Company emerged in 1860 as a monopoly linking Portland with gold fields in the interior as far as Idaho. Export linkages were overwhelmingly to San Francisco or the east coast. Only two limited trade initiatives were undertaken in 1850 and 1852 to send produce to markets in China and Hawaii, neither met with much success. The new economic order linked the Willamette Valley to the Columbia hinterland, omitting the lesser Cascadia to the north. External linkages were to San Francisco and financial centers in the east.

On the British side of the line, the imposition of the border in 1846 reinforced Simpson's agenda. The Hudson's Bay Company headquarters was officially moved to Fort Victoria under the command of James Douglas. As the fur trade declined, and squatters undercut the productive capacity of Hudson's Bay Company farms south of the new border, Douglas and the Hudson's Bay Company attempted to expand company farms on Vancouver Island and at Langley in southern British Columbia but they could not meet the volume produced in Oregon. The company was still dependent on Puget Sound Agricultural Company and Fort Nisqually to meet its contract with the Russians. On the mainland the first priority of the company was to build a road from the mouth of the Fraser River to the Columbia headwaters. In lesser Cascadia, Fort Nisqually and the timber trade from the Olympic peninsula continued despite the imposition of the border. The discovery of gold however resulted in such a migration of people too California that many companies found it hard to operate.

The tariff on exports from the Columbia River eroded the integrated communication system of the earlier Cascadia. North of the border, the government of British Columbia required that prospectors wishing to enter the Fraser Valley obtain licenses which would be issued only at Fort Victoria. The licenses enforced the border from the north, just as the tariff closed it in the south. Residents of what would become Washington state were caught in between. North of the border, Douglas and the Hudson's Bay Company officers continued to develop coal, mineral and forestry resources. The border hampered lumber exports since pine from the Olympic Peninsula was preferred to pine from Vancouver Island but goods from Puget Sound continued to slip across the border for resale in the Hudson's Bay Company's network.. The delegation of governmental responsibility to the Hudson's Bay Company forced it to assume a new set of duties. The Company was not oriented toward settlement and its policies for encouraging settlement north of the border were not even marginally successful. However, it was able to maintain British control of the region and to maintain order as gold fever moved north. Its priority became local order, however, rather than the deployment of resources for international trade.

Despite tensions between Britain and Russia over the Crimean War in Europe, the British colonies and the Hudson's Bay Company enjoyed Russian markets for their produce on the Pacific. However, this changed in 1862 when the second Convention ending the Opium war gave Russia control of southern Siberia. Russia then lost interest in its Alaskan operations. Its shift in interest led to the sale of Alaska to the United States. Russian withdrawal and the decline of the fur trade transformed Alaska into a hinterland rather than a link to Europe and Siberia. The result was the emergence of state-limited markets on the Pacific slope based on the demands of the local populations. That market grew rapidly with the gold rush but then subsided when the rush ended. It was not until railways reforged the link between eastern Washington and Puget Sound that Washington State emerged as a somewhat divided but coherent entity occupying the southern half of lesser Cascadia. In the interim, it forged its own identity less strident than the settler movement in Oregon but on the hinterland of San Francisco, just as Victoria was.

Conclusion

In the early 19th century, Greater Cascadia was part of a global trading network. Three factors are significant in its demise: animosity between the British and local leadership of the Hudson's Bay Company (including serious conflicts over identity), the imposition of a state border across the region to conform to distant state priorities rather than the economic practice of the region, and the rapid growth of a chauvinistic settler society south of the Columbia River antagonistic to the earlier economic institutions of the region.

In Oregon, the new settlers initially cooperated to meet the needs of local governance under a provisional government. Their work might have permitted older economic patterns to evolve before they were gone, but that cooperation was quickly eclipsed by the sheer numbers of a new settler society championing American manifest destiny coupled with a new Hudson's Bay Company leadership promoting its British foundations. As they formed their government the settlers proclaimed American legal entitlement and ignored earlier claims of non-Americans, which included earlier settlers, Hudson's Bay Company retirees and Natives. Eligibility to own property was defined by the local community through its elected assembly. Their influence erased earlier trading patterns and established an alternate, American, entitlement to property and citizenship.

In a regional context, the gold rushes of 1849 through 1858 created a regional market for produce and reestablished an outlet for wheat from the Willamette valley. That outlet based on markets within the region, combined with the shifting priorities of Russia and the end of mercantilism in Britain, to erase the earlier international linkages of the region. Instead, Cascadia had to build a coherent economic strategy if it wished to compete in the global economy. But capital was not found on the west coast. With the discovery of gold external financial interests invested in enterprises in the region but markets for goods were found in settler communities not in foreign trade. Economic power had already been consolidated in enterprises linked to established state institutions. Cascadia became a hinterland on the periphery of the established economic order capable of finding markets for local produce when they could sell it for a lower price, and turn a profit for their financial backers.

This is not so different from the challenge faced by McLoughlin. The Columbia District had to turn a profit for the Board in London and had to compete in the marketplace. The difference was that Cascadia was a coherent entity and its resources could be deployed to meet distant market opportunities. McLoughlin's problem was that to build Cascadia by meeting local market demand and seize international opportunities was to challenge the mandate and sensitivities of his corporate backers who in turn were tied to established centers of state power. Eventually his success led to their reaction since he was straying from their perception of his mandate. It is not surprising that he remained in Oregon upon his retirement and remained active in business.[13]

North of the border, Simpson demanded that the Hudson's Bay Company operate in British domain but in its new role of administering the colony, the Company failed to adapt successfully to the demands of Colonial governance. South of the border, McLoughlin had to fight for his land because his entitlements were not seen as legitimate under American law. Families of the fur trade remained as farmers, if they could procure title to land by becoming Americans.

In summation, the border brought a new set of parameters to those north and south of the line. In both cases, the old order was eclipsed. North of the line the old guard remained but the challenges changed. South of the border, a new set of entitlements ended the older economic and social order. In both cases, the fabric of the earlier Cascadia was torn by the vision and identity of communities defined by chauvinist and contrasting economic criteria.

Today, railways and roads link eastern and western Washington but distinct identities have been forged on either side. The same contrast holds north of the border in what is now British Columbia. In addition the imposition of the state border has created a line enabling different identities, rules of entitlement, and accentuating the position of different centers of urban and financial power on either side. That north/south state contrast is imposed on the already significant east west differences in the region. Yet (Today), Lesser Cascadia remains a natural entity with complex internal communications and interdependencies. A border lies across it which permits differing bodies of law to define entitlements and rights for those on either side. Those rights are based on alternate traditions, and identities, which have their source in the political traditions of the early settlers and their early claims. On the other hand, interdependencies led to a porous border across the Salish Sea and to a continued agenda of cooperation.

Endnotes

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[1] The authors thank SSHRC for a research grant which made it possible to research this paper.

[2] p. 48 Johansen Empire of the Columbia 2nd ed

[3] p. 168 White Eagle.

[4] Bancroft History of the NW Coast v.II, p.522

[5] p.3-4 FO58#17 British National Archives

[6] Johansen and Gates Empire of the Columbia p 157-8; Old Trails New Directions: Outfitting New Caledonia p.236

[7] Douglas correspondence 1838-1843

[8] (Simpson, Sir George Narrative of a Journey Around the World v1, p.21).

[9] Sandwich Islander Tax Bill, 1845

[10] Sandwich Islander Tax Bill, 1845

[11] Resolution to Expel Catholic Missionaries, 1849 Oregon State Archives

[12] 50000 bushels of wheat and 10000of flour in 1844-6. see Johannsen Empire of the Columbia p.279

[13] p.434 Dorothy N. Morrison Outpost: John McLoughlin and the Far Northwest OHS Press 1999

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