THE EMPIRE

STATE

A History of New York

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Chapter 15

A New Empire

AT THE MOMENT OF INDEPENDENCE IN JULY 1776, NEW York consisted of three long, thin strips of territory. Those strips covered Long Island, the Hudson Valley as far north as Fort Edward, and the Mohawk Valley to Johnson Hall. New York City and Albany each marked a point where two of the strips converged. To the west lay Iroquoia, linked to New York politically by the Covenant Chain (the diplomatic agreements that implied dependence to New York and alliance to the Six Nations), and economically by the remnants of the fur trade.

Fifty years later New York had established and filled in its familiar modern boundaries. How its northern and western land was laid out, who owned that land, and how it would be used were all understood in new terms. The old links between the Iroquois and Britain were gone; in their place was the state's assertion of sovereignty over the whole territory within its boundaries, qualified by the federal government's role in all Indian relations. Iroquois law was gone too. Any murder would be tried in a court of law, rather than "covered" by adoption or payment, or revenged by the victim's family. The fur trade continued, but the pelts that were making John Jacob Astor a rich man came from the Rocky Mountains and the Pacific Northwest. When the Erie Canal opened in 1825, New York possessed a far more powerful means than trading in skins to ensure its economic dominance over its western neighbors. As the great change began, observers coined the enduring nickname of Empire State. The apt phrase bespoke New York's future as well as its breadth and its beauty.

The foundation of this new empire would be commerce. Amid all the disruption that it brought, the American Revolution in New York proved immensely stimulating to entrepreneurs. The destruction of the loyalists, who as Handsome Lake, sank for a time beneath drink and despair. But in the Indian tradition of prophetic dreams, visions came to him. They inspired him to create a new religion, suited to the conditions within which Senecas now had to live, if they were to live at all. His Gaiwiio, or Good Word, borrowed from Christian ritual, included the Catholic practice of confession. It also borrowed from Christian morality, sanctifying permanent marriage rather than the easily broken unions that the old economy and clan structure had allowed. Most important, Ganeodiyo persuaded his people to give up alcohol, the symbol of their despair.

His project benefited from favorable circumstances. The mountainous Allegany Reservation where he lived was the most remote in the state, and when its peoples' own situation was at its worst, white expansion was still well to the east. The rebirth benefited as well from the support of Quaker missionaries, who became the chosen agents of federal and state policy under Jefferson. The achievement was the Indians' own. Against almost impossible odds, they survived both as individuals and as a distinctive people. A map of western New York in 1809 did not even show their reservations, but they did not lose what remained to them and they never surrendered their identity. New York surrounded them, but it did not engulf them. Realistically, they knew that their empire was gone, a "lost land." Most eastern tribes, including some Iroquois, were driven beyond the Mississippi River during the 1830s' era of "Indian Removal." But many Iroquois either stayed in New York or returned.

Land Jobbers and Developers

Unlike the Iroquois, colonial New York's greatest loyalists did not survive. In 1779 the state legislature passed a Confiscation Act that named seventy-nine of them directly. It attainted these for life, exiling them, seizing their real and personal property, and threatening them with death should they return. It was easy to bring legal proceedings against others who were not named in the act itself. The immediate effect was to seize property in the patriot zone, including the Mohawk Valley estates of the Johnson family, sizable holdings in Dutchess and Westchester Counties belonging to families like the Philipses, and the upstate speculations of such land operators as Oliver DeLancey. When the war ended, downstate holdings were seized as well, including the extensive New York City town lands that the DeLancey family had owned.

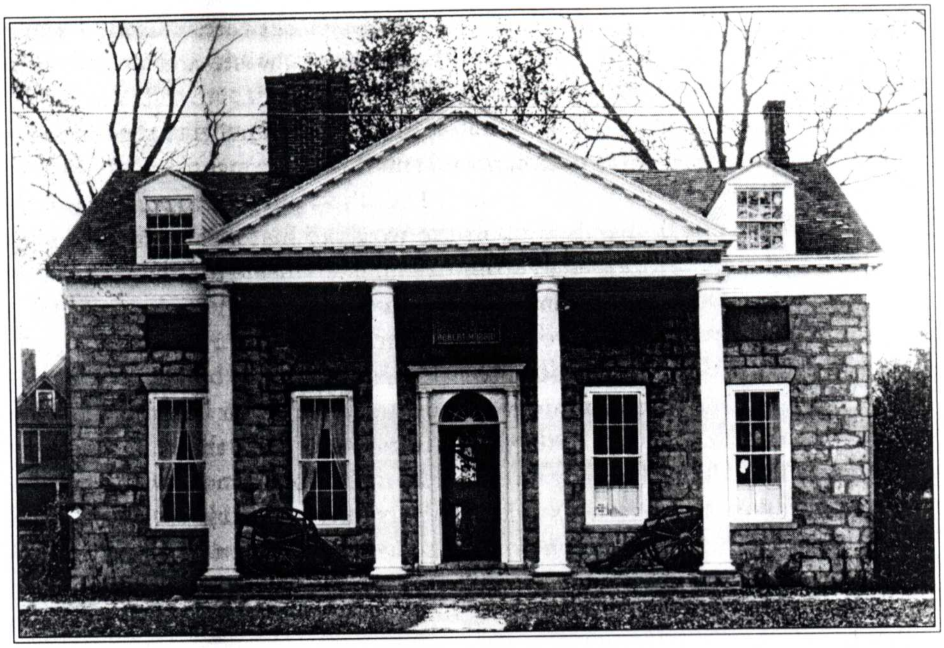
Patriot tenants of loyalist landlords enjoyed first option at purchasing the confiscated land. Some great colonial estates, such as the Westchester County holdings of the Philipse family, did fall largely into former tenants' hands. Much of the New York City property, however, ended up belonging to speculators. The total sum that was seized was very large. A mere dozen of the greatest loyalist exiles sought compensation from the British government that totaled £729,868, New York currency. Unquestionably the claimants inflated their losses, but the figure does give an order of magnitude. Whether the property ended up with former tenants or with speculators, the Confiscation Act redistributed a very sizable proportion of what had been colonial New York.

The seizure and purchase of Iroquois land redistributed far more, both in extent and in potential wealth. Much of the land was claimed by the governments of both New York and Massachusetts. Each had claims under the patchwork of British Crown grants, but they resolved the issue in 1786 at a conference in Hartford. East of Seneca Lake, New York would have both political jurisdiction and actual ownership, save for the "Boston Ten Townships" near Binghamton. There, and west of Seneca Lake, New York would have governmental jurisdiction only. About six million acres would belong to Massachusetts as a corporate landlord under New York law, until they were sold.

The policy of Massachusetts was to sell quickly and pocket the results. The first offer to purchase came from Oliver Phelps and Nathaniel Gorham who, together with other partners, bid about $1 million for the entire tract. Indian title had to be cleared, and in 1788 at Buffalo Creek the Iroquois surrendered ownership of more than a third of the whole tract, receiving a bare $5,000 and annual payments of $500. It was an amazing bargain, but Phelps and Gorham could not keep up their payments to Massachusetts. In 1790 they found themselves compelled to return two-thirds of what they had tried to take.

Robert Morris tried next. In 1790 he purchased over a million acres of what Phelps and Gorham still had and another four million acres direct from Massachusetts. He, in turn, sold large tracts to the English investor Sir William Pulteney and to Dutch bankers organized as the Holland Land Company. The Dutch syndicate's purchase from him was 3.3 million acres, and it acquired another 100,000 from New York State near modern Cazenovia, which it named for its New York agent, Theophilus Cazenove. Ultimately, Morris's venture contributed to his spectacular bankruptcy. Most of the other speculators in the Massachusetts land titles gained little. The Holland Land Company had four decades of trouble with its tract and finally sold out its interest in 1835.

New York's own record is more complicated. At first its methods represented an improvement over earlier practice, if the measure of improvement be taken as citizens' open access to the land. Colonial grants often had been secret, but the state's basic land law required that the official maps be accessible and that land be sold at open vendue. In the colonial period officials had gotten rich on land fees. The Beekman family had to pay £745 when they received their grant on Lake Champlain in 1768, including £375 to the governor, who received £12.10s. per thousand acres granted. Another £370 went to four other officials. A purchaser would also owe a permanent annual quitrent of 2s.6d. per hundred acres. A state law of 1785 limited fees to £3 for the governor and £5 for the sur-



The Holland Land Company's sale of real estate, including large tracts of land seized by the state in the 1779 Confiscation Act, contributed to the settlement of much of western New York. The office is now a museum; it is shown here in a 1905 photograph.
Courtesy of the Holland Land Office Museum, Batavia, N.Y.

veyor. Rather than allow haphazard "locations," the state began surveying public land into townships six miles on a side. In 1786 it specified that every fourth township be sold in 640-acre lots.

In 1782 the state established a "Military Tract" sprawling eastward from Seneca Lake. Former soldiers could acquire land there by warrants, with a basic grant for privates of six hundred acres. The plan reflected the absence of anything else with which to pay the soldiers. It also reflected a vision of post-Revolutionary politics in which citizen-soldiers would indeed turn their swords into plowshares. But it did not work out. Indian title was not wholly cleared from the Military Tract until 1789. By then many warrants for land in the tract belonged to speculators who had bought them up cheaply. Speculators acquired more when the state finally began distributing the land directly. They, not former soldiers, presented as many as half of the claims in the first batch that was processed. By this point squatters were on the land in sizable numbers, seeking to use actual possession to bargain with the holders of legal titles. The confusion persisted for ten years.

Large-scale speculators did acquire land from New York during the 1780s, but it was by the thousands of acres, not the millions that Massachusetts distributed. The largest purchase was the 500,000 acres that Alexander Macomb bought along the Saint Lawrence River between 1787 and 1791. In 1789 the state still owned seven million acres of "waste and unappropriated land." In 1791, however, it empowered its commissioners to sell land "on such terms and in such manner as they shall judge most conducive to the interests of the state." Farms for citizen-soldiers and small tracts bought directly from the state now disappeared as goals of policy. The whole purpose became simply to get the land into private hands, and, in the words of historian Alfred Young, the commissioners "proceeded to dispose of land on a scale that might have made the most generous royal governor . . . blush." By the end of the summer of 1791 more than 5.5 million acres had been handed out in a mere thirty-five grants. Alexander Macomb alone acquired 3,635,200 acres.

The land commissioners included Governor Clinton, the attorney general, the secretary of state, the state treasurer, and the state auditor. All of these, including Clinton, gained handsomely. So did most of the politicians who had taken the governor's side in the disputes of the 1780s and over the federal Constitution. Melancton Smith and Marinus Willett of New York City purchased 6,000 acres on the Chenango River for £1,125. The Washington County legislators Alexander Webster, Edward Savage, and John Williams bought a whole township for £4,062. Albany County's Matthew Adgate acquired 86,400 acres for an investment of £10,782. Federalists were among the purchasers too, most notably Alexander Macomb.

Clinton himself liked to draw a distinction between "land jobbers," who held land empty while they waited for the market to rise, and "the land promoter, who sold land quickly and invested in developing his area." That may have been like the classic definition of perversion or superstition: whatever another person happens to practice. Ethan Allen excoriated land jobbers furiously in the pamphlets that he wrote during the Green Mountain insurgency against New York. But he speculated happily in Green Mountain land himself. What the actual beneficiaries of the great post-Revolution handout did with their land does not seem to have varied much from relatively minor grantees to operators on a huge scale. All of them wanted land values to rise. All appreciated that land standing entirely empty would not gain value. Virtually all presented easy terms to early purchasers whose "improvements" would start the market on an upward course. Most came to understand that it could even make sense to negotiate with squatters for the sake of long-term market value.

A Capitalist Countryside

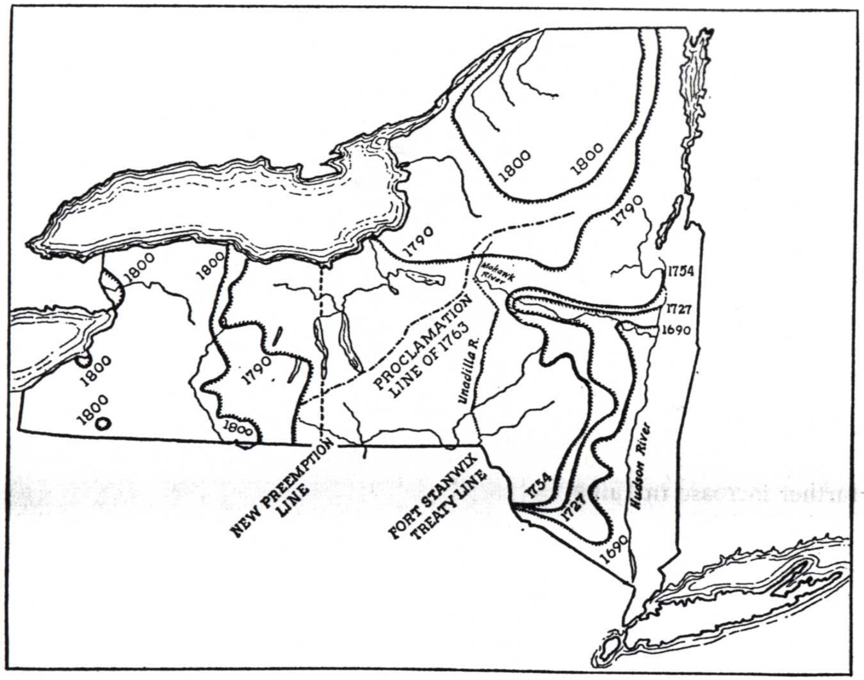
The new owners wanted the land put into use. Fields, fences, roads, houses, orchards, and barns were what made the difference, and landowners could not provide these on their own. Colonial-era landlords often had given new tenants strong inducements to settle, especially when an estate was young. Free or reduced rent for a while, gifts of farm animals, and aid in constructing buildings all were possible, but the long-range goal had been to build great estates that the landowning family would always possess. It did not happen to every grant; Cortlandt Manor ended up as parcels in separate hands. But Philipsburgh, Livingston Manor, Rensselaerswyck, and the Beekman holdings in Dutchess County all testified to the power of the great-estate model. As late as 1769 Sir William Johnson was seeking formal manorial status for Kingsborough.

The great difference after the Revolution was that large operators acquired western land not to hold it but rather to sell it. Truly great speculators like Robert Morris and Alexander Macomb, middling ones like William Cooper, James Duane, and Matthew Adgate, relatively small ones like Governor Clinton and his brother James all had roughly the same idea in mind. The law expressed the new reality when it put a formal end to feudal tenure in 1786.

Some of the old ways survived. The Van Rensselaers held onto Rensselaerswyck, where Stephen Van Rensselaer III retained the "quarter sale," giving the landlord both first refusal when tenants sold their "improvements" and a proportion of those improvements' value even if somebody else bought the lease. In practice Van Rensselaer rarely enforced those clauses and left rents uncollected. Philip Schuyler's post-Revolutionary leases for his own Albany County holdings were written in different terms. As a colonial landlord, he had rented his land the old way, granting leases that would last three lives or longer and that imposed obligations of road service, barn building, and orchard planting. He enforced the quarter-sale clause. After the war Schuyler began giving those privileges up in return for higher rent. He also started leasing his land for much shorter terms. He began insisting on retaining the right to flood a tenant's fields if he decided to build a dam for a mill. He would sell the freehold itself for the right price. Neofeudalism was giving way to rural capitalism. Schuyler the developer, not Van Rensselaer the good patroon, understood where the future lay.

Farther north and west the vestiges of the old order were weaker. In 1768 the Beekman family received 30,000 acres from the royal governor. Before independence they made gestures toward settling it with tenants from Scotland, part of the great wave of north British migrants who were becoming American frontierspeople. In their plan the migrants would become subtenants, dealing with the Beekmans through a fellow Scot named Daniel Macleod. He would pay the Beekmans a fixed rent and would get whatever he could from the actual settlers. It was a familiar arrangement both to New York landowners and to Scots.

After independence the Beekmans found that tenancy would not work. In 1785 they had the grant surveyed into separate tracts, a sign of their "reluctant decision . . . to prepare for the disposition of their property . . . to individual settlers." They continued trying to issue leases, complete with requirements that federal and state governments made peace treaties with the Iroquois, who had been weakened by the war. In the second Treaty of Fort Stanwix, in 1784, the Iroquois surrendered to the United States all their traditional claims to land west of Buffalo Creek. In addition, the Senecas, Cayugas, and Onondagas agreed to cede to New York State large tracts west of the Property Line. This cession was the first of a series negotiated between 1784 and 1790 in which the various tribes of the Six Nations signed away most of their lands east of the Genesee River. Before the century closed, practically all their claims to land in New York State had been surrendered. The members of the once-powerful Iroquois Confederacy had retreated to Canada or to a few small reservations.[2]



Map 8. Frontier map of New York. Frontier lines are based on dates for first settlement of towns west of the Hudson River. (Adapted from Ruth Higgins, *Expansion in New York.*)

Meanwhile, commissioners for New York and Massachusetts met at Hartford in 1786 to work out a compromise of their rival claims to western New York. They drew a Pre-emption Line north from the Pennsylvania border through Seneca Lake to Sodus Bay. Massachusetts received the lands west of Seneca Lake and ten townships lying along the Susquehanna and Tioughnioga Rivers. New York won *title* to all land east of the line and *political* sovereignty over all the area in dispute.

[2] Today more than six thousand Indians live on eight reservations: Onondaga near Syracuse; Allegheny; Cattaraugas near Gowanda; Tuscarora near Niagara Falls; Tonawanda near Akron; the St. Regis near Hogansburg; and the Poosepatuck and the Shinnecock on Long Island.

Ellis — History of NYS
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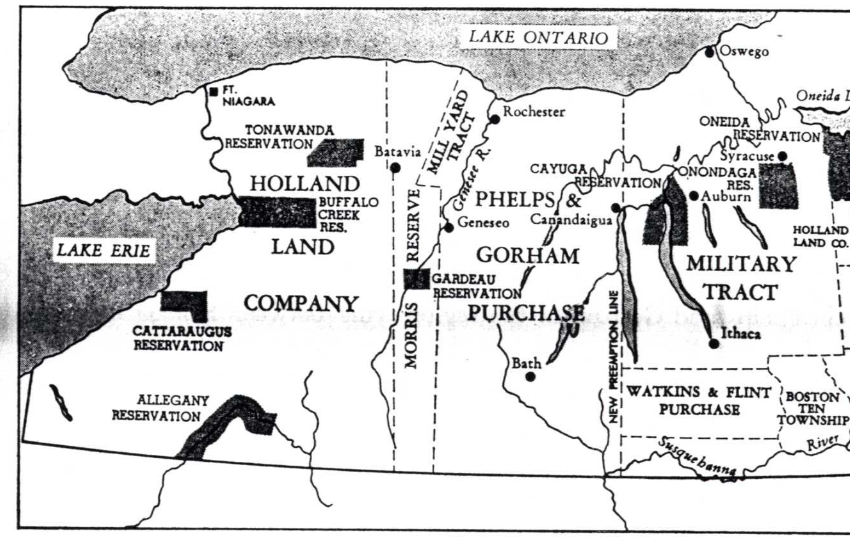
During the Revolutionary War the state government had pledged to many soldiers a bounty of 600 acres. Officers received proportionately larger grants. In 1782 the legislature set aside a tract of over 1,500,000 acres, which was divided into twenty-eight townships six miles square. This tract in the Finger Lakes district, readily identified today by the sprinkling of classical names such as Cato and Sempronius, included the present counties of Onondaga, Cayuga, Seneca, Cortland, and portions of Oswego, Wayne, Schuyler, and Tompkins counties. Soldiers, however, represented only a minority of the settlers since many veterans sold their land warrants to speculators.



Map 9. Land pattern of western New York State. (From *New York: The Empire State*, by Ellis, Frost, and Fink, © 1964 by Prentice-Hall, Inc., Englewood Cliffs, N.J.)

Speculators also got control of several large tracts between the Property Line and the Military Tract. In 1789 the surveyor-general laid out the Chenango Twenty Townships covering the southern half of present-day Madison and the northern half of Chenango counties. A group of specu-