MANASSEH CUTLER'S CONNECTION WITH THE OHIO
COMPANY AND THE SETTLEMENT OF MARIETTA

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<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Continental Congress and the Old Northwest, 1774-1786</td>
<td>1</td>
</tr>
<tr>
<td>The Formation of the Ohio Company of Associates</td>
<td>19</td>
</tr>
<tr>
<td>Bargaining with Congress</td>
<td>33</td>
</tr>
<tr>
<td>The Colonizing of Marietta and the Final Settlement</td>
<td>65</td>
</tr>
<tr>
<td>with the Government</td>
<td>75</td>
</tr>
<tr>
<td>Bibliography</td>
<td>75</td>
</tr>
</tbody>
</table>
INTRODUCTION

Although much has been written about the formation of the Ohio Company of Associates, its bargaining with Congress, and its settlement of Marietta, no attempt has been made to depict and evaluate the particular services of Reverend Manasseh Cutler in all these phases of Ohio Company activity. This thesis is designed to supply the deficiency.

In order to understand the background against which the Ohio Company was planned and formed, the first chapter is devoted to the relations of the Continental Congress to the area northwest of the Ohio River from the beginning of the Revolutionary War through the year 1785. It is shown how Congress, which had less claim to the area than the British, the separate colonies, or the Indians, gradually overcame these obstacles and finally had a clear title to much of the Northwest. Congress had long planned to sell this region to settlers in order to improve the financial standing of the central government, but, with the title cleared, other problems, such as Indian discontent, unauthorized settling in the area, and the influence of foreign nations, threatened to thwart Congress in its aims.
Against this background appeared the Ohio Company with its plan to purchase and settle a large section of the area in question. From this point the story becomes that of Manasseh Cutler's services to the Ohio Company. His salesmanship and advertising ideas helped the company to stimulate interest to the point where enough shares could be sold to continue the plan as shown. His services as a Company representative and competent lobbyist before Congress are dealt with fully. In this connection Cutler's relations with the Scioto speculators are discussed. Nor do his services end at this point. His propaganda, based on a sincere belief in the qualities of the western country, did much to encourage settlers to leave New England for the distant Ohio lands. Finally, after the successful settling of Marietta, financial difficulties, caused by inability to sell the full amount of shares intended, the increasing value of continental securities, personal financial failures, and Indian troubles, the Company was unable to make its final payment on the lands as outlined in the contract. Here, once more, Cutler was able to render substantial service to the Company and the actual settlers by aiding in gaining a final settlement with Congress which gave a complete land title for the Company and consequently for the settlers.
The purpose of this paper is not to discount the work of other men in the beginnings of organized settlement of the public domain, but rather to outline Cutler's services and try to fit them into the overall picture.

R.D.A.
Chapter I

CONTINENTAL CONGRESS AND THE

OLD NORTHWEST, 1774-1786

When the Revolutionary War began at Lexington and Concord, the colonies had little claim to the territory northwest of the Ohio River. Not only had the British government forbidden settlement in the area, in order to preserve it to the Indians and the fur trade, but it had also, as one of the "Intolerable Acts" of 1774, attached the whole area to the government at Quebec. Since Quebec had not joined in the war for independence, it seems natural to assume that the territory under its control would remain in the British Empire.

The colonies generally resented the "Line of Demarcation" of 1763 and objected even more strenuously to the Quebec Act. Certain colonies, such as Virginia, Connecticut, and Massachusetts, were particularly offended since their charters from the British Crown had extended their boundaries westward to the "South Sea". They felt that attaching this area to Quebec was taking from them territory that was rightly theirs. At the same time the colonists felt that it was their right and privilege to move into the west-
ern country when and where they pleased.

It was no surprise then when the Continental Congress, representing all the rebelling colonies and being bereft of funds, promised in 1776 to give to enlisting soldiers public land ranging from one hundred acres for a private to five hundred acres for a colonel. Later in 1780 this was expanded to include higher officers with gradually increasing allotments until a major general was to receive eleven hundred acres.

Meanwhile the western outposts of the colonies from New York to the Kentucky section were being ravaged by Indian attacks. These were especially damaging to the infant settlements in Kentucky which had not been permanently colonized until 1775. Since the war between the colonies and the mother country was in full swing, it was only natural for the British to allow the Indians to use their posts in the Northwest, Detroit, Cahokia, Kaskaskia, and Vincennes, as bases of operation and to encourage raids on the American settlers.

One young Kentuckian, George Rogers Clark, believed that there could be no peace on the American frontier until the British forts in the Illinois country were captured. Accordingly he

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1 *Journals of the Continental Congress, 1774-1789*, edited by Worthington C. Ford and Gaillard Hunt, V, 763. Hereafter this work will be cited as *Journals of Congress*.

ascertained the strength of these posts, gained the support of the Virginia government, since Kentucky had become a county of that State, and led a small detachment against the Illinois posts. Since the British had practically no troops stationed there, Cahokia, Kaskaskia, and Vincennes fell easily into his hands. When Colonel Henry Hamilton, British Lieutenant Governor at Detroit, heard of this, he immediately led a force of British and Indians against Vincennes and easily recaptured it since Clark had only garrisoned it with a few men. Hamilton, feeling that he was safe until spring, dismissed most of his men and settled down to await warmer weather before continuing his operations. Clark, however, marched his troops overland through snow and ice, surprised, and recaptured Vincennes on February 23, 1779. After this time he was able to hold the Illinois country until the end of the war. But he was never able to muster enough strength to attack the British fort at Detroit which continued to dominate the eastern part of what later came to be called the "Old Northwest."

3 Frederick A. Ogg, The Old Northwest, a Chronicle of the Ohio Valley and Beyond contains a good brief account of the preparations for and the execution of Clark's campaign, 48-68; George Rogers Clark, The Conquest of the Illinois is Clark's own account and is fairly reliable.
Twenty-four days after Clark's reconquest of Vincennes Congress claimed the territory northwest of the Ohio River. When, a short time later, England began making peace overtures as a result of France's having declared war on her, the Continental Congress was prepared. It appointed John Adams as peace commissioner in August, 1779. His instructions included a section to the effect that no peace terms could be considered unless the Mississippi River were designated as the western boundary of the United States.

In 1781 additional peace commissioners were appointed, but their instructions did not include the cession of the Northwest as an essential concession before the colonies would conclude peace terms. This was probably due to the influence of France which had made promises to Spain in regard to western lands in order to get the latter to declare war on England. When negotiations actually began, however, the American commissioners reverted to Adams' instructions of 1779. When the preliminary treaty was signed in November, 1782, the boundary line of the United States, as defined in this document, ran through the Great

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Lakes and the small lakes beyond to the northwest corner of the
Lake of the Woods. From there it ran due west to the Mississippi
River which was to be the western boundary of the new country.
These boundary lines were retained in the final treaty of 1783.

The reasons for England's generosity in ceding this vast
territory are rather complicated. First, she wanted peace, and
the American negotiators were demanding its cession as one of the
bases of peace. Second, the British commissioners hoped to create
dissension among their enemies while at the same time retaining
the good will of the colonies whose independence they were being
forced to grant. Furthermore, the possibility of gaining any
appreciable profits from the distant region was remote.

On the other hand, in spite of the recent historians'
tendency to discount Clark's conquest as a factor in gaining the
Old Northwest, his activities certainly fortified the claims of
the colonies and, considering the time element discussed above,
may have influenced Congress to claim the area. This in turn led
to Adams' instructions of 1779 which were used in the final negoti-
ations by the American peace commissioners.

5 W. E. H. Lecky, The American Revolution, 459-485 contain a
good account of the negotiations.

6 Ibid., 466-467.
Meanwhile many of the members of the Continental Congress had come to regard the western lands as a possible means of raising money for the central government, which was on the verge of ruin because of its lack of taxing power. The first overt indication of this was to be found in the acts of 1776 and 1780 promising lands to soldiers for enlisting. Since its claims to the region were based largely on the states' charters and its powers were derived from these same states, Congress was powerless to do anything toward realizing any profits on the western lands unless it could persuade the claimant states to turn over their western lands to the central government. Those states claiming land northwest of the Ohio River were New York, Massachusetts, Connecticut, and Virginia. "New York's claim was based with entire solemnity on the ground that she was the heir of the Iroquois tribes, and therefore inherited all the wide region overrun by their terrible war bands. The other ... states based their claims on various charters."

It was only natural that the states having no claims to western lands, including New Hampshire, Rhode Island, New Jersey, Delaware, Maryland, and Pennsylvania, should insist that all title

7 Supra, 2.
8 Theodore Roosevelt, The Winning of the West, II, 207.
to western land be vested in the central government. Maryland attempted, as early as 1777, to have a proposition included in the Articles of Confederation to the effect that Congress should have power to define the western boundary of all states claiming land to the Mississippi or the "South Sea."

When the articles were completed and sent to the state legislatures, that of Maryland renewed this proposal in the form of a suggested amendment. The state refused to join the Confederation until New York had surrendered her western land claims in 1781.

Other states soon came to Maryland's assistance. Delaware, upon ratifying the Articles of Confederation in 1779, placed before Congress resolutions stating that moderate limits be assigned to states claiming to the Mississippi, that Congress should have the power to determine those limits, and that lands west of the frontier should be a common estate. The strength

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9 B.A. Hinsdale, *The Old Northwest; the Beginnings of Our Colonial System*, 197. Henceforth this book will be referred to as Hinsdale, *The Old Northwest*.

10 Ibid., 198.

11 Ibid., 199.


of those opposed to state control of western lands was shown when Virginia began plans in 1779 to open a land office designed to dispose of her western lands. Congress passed a resolution asking Virginia to reconsider her act. Eventually, in 1780 Congress asked the claimant states to cede their claims to the country northwest of the Ohio River and promised that republican states would be formed from the territory.

This pressure from other states and Congress, together with a growing nationalistic spirit, soon began to produce the desired results. In March, 1781, Congress accepted New York's act of cession of the preceding year. Soon after this the other states having claims to the Northwest territory began to offer cession. However, the terms asked by the states were not always acceptable to Congress. As a result agreement was held up for some time in many instances.

It was not until March, 1784 that the next cession, Virginia's, was accepted. This was only accomplished by a compromise. Virginia would cede her claims in the Northwest if

14 Ibid., 206.
15 Journals of Congress, XXII, 231.
16 The Territorial Papers of the United States, II, 3-5.
17 Ibid., 6-9.
she were guaranteed a military reservation and received tacit approval by Congress of her ownership of Kentucky. A year later Massachusetts had its cession approved. When the cession of Connecticut was completed in September, 1786, all the states having claims in the Northwest had transferred to Congress their land rights in the area. Connecticut, like Virginia, reserved a tract in the Northwest Territory which was later known as the Western Reserve.

Acting on the assumption that the states would cede the Northwest to the central government, Congress appointed a board of commissioners in 1784 to treat with the Indians, the last obstruction to a clear title to the lands beyond the Ohio. This board conducted negotiations with the various tribes and in a series of treaties gained, at least nominally, the release of a great section of present Ohio to the whites.

19 The Territorial Papers of the United States, II, 10-12.
20 Ibid., 22-24.
22 Rufus King, Ohio, First Fruits of the Ordinance of 1787, 174-175. Later references will be to King, Ohio.
The Iroquois Indians, by the second treaty of Fort Stanwix in 1784, surrendered their rights north of the Ohio. By the treaty of Fort McIntosh of 1785 the Ottawas, Wyandots, Chippewas, and Delawares traded the southeastern section of present Ohio for a reservation in the northwestern part. In 1786 the treaty of Fort Finney was completed, and apparently all the Indian tribes of the area had given up their rights to the southeastern Ohio area.

Before completing any of these negotiations except those with Britain, Congress began to plan the organization and sale of these western lands. On March 1, 1784, a committee, headed by Thomas Jefferson, reported to Congress an ordinance for the government of most of the area west of the Allegheny Mountains. This Ordinance was finally passed on April 23, 1784, with some few changes. It provided for the division of federal territory into a number of possible states which would pass through three stages.

23 American State Papers, V, Indian Affairs, 10-11. Hereafter this volume will be referred to as Indian Affairs.
24 King, Ohio, 175.
26 Ibid., 275-279.
of development. In each stage the territory would be self-govern-
ing, and finally each division would become a member of the Union
with equal rights and obligations of older states. However, this
Ordinance "has been loosely called 'inoperative'; by this it should
be understood that it provided no actual plan for the disposition
of the western lands by Congress."

Being aware of this inadequacy, Congress passed the Land
Ordinance of 1785. The provisions of this Ordinance were much more
practical than those of its predecessor. It provided that the
territory ceded to the central government by the states was to be
disposed of as soon as the Indian title was secured; that land
was to be surveyed into townships six miles square and these were
to be subdivided into lots one mile square; that as soon as seven
ranges were surveyed, one seventh was to be reserved as military
bounty lands with the remainder to be turned over to the states to
be sold at public auction at a price of not less than one dollar
per acre; that the townships be sold alternately as a whole and by
lots; and that one lot in each township be reserved for the support

27 Archer B. Hulbert, ed., Ohio in the Time of the Confederation,
74-77. Later references will be to Hulbert, Ohio and the
Confederation.

28 Ibid., xxxi.

29 The term "section" was not used until the land law of 1796.
of education. One authority is of the opinion that this Ordinance "was the foundation of the American Land System, and its leading principles have continued in operation to this day."

With the land survey system completed members of Congress became dissatisfied with the plan of territorial government outlined in the Ordinance of 1784. It was criticized for being impractical because of its indefiniteness. It was feared that the colonies would not be ready for self government from the time of settlement. Further, it was believed that the governmental machinery was inadequately defined. Therefore a series of committees were kept at work preparing a new form of government for territories between 1785 and 1787. Probably because there was no immediate need for government in the territories, these committees had not completed their labors by 1787.

Acting under the authority of the Land Ordinance, Thomas Hutchins, Geographer of the United States, gathered his assistants and equipment to begin the survey of the seven ranges. Between late 1785 and February, 1787, only slightly more than four ranges were completed. This was because of the danger from the

32 Hulbert, Ohio and the Confederation, 176, contains Hutchins' report of progress to Congress.
Indians and Hutchins' having to devote much of his time to other matters. As a result of this slowness and its dire need for funds, among other causes, Congress decided to forego the decision to await completion of the survey of seven ranges before selling any land.

Accordingly, shortly after Hutchins' report of February, 1787, the four ranges were offered for sale. Receipts were very slow, however. The reasons for this were many and varied. No entire townships were sold, and scattered settlement pointed to danger from the Indians. Land companies were attempting to bargain with Congress, and this removed many potential buyers from the market. In spite of the series of treaties Indian affairs remained unsettled.

As a matter of fact, the "series of treaties" was the cause of great unrest among the Indians of the Northwest. In 1786 representatives of the various tribes met near the mouth of Detroit River and drew up an address to Congress asking that the Indians not be treated as separate tribes and as subjects, but as

34 Hulbert, Ohio and the Confederation, xxxiv.
a confederacy and as equals. They further stated that they were willing to stay on their side of the Ohio River if the United States would keep its subjects south and east of it. That the Indian problem was far from being settled is evident from a report of the Secretary at War to Congress on July 10, 1787. "The frontiers of Virginia bordering on the Ohio," he wrote, "have been ravaged in the course of the present year and ... are involved in the greatest distress, by parties of Indians who plunder and murder the inhabitants." He reported that three times the number of soldiers employed (five hundred) would be needed to protect the frontiers, the surveyors, and to keep out land usurpers.

The land usurpers mentioned in this message had become a definite menace to the Congressional plan of disposing of the western land in such a way as to retire some of the national debt. Even before 1770 the Ohio Valley was known to hundreds, and with the erection of Forts Laurens and McIntosh in the late 1770s, many squatters began to move in, undaunted


36 The Territorial Papers of the United States, II, 31-35, contains the complete letter.
by the Indian menace and not caring that they had no title to the land.

If people could procure the Congressional lands for nothing, how could Congress expect to sell them? As a result of this development Colonel Daniel Brodhead, stationed at Fort Pitt, was forced to take steps in 1779. He sent Captain Clark with sixty men to destroy all improvements and chase the usurpers back across the Ohio. Apparently these intrepid settlers, who only needed a "tomahawk right" in order to move in, were unimpressed. They moved back to the western banks of the Ohio. On April 11, 1785, sixty-one male petitioners sent a memorial to Congress stating that staying cooped up in forts during the Revolution had impoverished them and that they had settled on the vacant lands northwest of the Ohio River in order to make a living. They then asked that they might remain.


38 Ibid., xxiii.

39 Hulbert, Ohio and the Confederation, 103-106.
On the day after the petition's reception, Ensign John Armstrong reported to Colonel Josiah Harmar and told of dispossessing many squatters. Congress showed that its attitude had not changed when, on June 15, 1785, it issued a proclamation stating that settling on the western banks of the Ohio River was contrary to and controverted Congress's purposes. Therefore prospective settlers were ordered not to cross the river, and those already there were to get out immediately.

Again the Congressional proclamation and patrolling of the region by soldiers was unsuccessful. This was evident when, less than a year later, John Amberson, one of the settlers, issued a circular "Advertisement." This remarkable document called on the settlers northwest of the Ohio River to meet at four separate places, the mouths of the Scioto and Miami Rivers, on the Muskingum, and at the home of Jonas Menzons opposite Wheeling, to elect members to a constitutional convention. Amberson concluded his document with the ideas that "I do certify that all mankind ... have an undoubted right to pass into any vacant country, and there to form their constitution, ... and Congress is not empowered to forbid them. Neither is Congress

40 Ibid., 106-109.
41 Ibid., 112-114.
empowered to make any sale of public lands." Such sentiments were certainly not conducive to the mental comfort of Congressmen.

Further steps were taken by the Army to dispossess the usurpers, but these also were unsuccessful. "The usurpations of public lands," wrote the Secretary at War early in 1787, "by a body of armed men highly deserves the attention of Congress. If such audacious defiance of the power of the United States be suffered with impunity, a precedent will be established to wrest all the immense property of the western territory out of the hands of the public."

One more factor led to uneasiness on the part of Congress about the territory northwest of the Ohio River. Its natural trade channels would more easily flow into Spanish or British hands than into American; therefore there was an element of fear that the area might become more attached economically to either Spain or Britain than to the United States.

42 Ibid., 98-99.
43 The Territorial Papers of the United States, II, 26.
44 William P. Cutler and Julia P. Cutler, Life, Journals and Correspondence of Rev. Manasseh Cutler, I, 134-135. Hereafter this work will be cited as Cutler, Manasseh Cutler.
It may be seen that, though Congress had gained clear title to a portion of the Northwest by early 1787, there were many problems it must face if it wished to profit from the area. Its surveys had not gone well, chiefly because of the Indian menace. The sales of the land were slow, and a great expense was being incurred trying to keep out unauthorized, non-paying settlers. If something were not done soon, this great area, considered as an asset, would become a financial liability.

The government was ready for the proposition soon forthcoming from the Ohio Company of Associates.
Chapter II

THE FORMATION OF THE OHIO COMPANY
OF ASSOCIATES

The inception of the Ohio Company of Associates is found in the Newburgh Petition which was modeled after the Pickering Plan. This was Colonel Timothy Pickering's suggestion that lands northwest of the Ohio River be turned over to soldiers holding bounty claims and almost worthless continental certificates since "the close of the War of the Revolution left an army of men, the defenders of the country, impoverished." This was due to these factors: most of them had been away from lucrative jobs for years; the government had formed no practical means of settling land bounty claims; and the continental currency with which they were being paid was worth only about twelve cents on the dollar.

1 D. J. Ryan, "The Scioto Company and its Purchase", Ohio Archaeological and Historical Publications, III, 110. Hereafter this work will be cited as Ryan, "The Scioto Company".

2 Cutler, Manasseh Cutler, I, 155.
In March, 1783, the soldiers still in camp came very near to mutiny. Anonymous appeals were circulated urging that they refuse to lay down their arms until they had received satisfaction for their various demands. Some of these were that they get better food and clothing, that the promised half-pay for life be paid in a lump sum, and that the lands promised to them be granted. "But if the war continued they should retire to some unsettled western country" and mock the colonies in their armless struggle with Britain. Washington, by calling a general assembly of the officers, was able to secure a promise of their faith in Congress and a condemnation of the "anonymous appeals."  

A more practical step was soon to be taken. On April 7, 1783, Pickering wrote a Mr. Hodgdon to the effect that a plan had been formulated for settling the western country by soldiers, and this had been turned over to Generals Huntington and Putnam for their consideration. If they like the idea and it was later approved by an assembly of officers, it would then be submitted to Congress in the form of a petition.


4 Cutler, Manasseh Cutler, I, 149.
Little more than two months later the "Newburgh Petition" was forwarded to the President of Congress with the signatures of two hundred and eighty-eight officers. It suggested that Congress purchase from the Indians lands intended to be settled. The government should then fulfill its promises of 1776 and 1780 by giving the lands to army men. Continental certificates might be used for additional purchases by the soldiers. All soldiers who actually settled in the area would get additional land while those who did not would forfeit their lands to the new state to be formed. A constitution of this state would be drawn up before the settlers began the march to the area. Slavery should be absolutely forbidden. Then the new area should be admitted to the Union as a state with the same rights as older states.

Accompanying this petition was General Putnam's letter explaining the advantages to Congress in granting its request and pointing out the needs of the army. General Washington

5 Rufus Putnam, The Memoirs of Rufus Putnam and Certain Official Papers and Correspondence, compiled and annotated by Bowena Buell, 215-216, contains the complete text. Later references will be to Putnam, Memoirs.

6 Cutler, Manasseh Cutler, I, 167-172, contains the complete letter.
also wrote Congress that the petition was the "most rational
and practicable scheme that can be adopted by a great propor-
tion of the officers and soldiers of our army, and promises them
more happiness than they can expect in any other way." 7

Although Congress took no action in regard to this
petition, possibly because it still had no clear title to the
land, interest in settlement of the western country did not die.
Most of the officers of the Revolutionary War became Masons and
members of the Society of the Cincinnati. Since most of them
found themselves financially poor at the end of the war and the
post-war depression made conditions even harder, many meetings
of these organizations turned to discussion of the settlement of
the West as an escape from a penniless existence. Also, if
Congress would accept their land bounty claims and their continen-
tal securities at face value, the more affluent ones could gain
extensive tracts of land.

Although most of these people were willing to allow talk
to be the extent of their activity, some few tried to force action
by Congress. One of the foremost figures in this endeavor was

7 Ibid., 174.
8 Hulbert, Ohio Company Records, I, xxxiv-xiv.
General Putnam who had helped to form the Newburgh Petition. In the spring of 1784 he wrote Washington that his interest in western settlement remained constant, enquired about Congress's action on the petition, and asked Washington to use his influence toward approval by the government. He further stated that he was learning all that he could about the western country.

Washington was hardly less interested in the project than Putnam. During the Revolution he had often spoken to his officers of the wonderful Ohio country beyond the mountains. Not only was he acquainted with the country and impressed with its productivity, but he sincerely wished to help his former soldiers, many of whom, he realized, were practically in poverty. Also, he owned thirty thousand acres of land between the Great and the Little Kanawha Rivers in western Virginia. Settlements to the west of that area would decrease the Indian menace and consequently increase the value of that property. So Washington answered Putnam's letter reporting that, though Congress had not acted, he

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9 Putnam, Memoirs, 223-225.

10 Cutler, Manasseh Cutler, I, 141.

11 Putnam, Memoirs, 228-232, contains a copy of Washington's advertisement in an attempt to lease this land in 1784.
was doing all in his power to hasten favorable action.

Later in the same year Putnam was offered and accepted a job surveying the lands of Maine for the Massachusetts government. Probably he accepted this position partly to judge the worth of the land in the area. The economic motive must have been also present, for he accepted the same employment in 1785. While gathering his tools and assistants for this job, Putnam was informed that he had been appointed as the Massachusetts representative to help survey the seven ranges in the western country. This offer put Putnam in a perplexing position. He wanted to accept the opportunity to inspect the western country at first hand, but he was already committed to Massachusetts and had hired his men. This resourceful man solved his difficulties by sending a letter of acceptance to Congress and at the same time a letter to the Massachusetts delegates in that body requesting that they appoint his friend, General Benjamin Tupper, temporarily in his stead! Since Tupper was also interested in western settlement and would report his observations to Putnam, the latter would gain the desired knowledge of the new country anyway.

12 Cutler, Manasseh Cutler, I, 176-177.
13 Putnam, Memoirs, 100.
14 Ibid.
15 Ibid., 101.
Although Indian activities allowed little surveying in 1785, General Tupper and others "brought a very favorable report of the country." This report of Tupper's was made in January, 1786, and, at the same time, plans were formulated for organizing a company whose sole interest was to be in purchasing lands from Congress and colonizing the western country.

The first actual move toward formation of the new company was the publication in various Massachusetts newspapers, in January and February, 1786, of an article entitled "Information" signed by both Putnam and Tupper. In this publication it was stated from first hand information that "the lands in ... the West are of a much better quality than any other known to the New England people; the climate, seasons, products, etc. are in fact equal to the most flattering accounts that have been published of them." This was accompanied by the definite proposal "that an association to be known as the Ohio Company be formed of all such as wish to become purchasers, etc., in that country." Interested

16 Ibid., 102.


18 Hulbert, Ohio Company Records, I, 1.
persons would meet in their respective counties at designated places on February 15; they would then nominate representatives to meet at the Bunch of Grapes Tavern in Boston on March 1.

Much interest was shown in this new company, and eight counties sent delegates to Boston for the March 1 meeting. Among those present was one, Reverend Manasseh Cutler of Essex County, who was to prove himself of the greatest importance to the successful conclusion of the company's project to purchase and colonize western lands.

Cutler was, without doubt, the most versatile man at the meeting. After having spent his boyhood on a farm, he entered and was graduated from Yale in 1765. After graduation he taught school until 1766 when he was married. He then became a petty merchant operating a store for one of his wife's aunts in Edgartown, Massachusetts. Meanwhile, Cutler studied law and in the following year he was admitted to the bar. After trying some few cases this energetic and ambitious man decided to study theology under the tutelage of his father-in-law. Again he was successful

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19 Ibid., 1-4, contains a copy of the complete publication.

20 Ibid., 5.

21 Ibid.
and was officially ordained in 1771 when he was installed as the pastor of Ipswich Church in Massachusetts. Still not satisfied with his diversity of knowledge and occupations, Cutler studied medicine during the Revolution and became proficient at this also. At one time he had forty small pox patients in his care. Throughout this whole period Cutler had been intensely interested in natural science with especial emphasis on botany, and he was recognized as one of the foremost American scientists of his day.  

One author has attempted to explain the many accomplishments of this man by saying that "older civilizations raise specialists; pioneers are marked by their versatility, for the rule of the wilderness is diversity or death." However true this may be, it falls far short of explaining why Cutler was able to master most of the learned professions of his day. A tremendous mental ability was a prerequisite to this mastery, while an insatiably inquisitive mind and almost boundless energy were also required.

The question naturally arises as to why this man became interested in settling the western country. His own statement in regard to this is illuminating. It follows:

22 Robert E. Brown, Manasseh Cutler and the Settlement of Marietta (19 page pamphlet), 3-14, contains a good, though brief, biography of Cutler.

23 Ibid., 7.
I have suffered exceedingly in ye war, and after it was over, by paper money and ye high price of articles of living. My salary small and my family large, for several years I thought ye people had not done me justice, and I meditated leaving them. Purchasing lands in a new country appeared to be ye only thing I could do to secure a living to myself, and family in that unsettled state of public affairs. 24

When it is understood that Cutler's salary, during the fifty-two years he was pastor of Ipswich church, was "never ... more than $450 per year," his feeling that he was not being done justice is easily understood. The apparent paradox of an impoverished man purchasing land is explained by the fact that some of the almost worthless continental currency was in his possession. Furthermore, Cutler's interest in botany, one of the paramount ones of his life if his diary is used as a criterion, caused him to wish to study the plant life of the remote region. Add to these factors the great energy of the man, always seeking new outlets, and it would be strange if he had not become interested in western settlement.

24 Rulbert, Ohio Company Records, I, lvii.
25 Robert E. Brown, Manassah Cutler and the Settlement of Marietta, S.
26 Bond, Foundations of Ohio, 269.
27 On April 20, 1786, Cutler wrote Sargent who, he had heard, was going to the western country and asked him to preserve any interesting botanical specimens he might find. He also informed Sargent that he was becoming more and more interested in emigrating himself because of the lure of a new country and the chance to experiment with plants. Letter in Cutler, Manassah Cutler, I, 189-191.
That his ability was recognized by the delegates meeting at the Bunch of Grapes Tavern was evident when he was selected as one of a committee of five which was to draw up a plan of association. This group made short work of its task. On March 3 it presented to the delegates the Articles of Agreement which were accepted on the same date.

The preamble stated explicitly that "the design of this association is to raise a fund in continental certificates for the sole purpose ... of purchasing lands in the western territory belonging to the United States, ... and to promote a settlement in that country." This was followed by thirteen articles explaining how this objective would be accomplished and how investors would be protected from swindle. One thousand shares were to be put up for sale, with no one being allowed to purchase more than five shares or less than one. However, several people could pool their resources and purchase one share. The shares were to sell at one thousand dollars apiece in continental currency. Also each shareholder would pay ten dollars in gold to meet the company's operating expenses. Any of this left over plus the interest on moneys collected would be used to transport actual settlers to the western country. The million dollars collected were to be used only for

28 Hulbert, Ohio Company Records, I, 5-6.

29 Ibid., 6-11, contains the Articles.
purchasing lands from Congress. In order to expedite business an agent would be elected by any twenty shareholders and these would collect money for the company. They must in all instances give receipts for any money collected.

After this business was completed, the delegates appointed three directors to take care of business until the next meeting and returned to their respective districts to act as salesmen for the company. The temporary directors soon completed and sent to the former delegates, now salesmen, what was known as subscription books. These contained all the information included in the Articles of Agreement plus additional notice that officers and soldiers having lands due them from the government could join the association. Also the company's intention of actually getting any area settled which it purchased was emphasized. Any proprietor who did not put a settler on each three hundred acres of land that he owned would forfeit the land to the company. There was space left for subscribers to affix their signatures.

Armed with subscription books Cutler turned his abilities and energy to selling shares in the company. He met with great success. Between this time and the next general meeting of the company on March 8, 1787, the total sales of the company were two

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30 Ibid., 12.

31 Cutler, Manasseh Cutler, I, 184-185, has the complete subscription-book form.
hundred and fifty shares. Of these, Cutler had sold over one hundred.

In addition to these services he was analyzing the reasons why sales were so slow, and suggesting how to overcome the obstacles. On March 24, 1786, he wrote Major Winthrop Sargent, who was working with the company in Boston, to the effect that ignorance of the western country's attractions and fear of the Indians were the chief reasons for the small number of sales. He suggested that a map of the Ohio country would be helpful. Further, he felt that regular articles about the western country, published in the Boston papers, would have much influence in overcoming sales resistance.

Both of these suggestions were later followed. Not only were the maps sent out, but Sargent applied to Congress in person asking to be appointed a surveyor on the seven ranges. As a result he eventually received the desired position when the New Hampshire representative among the surveyors refused to accept his appointment. While in the West he wrote letters to friends in Boston in which he told of the marvelous value of the country.

32 Ibid., 192.
33 Ibid., 187-188.
34 B. H. Pershing, "A Surveyor on the Seven Ranges," The Ohio State Archaeological and Historical Quarterly, XLVI, 258-259. Hereafter this article will be called Pershing, "Surveyor Sargent".
Excerpts from some of these letters were printed in the Massachusetts Gazette under the heading: "Extract of a letter from a gentleman in Fort Harnar in the western country to his friend in Boston." In one of these Sargent wrote that the lands from an agricultural standpoint were "extravagantly productive." As to the climate, "in all last winter the mercury never dropped below 1½,... and I have never found it higher than 80." He disposed of the Indians too: "Reports are frequently made here about scalping parties, but are all without grounds. They are circulated by a set of men who wish for something of the kind, from interested views." A later letter continued along much the same lines stating "that the lands ... are superior to anything you can conceive of."

Cutler had his propaganda.

35 September 19, 1786.

36 September 22, 1786.
Chapter III

BARGAINING WITH CONGRESS

It soon became apparent to the leaders of the Ohio Company that, even with good advertising and assiduous salesmanship, shares would sell slowly until a definite grant of land was obtained from Congress. Therefore a general meeting of shareholders was called for March 8, 1787. At this meeting the secretary's report ran in part:

It appearing that Two hundred & fifty Shares in the Company's Funds were subscribed for with many others in New England ready to buy if a large grant of land could be obtained; therefore it was unanimously resolved that three directors should be appointed ... to make application to the Hon'ble Congress for a private purchase of Lands & under such descriptions as they shall deem adequate for the purposes of the company. General Samuel S. Parsons, General Rufus Putnam & Rev. Manasseh Cutler were unanimously chosen. At the same meeting it was resolved that a Secretary be appointed for this group, and Major W. Sargent was unanimously chosen.1

This was Cutler's first really important assignment by the company, and several reasons may be given for his selection. His assistance, rendered in advice and actual share-selling, had been invaluable. Further, the other shareholders realized that his wide knowledge would be a great asset in dealing with Congress.

1 Hulbert, Ohio Company Records, 1, 12.
Cutler, who had not attended the meeting because of a minor illness, was informed by a letter from Sargent of the appointment and asked if he agreed with Putnam that Parsons should go to New York immediately and petition Congress for lands. The minister answered that Parsons would make an excellent representative, since he had seen the country, but cautioned that Congress' price was too high since it was twice that of fifty cents asked by Massachusetts for Maine land. No more than fifty cents an acre should be paid for the remote lands owned by Congress.

Less than two months later Parsons presented his petition to Congress. This document stated that the Ohio Company was composed of former soldiers and officers who had been promised grants of land, and of public creditors who desired satisfaction of the government's debt in public lands. "They therefore pray That a tract of Country within the Western Territory of the United States be granted them at a reasonable Price." He offered to pay fifty cents an acre.

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2 At the Treaty of Fort Finney, where the Shawnees agreed to a reservation on the Wabash in exchange for Ohio lands, Samuel H. Parsons was one of the commissioners. Indian Affairs, 11.

3 Cutler, Manasseh Cutler, I, 192-193.

4 Hulbert, Ohio Company Records, I, 1-111.
It will be noted that Parsons did not ask for any particular tract of land. When he reported to the Ohio Company on his petition to Congress, the other two directors, Putnam and Cutler, who were supposed to help treat with Congress, became suspicious. They feared that for personal reasons Parsons preferred to accept lands farther west and leave the Scioto-Muskingum tract to Nathaniel Sackett.

On May 30 Putnam and Cutler collaborated on a letter to Sargent who was in New York with Parsons. "The Company have held a meeting," they wrote, "and taken into consideration the letter from General Parsons. We cannot, on any consideration, accede to the location proposed by him to Congress, as it must defeat us in many of our most important views." Continuing they said that one or the other of them would come to New York immediately to supplant Parsons since they felt that he "may have views separate from the interests of this company and that he should have no information of our ... feelings until we have opportunity to converse with him on the subject."

5 Hulbert, Ohio and the Confederation, 114-120, contains Mr. Sackett's memorial of 1785 to Congress in which he asked for a vast tract of land between the Scioto and Muskingum Rivers. For this he offered to pay one ear of Indian corn per year. The petitioner felt that settling the country with loyal American citizens, who would counteract British influence, was payment enough.

6 Cutler, Manasseh Cutler, I, 196-197.
The assumption here that Parsons approved a tract of land other than the Muskingum is based either on rumor or unrecorded information. No particular tract, as earlier noted, was requested in his petition to Congress. If the General did prefer another area, this preference may have been based on his knowledge of the country rather than on an interest in Sackett's land desires. At any rate, Cutler was later apparently satisfied that Parsons had done no wrong. On his trip to New York, after it was decided that Cutler was the one to replace Parsons, "he spent two days, enroute, with General Parsons, ... who made no objections to his 3 mission and gave him every aid in his power." That Cutler did regain his faith in Parsons was later borne out when Cutler favored Parsons for the position of first governor of the Northwest Territory, and, after having shifted his support to St. Clair for the governorship, recommended Parsons for the first judgeship.

7 Supra, 34, f.n.

8 Ephraim C. Dawes, "The Beginnings of the Ohio Company and the Scioto Purchase," Ohio Archaeological and Historical Publications, IV, 9. Hereafter this article will be referred to as Dawes, "The Ohio Company and the Scioto Purchase."

9 Cutler, Manasseh Cutler, I, 298.
Many historians have speculated on Parsons' failure to close a contract with Congress. One of them has suggested that, considering his later approval of Cutler's successes, "it may well be that it was at his request the vote on the ordinance was postponed until the principal men in the Ohio Company could have an opportunity to consider it." Parsons' biographer explains his lack of success merely by stating that there was no Congressional quorum (which was true) from May 11, shortly after Parsons presented his petition, to July 6 after Cutler had arrived in New York. Furthermore, Congress would hardly have accepted the top price of fifty cents per acre which Parsons was authorized to offer for land.

On first appearances it seems strange that the Ohio Company officials were so favorable toward the hilly Muskingum site. On closer inspection, keeping in mind facts earlier presented, the location seems to have been the best for their purposes. Since Connecticut's Western Reserve and the Seven Ranges included most of the land in northeastern Ohio, the Muskingum section was the nearest available location which had the advantage of lying adjacent to the Ohio River. Furthermore, if they had not settled near that area they would have been pushed west of the Virginia Military Reserve which would have meant many more days of arduous travel and added

10 Dawes, "The Ohio Company and the Scioto Purchase", 9.

11 Charles S. Hall, Life and Letters of Samuel Holden Parsons, 499.
expense for settlers. Also of importance was the location of Fort Harmar at the mouth of the Muskingum. It would provide some protection from the dreaded Indian menace. Yet another geographical factor favored the location near the Muskingum. That waterway "was part of a main highway between the Ohio River and Lake Erie." This gave the Muskingum a strategic advantage in a day when water transportation was of major importance.

Another contributing item has been overlooked by most historians. Of all the important members of the Ohio Company only Tupper, Parsons, and Sargent were personally acquainted with the western country. Of these Tupper and Sargent had been in the Muskingum section; Parsons' time in the country had been devoted to treaty making. Sargent, on the other hand, had spent the time between July 23 and August 2, 1786, at Fort Harmar with nothing to do but make "numerous excursions into the surrounding country."

His diary shows him to have been captivated by what he saw, and it is quite probable that he urged this section upon the Ohio Company as the most suitable of locations.

Soon after the letter of May 30, expressing distrust of Parsons, it was decided that Cutler should replace Parsons as the


Company's representative before Congress, and he began his preparations for the trip. After gathering many letters of introduction and recommendation to the "gentlemen at the southward," Cutler left Boston on June 5 for his New York journey. The Company could hardly have chosen a better representative. This farm boy become lawyer–doctor–minister–school teacher–merchant–scientist was in possession of vast stores of information which would give him common grounds of discussion and understanding with practically all the members of Congress.

In addition to this general information he had informed himself about the exact position of Congress in regard to the western lands. He knew the advantages and disadvantages of his position. The states, he realized, had completed their sessions, and Congress had provided for the survey and sale of the land with the idea of using the proceeds in paying the public debt. He believed that he could rely on the support of George Washington and Virginia because any settlement in the area would help protect Virginia's exposed frontier. The astute minister was also aware that he would have to face and overcome opposition from northeastern states, such as Massachusetts and New York; these states had

14 Cutler, Manasseh Cutler, I, 201–203.

15 Washington at this time was attempting to get Virginia to construct internal improvements that would enable that state to take advantage of western trade.
land of their own for sale and could see no compensating features
to overcome a possible drain of their own population since they 16
would be too far out of the way for trade with the new area.

To add to his qualifications Cutler had a deep understand-
ing of human nature and, if his diary is to be trusted, was a nat-
urally gregarious individual. He had wide acquaintances and many
friends. On his trip to New York he was reluctant to turn down
many social invitations in spite of the urgency of his mission.
Although he was a New England minister, Cutler had no objection to
social drinking if it were not carried to extremes. On two
occasions while in New York he recorded in his journal his enjoy-
ment of excellent beer and wine served at social gatherings.
This attitude would be no disadvantage in dealing with Congressmen
of almost any age. Last, but not least in importance, Cutler's
vast amount of energy and sincere interest in the success of the
Ohio Company would not allow him to leave a stone unturned in his
attempt to achieve the desires of his associates.

Having arrived in New York on July 5, Cutler began imme-
diately to employ his letters of introduction in making contact with
various members of Congress. The following day he "was introduced

16 Cutler, Manasseh Cutler, I, 145-149.
17 Ibid., 220, et passim.
18 Ibid., 240-241 and 293.
19 Ibid., 229-230.
to several members on the floor of Congress Chamber, by Colonel Carrington, member from Virginia, delivered ... his petition ... and proposed terms and conditions of purchase. A committee was appointed to agree on terms of negotiation."

After presenting his petition, Cutler spent the next two days in attending various social functions and becoming better acquainted with the members of Congress. On July 9 and 10, however, he attended meetings of the Committee on Western Lands. Most authorities on the period are of the opinion that this was the time chosen by the Company representative to instruct Congress that his company could not close a deal until a more adequate and suitable form of government was authorized for the territory. This is quite likely, for on the latter date Cutler's Journal contained the following information:

As Congress was now engaged in settling the form of government for the Federal Territory, for which a bill had been prepared, and a copy sent to me, with leave to make remarks and propose amendments ... I had taken the liberty to remark upon this bill and to propose several amendments.23

It will be noted that there is no indication as to the nature of the proposed amendments.

20 Ibid., 230.
21 Ibid., 230-236.
22 Ibid., 236-237.
23 Ibid., 242.
Feeling that he could do nothing more toward concluding a contract until Congress had completed the territorial plan of government, Cutler decided to visit Philadelphia in the interim. Although his journal gives no intimation of any business attended to and is crowded with accounts of his pleasure in conversing with such men as Benjamin Franklin and William Bartram, a botanist, it is probable that he had more serious motives in going there. His time was spent in the company of such persons as Strong and Gerry of Massachusetts, Madison and Mason of Virginia, Martin and Williamson of North Carolina, Rutledge and Pinckney of South Carolina, and Hamilton of New York. Although he left no record, it is quite likely that Cutler consulted these men about the treatment which any contract he might arrange with Congress would receive at the hands of the men shaping the new government. One student of the period feels that this visit to Philadelphia was the cause of the article dealing with the obligation of contracts being included in the Constitution. If Cutler's intention were sounding out members of the Constitutional Convention, he must have been reassured, for he returned to New York on July 18 prepared

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24 Ibid.

25 Ibid., 253-255.

26 William F. Poole, The Ordinance of 1787 and Dr. Manasseh Cutler as an Agent in its Formation, 32.
to continue negotiations.

While the Reverend Cutler had been at Philadelphia, Congress had passed on July 13 the Ordinance for the Government Northwest of the River Ohio which was to supplant the ineffectual Ordinance of 1784. This bill, known generally as the Ordinance of 1787 or the Northwest Ordinance, "from that day to this ... has served as the basic charter of the unique American system of colonial territorial government."

The backbone of this Ordinance is found in the governmental machinery set up. It provided for three to five states to be carved from the territory with three definite stages of development outlined. These stages were roughly and consecutively: a colonial status with governmental officials appointed by Congress, semi-statehood with an elective Legislature and a non-voting representative but with Congress still to appoint the Governor, and finally complete statehood with all the rights and obligations of older states. Theoretically this system guaranteed governmental control on the frontier, and, at the same time, trained the frontiersmen for and guaranteed them eventual statehood.

27 Cutler, Manasseh Cutler, I, 292.

The Ordinance then placed various restrictions on the Territory and any states that might be formed from it. They could never secede from the Union. The people of the area must assume their share of the national debt. Public lands were to remain under the control of Congress and the states were forbidden to tax them. Non-residents and residents must be taxed equally. The important water highways were to be kept free to American citizens forever. Slavery was never to be permitted in the area either while territory or state. There was a less well-kept article to the effect that the Indians should be respected and treated fairly with only "just and lawful wars" to be made on them. Primogeniture was not to be allowed since the Ordinance specifically provided that property was to be divided equally among the children after the widow had her third.

Finally there was a bill of rights. This provided for the rights of trial by jury, bail, habeas corpus, and guaranteed religious freedom and the obligation of contracts. Furthermore, there was a general statement of no practical importance which, however, would satisfy the demands of some idealists: "Religion, morality and knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."

29 The Territorial Papers of the United States, II, 39-50, contains the complete text of the Ordinance with explanatory footnotes.
On the day following his return to New York Cutler recorded that he

was furnished with Ordinance establishing a government in the Western federal Territory. It is in a degree new modeled. The amendments I proposed have all been made except one ... It was that we settlers in the federal territory should not be subject to taxation until we were entitled to full representation in Congress. 30

As the Ordinance of 1787 assumed more and more importance in the minds of Americans during the following years, heated controversies arose about its authorship. In 1830 Webster asserted, in his famous debate with Senator Hayne, that Nathan Dane, who had acted as the secretary of the Committee on Western Lands, was its author. Webster's claim was based on Dane's own written account of the Ordinance's formation. It was reasserted three years later by Salmon P. Chase. But these statements were staunchly protested by southerners who claimed the credit for Thomas Jefferson.

A new element was injected into the old controversy when William Frederick Poole reported his conclusions after having studied Cutler's unpublished journals in 1876. Basing his observations on the two general statements in Cutler's then unpublished diary, quoted above, about recommended and accepted amend-

30 Cutler, Menasseh Cutler, I, 293.

31 King, Ohio, 187-188.
ments, Poole assigned Cutler a position of major importance in the formation of the Ordinance. This student reasoned that after it had become apparent that the Ordinance of 1784 was inadequate, some kind of committee had been perpetually assigned to deal with the question of territorial government. Yet this procession of committees, having no pressure applied to them, had allowed the proposed ordinance to stagnate to the extent that it was no nearer completion in early 1787 than it had been in 1785.

Then, early in July, 1787, Cutler arrived with his offer to purchase a large tract of land if suitable terms and a suitable government could be devised. A new committee was appointed, probably composed of members of whom the Ohio Company representative approved, which on July 10 presented him with a copy of the ordinance as they had organized it at that time. Cutler suggested amendments which would make the Ordinance acceptable to the Massachusetts people, intending to emigrate, whom he represented. Since retiring some of the public debt was of paramount importance, these suggestions were accepted by Congress.

32 William F. Poole, The Ordinance of 1787 and Dr. Manasseh Cutler as an Agent in its Formation (38 page pamphlet). The following views are interwoven throughout the short work; therefore footnotes will be used only for definite quotations.
Poole then turned to the Ordinance as it existed on July 9, 1787, to determine what Cutler's amendments had been since the minister had not named them. Finding that the sections guaranteeing personal liberties or the bill of rights, the section dealing with education and religion, the section prohibiting slavery, and the section dealing with the obligation of contracts were missing, he concluded that Cutler had been responsible for their inclusion in the final draft.

He had earlier disposed of Jefferson as a possible author by observing that Jefferson was United States minister to France in 1787 and could not have been responsible for these sections. Dane was dispatched with equal finality. Three days after the passage of the bill Dane wrote to Rufus King saying that "the Ohio Company appeared to purchase a large tract of land ... and we wanted to abolish the old system, and get a better one for the government, and we finally found it necessary to adopt the best system we could get." Poole then reasoned that such a statement shows a lack of pride little befitting an author and believes that the "best system we could get" had to conform with Cutler's ideas. The clinching argument was that "the Ordinance of 1787 is a condensed abstract of the Massachusetts Constitution of 1780. Every principle contained in the former is found in the latter ... except that relating to the obligation of contracts, and some temporary provisions relating

33 Ibid., 30-31.
to the organization of the territorial government."

Needless to say, this exposition revolutionized the treatment accorded the Ordinance by historians. They began to read more significance into such statements as that of Richard Henry Lee to Washington. "I have the honor," Lee wrote, "to enclose to you an ordinance for establishing a temporary government beyond the Ohio, as a measure preparatory to the sale of land." This and other corroborating statements, such as Dane's remark quoted above, with no evidence of refutation, caused historians to conclude generally that "without the ordinance, the associates would not have purchased the land; without the purchase the ordinance would not have been passed."

Having conceded that Cutler was responsible for the time of the Ordinance's becoming a law, recent students do not accept the remainder of Poole's thesis so readily. They feel that "the Ordinance of 1787, like all great documents ..., was a summing up of the best contemporary opinion." Another author expanded this theory to show when the various parts of the Ordinance had developed:

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34 Ibid., 32.

35 Dawes, "The Ohio Company and the Scioto Purchase", 10, f.n.

36 Ryan, "The Scioto Company", 118.

37 Hulbert, Ohio Company Records, I, xciv.
Actually it was the product of a long evolution, going back to Jefferson's Ordinance of 1784, and even to the Resolution of October 10, 1780, with its promise to form separate states from the western lands. Monroe, utilizing his knowledge of frontier problems, had had an important part in shaping it, and there had been a strong New England influence. The Ordinance of 1787, therefore, represented a compromise between varying points of view, and in this general agreement, together with its very practical provisions, lay its strength."

Perhaps this idea should be amplified. The unique thing about the Ordinance was that it provided a graduated system to an eventual statehood with the new states having equal rights with the older states. No other country had previously attempted this. But it was not new in the United States. That states with equal rights should be carved from the western territory was an old suggestion before the Congressional resolution of 1780. It was suggested in the Newburgh Petition of 1783 and became a law as part of Jefferson's Ordinance of 1784. Then Monroe, feeling that the western country would not be ready for self government from the beginning, changed Jefferson's stages of development until there was more federal supervision. Thus it may be seen that the actual practical governmental machinery was provided without Cutler's assistance.

In regard to the less practical parts of the Ordinance some authorities are agreed that "as there is nothing to the

38 Bond, Foundations of Ohio, 267.
39 Ibid., 264.
contrary ... it will be allowed ... that at Dr. Cutler's instance was inserted what relates to religion, education, and slavery."

Others would add that section dealing with obligation of contracts and question his credit for the prohibition of slavery.

Since Cutler was interested in completing a contract, it is quite probable that he did insist on a guarantee of contracts. On the other hand, the anti-slavery sentiment in regard to the Northwest had been steadily growing. The Newburgh Petition had provided for slavery's prohibition in any section settled by its signers. Then Jefferson had attempted, in 1784, to have slavery forbidden in all federal territory after 1800. This had been voted down. Yet the following year, when Rufus King presented a motion to forbid slavery in the territories it was not defeated but referred to a committee. This shows that there was no rabid opposition on the part of southerners. They were anxious for the Ordinance to pass and were probably willing to have slavery forbidden if they could have a fugitive slave clause inserted. This is easier to believe when it is remembered that this was before the invention of the cotton gin and the South's conviction that it must have room for slavery to spread. It would appear then that slavery prohibition may have been included in the Ordinance eventually without Cutler's influence.

40 Jay A. Barrett, Evolution of the Ordinance of 1787, 54.

Poole's claim that the sections of the Ordinance guaranteeing personal rights and privileges was Cutler's contribution has gone too far. The rights of habeas corpus, trial by jury, etc. had become a part of Anglo-Saxon tradition. They had not only been included in the Massachusetts Constitution of 1780, but most of the principles were to be found in the earlier State Constitutions of the 1770s. These principles were understood and appreciated by the public men of the day. That the members of Congress, intending to attract settlers to the western territories, would have omitted them is doubtful.

What then was Cutler's contribution? The known and agreed-upon one was that he was the agent who applied the force which caused Congress to quit dallying and produce a workable form of government. This service should not be underrated, for, without Cutler's proposition and attitude, the Continental Congress might not have passed any further ordinance for territorial government during the remainder of its short life. This would have caused delay in organized settlement which could have led to the land usurpers gaining the upper hand and the end of all chance for government-controlled settlement. In addition he suggested certain amendments, but there is no indication as to what they were. The best guess is that he was instrumental in getting the sanctity of contracts endorsed and was responsible for the praise of education and religion. The actual setting aside of one lot in each township for
support of schools had previously been provided for in the Land
Ordinance of 1785. Cutler's own account would indicate that he
was instrumental in gaining a non-voting representative for the
second stage of territorial development. He probably sugges-
ted prohibition of slavery, but Nathan Dane, who did the actual writ-
ing and opposed slavery, may have included it without that sugg-
estion. Other parts of the Ordinance may have been due to his
influence, but there is not enough evidence for the historian even
to point to probabilities.

Having aided in outlining a territorial form of government
suitable to himself and the company he represented, Cutler's
business with Congress was half completed. The task still facing
him was the purchase of the Muskingum section of the Ohio country
at terms acceptable to his associates. Cutler diagnosed his ad-
vantages and disadvantages regularly in his journal. He felt that
the delegations from Virginia and the remaining South were favor-
able to him, but he knew that a number in Congress was "decidedly
opposed to ... his terms of negotiation". "Unfortunately," he
continued at a later date, "there are only eight states represented,

42 Supra, 11-12.
43 Supra, 45.
44 Cutler, Manasseh Cutler, I, 293-294.
45 Ibid., 293.
and unless seven of them are in favor no ordinance can pass."

His difficulties were brought forcibly to his attention on July 20 when, after prolonged negotiations, the Secretary of Congress presented him with a plan of contract for his approval. This ordinance "presents conditions of contract," Cutler penned, "but on conditions to which I will by no means accede." Although no indication is given of the nature of the objectionable provisions, they may have been monetary. Congress was probably demanding one dollar per acre as provided in the Land Ordinance of 1785. Whatever the cause of disagreement, Cutler seemed to be convinced that a better deal could be had with one of the states, and he therefore proposed leaving the city. The Committee on Western Lands dissuaded him by stating that they believed better terms could be arranged.

A further ray of hope was provided on the same day when Colonel William Duer, secretary of the federal Board of Treasury, offered a "proposal from a number of the principal characters of the city, to extend our Company, and take in another company."

Generous conditions were offered by Duer, and "the plan struck me

46 Ibid., 303.
47 Ibid., 292.
48 Ibid., 295.
agreeably," Cutler wrote. He felt that attaching this group of "principal characters" to the Ohio Company interests would increase his chance of success in making an advantageous deal for the Ohio Company.

This coupling of the affairs of his company with that of a purely speculative venture has occasioned much criticism of Cutler. "There can be little doubt," wrote one author ironically, "that the interests of the Ohio Company were well looked after by the Reverend Manasseh Cutler." The intimation here is that this representative would stoop to any means to attain his ends. This attitude is based on the mistaken belief that the speculation, later known as the Scioto speculation, was merely an attempt to defraud the government. In reality the company honestly intended to sell land to actual colonists, and "the sneer and reflection cast on the Scioto Company by some historians are not warranted by a close investigation of history."

Later in 1788 criticism from within his own Ohio Company forced Cutler to defend his actions in this connection. He said

49 Ibid., 295.
51 The Scioto Company will be given more adequate treatment in a later connection.
that his company could not have raised the $500,000 which Congress wanted as a down payment. Duer had promised to loan the Company one hundred thousand dollars which would probably have made up the deficit. The larger purchase was advantageous since it gave Congress a chance to dispose of a larger amount of its debts. Also, the interests of some very influential men were secured by including the Duer group. Cutler felt that he and Sargent, who acted not only as Cutler's secretary but as his confidant and adviser, would have been more condemned by the Company for not accepting the offer than they were for having done so. The defense then moved to the private purchase. Cutler wrote that

it was therefore my opinion, & still is, that it would have been right & honorable, & no person could have charged us with impropriety of conduct, if, after having completed our mission, we had purchased any tract for ourselves, or for any other persons, although ye Ohio Company should derive no advantage from it.55

This last defense points directly to the accusation that Cutler had included the Scioto group purely for self interest rather than public benefit.

53 Actually the Ohio Company needed $143,000 to meet its down payment. Duer and his group advanced that amount. It was agreed that the money would be repaid from the first collections of the Ohio Company. By November 7, 1788, this debt was completely discharged. Information in "John May Papers," 99.

54 Ibid., 119-133.

55 Ibid., 130.
than for Company interest. This idea was based on the fact that the proposed company stock was to be divided into thirty shares; "thirteen went to Cutler and Sargent, and thirteen to Duer; four were to be sold abroad." Since the company was proposing to buy 3,500,000 acres of land, this would have given Cutler and Sargent control of more than 1,500,000 acres from which they might realize a great profit. Since a perusal of Cutler's journal discloses that he was often envious of those in better financial circumstances than he, it would be useless to contend that this chance at wealth was not important. Yet too much can be made of his interest in the Scioto Company, for coverage of his later actions shows him to have been much more concerned with the Ohio Company's affairs. Comparatively little of his time and energy was devoted to the Scioto venture. If his interest had been purely mercenary, he would have undoubtedly turned his great talents to the success of the latter enterprise.

After having made his agreement with Duer, Cutler decided on a line of strategy calculated to frighten Congress into approving the type of contract that he desired. He had seen the effect of his earlier threat to buy from some state on the members of Congress, and he liked the result. Therefore he decided to "hold up

56 Hulbert, Ohio Company Records, I, lxxvii.
57 Cutler, Manasseh Cutler, I, 204, et passim.
the idea of giving up a contract with Congress," and this "appeared to have the effect I wished." On the following day "several members of Congress called on me," Cutler recorded. "They discovered much anxiety about a contract, and assure me ... that if I renewed my request I might receive conditions as reasonable as I might desire."

Although this was encouraging, Cutler maintained his indifferent attitude about whether he closed a deal with Congress and talked of the advantages of buying from one of the states. He then showed his new card. If Congress wanted to draw up a contract to his specifications immediately, he would enlarge his offer and buy all the land to the Scioto River inclusively. Pointing to the advantages of the proposed purchase for the government, Cutler indulged in what turned out to be a false prophecy. He said that the area bought would be settled with robust stock immediately and left the Congressmen with the impression that it was all part of the same purchase. The minister must be excused of intentional falsification, however, since there was no plan at that time to sign more than one contract, and he also believed that the Scioto section would be settled rapidly.

Congress went to work on a larger scale contract, and Sargent, Cutler, and Duer went to work on Congressmen. During this time

58 Ibid., 295.
59 Ibid., 296.
60 Ibid.
61 Ibid., 297.
Cutler dropped the hint to Arthur St. Clair, President of Congress, that he would make a good governor for the new territory to be created. When St. Clair began to swing his support to the Ohio Company plans as a result of this, Cutler decided to give up Parsons as a gubernatorial possibility and endorse St. Clair wholeheartedly. St. Clair's biographer contends that other factors, and not the promise of a governorship which he did not want, influenced his decision to support the Ohio Company. "It is more likely," he believed, "that when he Cutler spoke of the blessings of a free government over such a vast extent of territory he enlisted his [St. Clair's] aid." This argument is counteracted by the fact that St. Clair did accept the governorship, and afterwards governed more like an autocrat than a man interested in "free government."

Even with these new recruits there was no assurance of complete success. On July 24 Congress again presented Cutler with an unacceptable plan of contract. This brought forth what was known as Cutler's and Sargent's "ultimatum." They asked for Congress' approval of a contract which will be covered later as the actual sale contract. This document concluded by saying that

62 Ibid., 298 and 301.
63 William H. Smith, The Life and Public Services of Arthur St. Clair with His Correspondence and Other Papers, 126-127.
64 Cutler, Manasseh Cutler, I, 299.
if these terms are admitted we shall be ready to conclude the Contract __ If not we shall have to regret, for a numerous Class of our Associates, that the Certificates they received as Specie, at the risque of their lives and fortunes, in Support of the common cause, must, for a considerable time longer, wait the tedious and precarious issue of public events; ... and that the United States may lose an opportunity of securing in the most effective manner the sale of lands to actual settlers, as well as improving the value of their western lands, whilst they establish a powerful barrier against the eruptions of the Indians, or any attempt of the British power to interrupt the security of the adjoining States.65

As may be seen, this document summed up most of the arguments favoring the Ohio Company's petition. It effectively pointed out the duties of Congress to the soldiers and gently chided the government for its slowness in aiding them. Then it pointed to the advantages which the government would gain from the planned settlement in the western country. Not only would it be a safeguard against the eruptions of the Indians but any British intrigues would be forestalled; thus Congress's lands would be guaranteed to it and would even increase in value.

When confronted with these arguments and the support of the Duer and St. Clair groups, Congress did not act. Cutler, Sargent, and Duer found it necessary to expend further effort. "We now entered into the true spirit of negotiations with great bodies," Cutler recorded; "every machine in the city that it was possible to set to work we now put in motion." 66 Still Congress

65 The Territorial Papers of the United States, II, 61-63, contains the complete text.

66 Cutler, Manassah Cutler, I, 301.
would not bow completely to the Cutler terms.

The Ohio Company's chief representative then reverted to a former strategem. On July 27 he visited all the members of Congress and told them truthfully that, if no contract was forthcoming that day, he and Sargent were leaving the city. What he failed to tell them was that Sargent was to go to Maryland and he to Rhode Island in an attempt to interest those states' absent members of Congress in the Ohio Company plans. The members of Congress believed, however, that Cutler was giving up and would attempt to make a bargain with one of the states as formerly threatened. At half past three that afternoon Congress passed the ordinance, authorizing the sale of lands on Cutler's terms.

At the third general meeting of the Ohio Company on August 29, 1787, Cutler reported on the contract which he had arranged with Congress. It was "resolved that this ... report be received and the proceedings of Mr. Cutler be fully approved, ratified and confirmed." At a director's meeting four days later Cutler and Sargent were empowered to close the deal with Congress on the agreed terms.

Consequently on October 27, 1787, Cutler and Sargent signed a contract with the government granting approximately one and one half million acres of land to the Ohio Company. For this the company was

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67 Ibid., 33-34.
68 Ibid., 35.
69 Hulbert, Ohio Company Records, I, 15.
70 Ibid., 17.
to pay one million dollars. This would be only two-thirds of a dollar per acre, contrary to the Land Ordinance of 1785, but Congress got around this by stating that the land was selling for one dollar per acre less one third for bad lands and company expenses in running internal surveys. The company was to pay half of the million dollars when the contract was closed and the remaining half million when the outside boundaries of the whole tract had been surveyed. One lot in each township was to be set aside for the support of public education and another for the support of religion. Also, two complete townships were to be reserved for the support of a university. That one lot was to be reserved for the support of education had been provided in the Ordinance of 1785, but the other two reservations were probably made at Cutler's insistence. The boundaries outlined included the tract of land desired by the company. The land was to be bounded on the east by the seven ranges and on the south by the Ohio River. On the west the boundary line would run due North from the western most cape of the Great Kanawha River and the northern boundary would be an east-west line which would include the correct amount of acreage. This latter line would be drawn far enough north to include enough bounty lands for the military associ-71 ators. These lines, of course, encompassed the coveted Muskingum region.

At the same time Cutler and Sargent signed another contract as representatives for the Scioto Company. Its three and one half

71 Ibid., 13-15, contains all the terms.
million acres of land were to lie adjacent to and west and north of the Ohio Company area. The general terms were the same except that the Scioto group was to make no down payment, and the first of six semi-annual installments would not be due until six months after the completion of the survey of the outer boundary. Up to this time Cutler had not intimated to Congress that he desired two separate contracts. The terms had been agreed to previously, and "the prompt payment by the Ohio Company for its one and a half millions of acres was the condition of the long term of credit allowed the Scioto Company by Congress."

The principals of the Scioto Company were Cutler, Sargent, and Duer. The land was divided into thirty shares. Cutler and Sargent retained thirteen and turned thirteen over to Duer. Cutler and Sargent distributed most of their shares among the leading members of the Ohio Company while Duer brought in several other speculators to share his. The remaining four shares were to be sold abroad immediately. All interested personnel then gave a power of

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74 Ryan, "The Scioto Company," 120-121.
attorney to Joel Barlow, a Connecticut poet, so that he could sell the land in France and Holland. It was believed that they could make great profits since continental securities were almost discredited in Europe. They could sell for a high price and had Congress' guarantee to accept the continental securities at face value. It looked as if they could make millions of dollars with three and a half million acres of land for which they had advanced only one hundred and forty-three thousand dollars in depreciated paper. It was believed that they could sell the lands fast enough to meet the delayed payments due Congress.

In actual practice it did not work out that way. Barlow organized a French company to sell the land. This company was to pay the American Scioto Company one dollar and fourteen cents an acre. This would have meant a profit of forty-seven and a third cents per acre. The immensity of the deal would have made this profit enormous. However, due to the inefficiency of Barlow and the dishonesty of his European associates this plan did not come to fruition. Only a few soon-to-be disillusioned Frenchmen arrived in the United States, and they had to be settled on the Ohio Company lands. By the time another agent could be sent to Europe and a new promotion company organized the Scioto Company had acquired the reputation of being composed of swindlers. Also, there were no favorable reports from the earliest group of emigrants sent over, and the

75 Ibid., 122-123.
French press delighted in playing up the barbaric wilds of America with their dangerous hordes of Indians. As a result the Company was forced to abandon its plan to sell land in Europe. To make matters even worse, all the leading speculators in the Company, who might have been able to salvage it, lost their fortunes in the panic of 1792. Therefore the first payment on the land was never made, and it reverted to the government.

The purpose here was not to follow the whole story of the Scioto failure, but to picture enough to show that it was a definite plan to colonize the West. Without selling the land to settlers the company could never prosper. The morals of the times, or any other time, did not condemn making a profit on a government contract if possible. Had the Scioto Company succeeded in selling the lands, colonizing, and making money, it would probably have taken its place alongside other organizations which have helped to develop the country. Some historians would have alluded to the profits made in the enterprise, but they would not have detracted from the services rendered.

The Ohio Company, on the other hand, was based on a firmer foundation. Its members had paid actual money and intended to settle in the new country. With the promise of a definite contract in the offering they began putting the final touches to their colonization plans.

76 Belote, "The Scioto Speculation," 33-34.
77 Hulbert, Ohio Company Records, I, lxxxviii.
Chapter IV

THE COLONIZING OF MARIETTA AND THE FINAL SETTLEMENT WITH THE GOVERNMENT

The day after the Ohio Company of Associates approved Cutler's proposed contract with the government, plans were set afoot for actual settlement. These men knew that their task was not an easy one. They realized that "at the time the number of whites in that region the Ohio country was negligible," and that the Indian menace would certainly be present. In addition a winter trip would add immeasurably to the hardships of the trek to the new country. Nevertheless, tired of delay, the hardy men of the Ohio Company, by November, 1787, had completed plans "for nearly fifty men to make the trip, under General Putnam as superintendent. Two separate caravans of emigrants left the Bay State in the winter of 1787, in wagons drawn by oxen."

In spite of his earlier intimation that he might move to the new country, Cutler was not one of those making the trip. A careful perusal of Cutler's diary yields no clue as to why he changed his mind if he had ever actually decided to move west. Considering the

1 Hulbert, Ohio Company Records, I, 15-16.


3 Ibid.
man's character and expressed desires, it might be that deliber-
ation convinced him he could never find those learned and congenial companionships which he desired in a raw new country. Another possibility is that at that time he probably still figured to realize considerable profits from his Scioto venture. With those proceeds he could have lived comfortably in an area more suited to his many and varied talents.

Yet, even knowing that he was not going to Ohio himself, Cutler remained definitely interested in the Ohio Company's activities. His diary relates that, during September and early October, he "was much engaged in Ohio matters," helping to complete settlement plans, collect money, and sell shares. It was shown above that, in late October, he and Sargent were again in New York closing the contract with Congress. Nor did his interest die when the contract was closed. The following months found him "much engaged with Ohio men" and matters.

Realizing that the Company still had numerous shares of stock to sell, this minister of many talents exercised his advertising genius when the first emigrants began their journey westward. In order to appeal to the romantic and venturesome of those witnessing the migration, he presented the emigrants with a black-canvas-covered wagon for their protection, from the elements, on which he had letter-

4 Cutler, Manasseh Cutler, I, 328, et passim.
5 Ibid., 329.
ed dramatically in white: "For the Ohio at the Muskingum."

It was only natural that the emigrants of the winter of 1787 and 1788 should have had many hardships. "It took each caravan about eight weeks to reach the headwaters of the Ohio River."

Thereafter the journey was much easier. Boats were built and the pioneers continued to the Muskingum by water. In spite of the hazardous nature of this trip, there is no record of any fatalities. This speaks volumes for the foresightedness and planning of the leaders of the Ohio Company.

Thus in April, 1788, the city of Marietta, which "is acknowledged to be the oldest settlement in the Northwest Territory," was founded. By this is meant that it was the oldest settlement under the auspices of Congress and the Northwest Ordinance. Detroit and the Illinois settlements were much older; yet it was Marietta which led the way in populating the Northwest. During 1788 the settlers kept arriving, so that a final tabulation showed "132 men for the year ... and among these 15 families." "The number of emigrants who arrived in 1789 ... was 152 men and among these 57 families." The Ohio Company had made no empty boast when it had claimed it would settle any land granted with robust stock. It had

6 Ibid., 329.


8 Ibid.


10 Ibid., 109.
transported, in little more than two years, two hundred and eighty-four men and an undetermined number of the less important (to a new country) women and children. From these facts it is clear that by 1790 the hearty New Englanders were well established in an ever increasing area around Marietta.

During these successful beginnings of Marietta Cutler's interest in it and Company affairs remained constant. Several factors contributed to this concern. He was still a shareholder, and he felt that he was at least partly responsible for the success of the Company. Furthermore, his son, Jervis, was one of the first group of settlers to reach Marietta. Later Ephraim and Charles, two other sons, became "pioneer residents of the Northwest Territory."

The elder Cutler continued to use his flair for salesmanship. Not only did he present the first company of emigrants with the picturesque wagon, but he also made a speech for them before their departure. Although there is no record of his utterances, it is quite probable that he congratulated the members of the caravan on their choice in embracing the great opportunities presented to settlers in the glorious new country. In view of his earlier discerning observations about advertising possibilities, it is not likely that the astute minister overlooked the effect of such oratory on

11 History of the Ordinance of 1787 and the Old Northwest Territory, ed. by Harlow Lindley et al., 33. Hereafter this work will be cited as Lindley, History of the Northwest Ordinance.

12 Cutler, Manasseh Cutler, I, 330.
other possible settlers who might have been present.

His continued interest led him to plan a visit to the country during the following spring. After purchasing a "sulkey in order to go to the western country," in June, 1788, he finally completed his preparations and "set out from Ipswich on a journey to the Ohio and the Muskingum" on July 21. Less than a month later he arrived at Marietta where he was well received by the leading men of the community.

He spent something more than twenty days in the settlement and the surrounding country. Not only did he administer to the spiritual needs of the people, but he also attended various Company directors' meetings and indulged in scientific pursuits. He observed and made notations on the plant life of the country and added to the geographical knowledge of the area by making a more correct map than any then extant.

After returning to his home in Massachusetts, Reverend Cutler, having decided that the new settlement needed the services of a regular minister, persuaded Reverend Daniel Story to go to the Muskingum to supply the deficit. In order to assure a welcome reception for his fellow pastor, Cutler furnished Story with letters of introduction.


16 *Ibid.*, 412-420, contains Cutler's own account of his activities while on the Muskingum.
to both Putnam and Sargent.

In the meantime, the Ohio Company as a whole was having its troubles. When the final contract was drawn up with Congress, the Company directors had no doubt that, with the obstacle of uncertainty removed, they could sell the remainder of their thousand shares at will. But it was not to work out that way. First, returning prosperity was providing other investment opportunities for those people having surplus money. Coincidental with this and complementary to it was the establishment of the potentially economically sound central government under the Constitution. Rumors began to circulate that the new government intended to use its taxing power to pay the national debt, and with the promulgation of Hamilton's funding-assumption program, rumor became fact. Continental securities attained a position where their real value was one hundred cents per dollar instead of the former twelve cents. This deprived the Ohio Company of its greatest sales advantage, the ability to accept continental securities at face value in payment for its lands, since everyone began to honor continental paper fully. It is not strange that the Company's sales almost completely stopped well short of the planned thousand-share goal. The financial position of the Company was reported at a meeting in November, 1789.

"A committee on the deficient Shares in the Ohio Company," the Company's records reveal, "Report That by an Account stated by Richard Platt Esqr. Treasurer to the Company there appears to be due from the several Agents..."

17 Ibid., 434-437.

18 Agents in this instance refers to those members of the Company who had contracted to sell certain numbers of shares.
the sum of two hundred and ninety two thousand and thirty two dollars."
This report went on to state that even with one-seventh subtracted from
the purchase price for bounty lands the Company had approximately
150,000 dollars less than the necessary amount to fulfill its contract
with Congress.

During the following two years the financial condition of the
Company became worse instead of improving. The Indians, who had never
been favorably inclined to white settlement northwest of the Ohio River,
became definitely hostile. This caused inestimable losses to the Mar-
etta settlers through loss of crops and inability to plant or to har-
vest those planted in outlying areas. An accurate record was kept of
the expenses of the Ohio Company for defense measures, and they totalled
11,500 dollars in the years from 1789 through 1792, exclusive of those
repaid by the United States government. Needless to say, the Indian
menace teamed with the factors previously discussed to prevent further
sale of Ohio lands.

Realizing the many obstacles in the way of further individual
sales, the directors of the Ohio Company had turned over the disposal
of the delinquent shares to Putnam and Cutler early in 1790. In the
meantime, Joel Barlow, as the Scioto representative in France, had sold
lands to a number of Frenchmen and mistakenly given them titles to lands
within the Ohio Company grant. In order to rectify this error the

20 Putnam, Memoire, 117.
21 Supra, 62-63.
leading figures in the Scioto group of speculators, William Duer, Andrew Craigie, and Royal Flint, proposed to purchase the delinquent shares of the Ohio Company but for those shares they wanted the lands opposite the mouth of the Kanawha River, which section Barlow had sold. For this they would pay approximately 10,000 dollars in specie as a token of faith and would give the Ohio Company notes obligating them to pay the same amount to the Ohio Company on demand that the latter actually had to pay Congress for the lands. Cutler and Putnam immediately accepted these terms and reported the sale to the Company. This would enable the Ohio Company to meet its second and final installment to the government, and it seemed that the speculators had again saved the apparently more solid Ohio Company from failure to meet a financial contract.

Yet events proved this to be untrue. Not having reached the agreement with Congress which they desired, the Ohio Company had not demanded payment of the notes when the panic of early 1792 wiped out the fortunes of all the leaders of the Scioto group. Under these altered circumstances the Ohio Company was in a worse situation than before. It not only lost the money it had counted on from the Scioto group, but the failure of Platt, treasurer of the Ohio Company, who was interested

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22 No doubt, the Scioto group knew that Cutler and Putnam were authorized to treat with Congress in an attempt to get better terms because of the increased value of money.

in the various speculations of the Scioto group, cost the Company 24 
80,000 dollars.

These accumulated financial set-backs caused the directors 
to appoint Robert Oliver and Griffin Green to assist Cutler and Put-
nam in their efforts to gain a compromise settlement with the United 
States which would give the Company full title to the lands they had 
paid for without having to pay the additional 500,000 dollars. The 
Company representatives pointed out to Congress the unfairness of the 
contract with the increased value of continental securities. Also, 
they stressed the services of the Company in opening up the country 
for settlement and in fighting the Indians. The Indian activities made 
it almost impossible to sell lands. Not being able to sell lands, they 
could not make the second payment to Congress; therefore they petitioned 
that they be granted full title to the lands for which they had already 
paid. Congress proved amenable and on April 21, 1792, a bill was passed 
giving the company complete title to 750,000 acres for the 500,000 
dollars already paid. This was to be in addition to all lands reserved 
for religious or educational purposes. Also this act granted 214,285 
acres of land for which the Company was to pay with soldier bounty 
claims in its possession. To this was added another hundred thousand 
acres of land to be distributed by the Company to other soldiers holding 
25 bounty claims and wishing to settle in Ohio. This gave the Ohio

24 Ibid., I, cxiii-cxiv.
25 Ibid., I, cxv-cxviii, contains the complete bill.
Company control of 1,064,000 acres of land for which it had paid 500,000 dollars. Each share in the Company received 1,173.37 acres when the final division was made by the directors. The representatives before Congress had again dealt with it to the benefit of the Company.

The actual settlers in Marietta finally had a clear title to their lands, and it is fitting that one of the figures instrumental in obtaining it for them was Manasseh Cutler who had been so important in gaining their original right to settle there.

26 Lindley, History of the Northwest Ordinance, 34.
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