

# Louisiana as a Proprietorship

As you read, look for:

- early governors in the colony,
- the colonists who came to Louisiana,
- the Company of the West and the collapse of the Mississippi Bubble, and
- vocabulary terms **proprietorship**, **Superior Council**, **land grant**, **Mississippi Bubble**, **slave**, **plantation**, and **Code Noir**.

After the costly war in Europe ended, the French king and his government could not afford to maintain Louisiana. But France still needed the colony as a buffer against the British. The British colonies were pushing further and further inland to trade with the Native Americans.

France needed to find a new way to fund the colony. King Louis XIV decided to allow a businessman to run the colony. He established a **proprietorship** and gave an individual a charter (contract) to operate the colony as a business. The proprietor was given almost total control and, in return, had to meet certain requirements. The proprietor had to send supplies and settlers to the colony regularly, and the colonial government had to follow French law.

## Antoine Crozat

In 1712, the French royal government gave the proprietorship of Louisiana to Antoine Crozat (KRO zah). This businessman had loaned money to the king from his vast fortune. To make more money, Crozat expected to find gold and silver in the colony. He had little interest in settlers and agriculture; his primary motive was profit.

After Crozat signed the contract to operate the colony as a business, he selected a new governor. He chose an experienced colonial governor, Antoine de Lamothe, Sieur de Cadillac. Cadillac had set up a trading post that later became Detroit, Michigan.

Despite that success, Cadillac had difficulties as a leader and soon made mistakes. His troubles began when he visited Indian villages along the river and refused to smoke the calumet. (The calumet was the ceremonial pipe used by the tribal leaders.) Cadillac's refusal was more than an insult to his hosts; it was like a threat of war.



**Above:** Antoine Crozat, a French businessman who had loaned money to King Louis XIV, was the first proprietor of the Louisiana colony.

## Lagniappe

Crozat originally received a 15-year charter from the king.

## Lagniappe

Crops like indigo (below) that are raised to make a profit are called *cash crops*.



As governor, Cadillac had other problems. People complained about his rude personality. He also faced the ongoing conflicts among government officials. Despite these complaints, Cadillac deserves credit for organizing the colony. He established the **Superior Council** to help govern the colony. The Superior Council was in charge of judicial matters and was presided over by the commissary commissioner.

Some of Cadillac's ideas, such as taming buffalo to clip the wool, were completely impractical and must have amused the Indians. But he was the first official to suggest that indigo and tobacco should be grown to sell. He also understood that good colonists were needed, and he tried to convince Crozat to send more people to Louisiana.

### Natchitoches

One of Cadillac's best decisions was to select Louis Juchereau de St. Denis to command a fort at Natchitoches. St. Denis had learned about this area when he explored along the Red River. He had met the Caddo Indians and improved his knowledge of the Indian languages. His frontier skills built his career and reputation. Born in Canada and educated in Paris, St. Denis knew both worlds.

The French built Fort St. Jean Baptiste (present-day Natchitoches) on the banks of the Red River in 1714. They planned to build trade with the nearby Spanish even though this was illegal. The French believed that the isolated forts in Spanish Texas would be willing to overlook those laws.



To seek this trade, St. Denis headed south into the Spanish colony. At the fort in what is now Eagle Pass, Texas, he was detained but considered a guest. While he was there, he fell in love with the granddaughter of the Spanish commandant.

Before the two could marry, the commandant sent St. Denis to Mexico City. The viceroy (the highest-ranking Spanish official) told St. Denis that trade between the Spanish colonies and French Louisiana would not be allowed. But rather than jailing him as a smuggler, the viceroy asked St. Denis to escort a Spanish priest and soldiers to Nacogdoches, Texas. The Spanish wanted to reopen an old mission and fort there. When St. Denis returned to Texas, however, the new Spanish viceroy did not welcome him. He was jailed and then sent away with a warning to stay out of Spanish territory.



**Opposite page, below:** At Fort St. Jean Baptiste State Commemorative Area, “interpreters” dress in colonial attire and answer questions from visitors.

**Left:** The “Maison du Garde Magasin” was the private quarters of the official appointed by the king to manage trade at the fort.

**Top and above:** Outdoor demonstrations and exhibits show visitors what life was like at the fort in the early 1700s.

# Spotlight

## Natchitoches

A good place to see the early French history of Louisiana is in Natchitoches. The town was an important river landing. Just north of town, the towering red banks of the Red River are still called Grand Ecore, “big bluff” in French. A reconstruction of Fort St. Jean Baptiste hints of the French colonial life on the frontier.

Natchitoches is the oldest permanent settlement in the Louisiana Purchase. The historical district

contains a number of houses built before 1850. The oldest house was built in the French colonial style in 1776, and others are almost as old. As the region became more settled and prosperous, plantation families added a second house in town. These elegant homes were their Natchitoches headquarters for church, business, and social events.

The biggest party in Natchitoches today—the Festival of Lights—is held in December. Thousands of





visitors crowd the brick streets for a celebration of yesterday and today. The names of those brick streets honor the French who gave the town its yesterday. Today, it is neither hide canoes nor cypress pirogues that cruise Cane River Lake but lighted party barges. Reflections of thousands of Christmas lights sparkle in the calm water. Sharing the riverbanks with Santa Claus, angels, and Christmas trees is a large display decorated with a *fleur de lis*. The lights proclaim "Natchitoches, founded 1714."

**Opposite page, below:** Many of the shops along Front Street have cast iron balconies, resembling those in the French Quarter of New Orleans.

**Above:** The Ackel-Dranquet House, built in 1820, may have been the first brick house in Natchitoches. **Right:** Many of the early homes in Natchitoches have been restored, like the Lemee House, built in 1837.





**Above:** Louisiana was named for Louis XIV. When he died, royal support for the colony died too.

## Lagniappe

These early investor-owned companies were called “joint-stock companies.” *Stock* is the word for shares of ownership in a company. Today these companies are known as corporations.

But the Spanish colonists continued to trade with St. Denis, who now had a Spanish wife. This contraband (illegal) trade was important to the border forts. French traders brought in pack trains with guns, ammunition, powder, knives, mirrors, and brandy to exchange for horses, cattle, animal hides, and silver. The Spanish wanted the French goods, especially medicine; the French wanted the Spanish silver.

### Crozat's Failure

The Louisiana colony continued to struggle. When Louis XIV died in 1715, government support for the colony died too. The French colonists were not interested in farming. Trade with the Spanish was possible only through smuggling. Trade with the Indians was a failure. British traders paid more for furs and sold European goods to the Indians cheaper.

As a businessman, Crozat failed to make a profit from the colony. He never sent supplies in the amounts required by his contract. He considered any money he spent on the colony as an expense, not as an investment for future profits. He wanted gold and silver, but they did not exist. After holding the colony for five years, Crozat gave it up.

### The Company of the West

The next proprietor of the colony was not one person but a group of investors. The head of this group—John Law—had organized the Bank of France and developed the paper money system for France. Law was considered to be a brilliant banker. But he was also a gambler and a risk-taker.

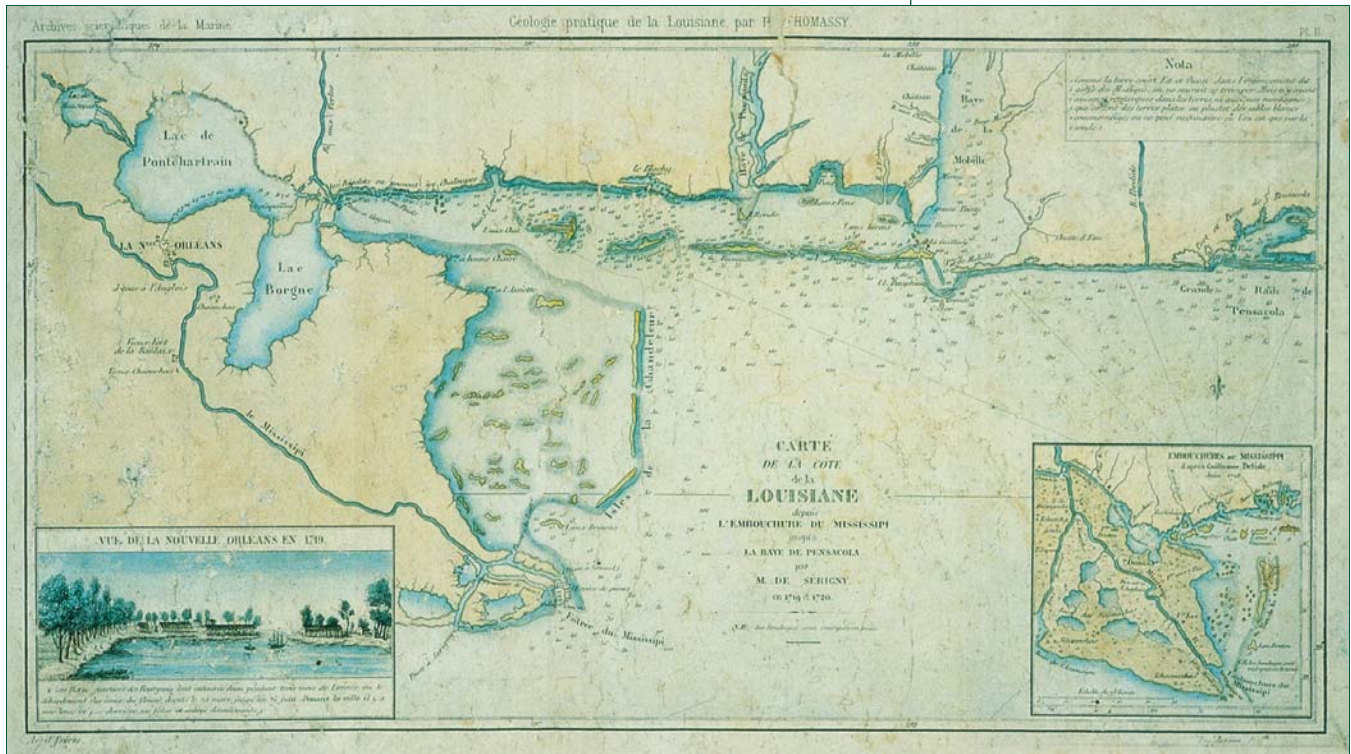
In 1717, Law created the Company of the West to operate the Louisiana colony. Law sold shares of ownership in the Company to investors. He planned to make money for the investors and for the French government. Later, the Company of the West was combined with other trading companies and became the Company of the Indies.

Law promised his investors a huge profit from the Louisiana colony. The chance to make money convinced more and more people to buy shares in the Company. The value of the Company began to rise. At one point, the price of a share increased from 500 to 18,000 livres (the French unit of money).

Meanwhile Law made plans for the colony. Bienville returned as governor. He had long wanted to build a trading center for the Mississippi Valley. Now, with support from the Company, he could begin his project.

He chose a site on a crescent (bend) of the Mississippi River bordered by Lake Pontchartrain. In 1718, Bienville designed and laid out the settlement that became the city of New Orleans. When he and his men arrived at the location, they had to chop their way through river cane as large as their legs while watching carefully for the alligators they heard roaring nearby!

This swampy wilderness, however, could not become a town without more people. All of the directors of the Company received large **land grants**. In



return for the parcels of land, the directors were required to bring settlers to live on the land.

The plan seemed practical, but who would go to this faraway wilderness? The French peasants (poor, small farmers) did not want to go because life in Louisiana did not sound any better than their lives in France. The stories from Louisiana had been confusing during those early years. Angry fathers had threatened to send their misbehaving sons to the colony. Was it an untamed paradise or a cruel punishment?

## A Search for Colonists

To change the image of Louisiana, Law used some of the earliest real estate advertising in history. When the French did not respond, he targeted people who lived in a place where war made life difficult.

In the area that would later become Germany, small kingdoms fought for power. The people who lived there struggled to survive and dreamed of a better life. They read about a Louisiana paradise in handbills printed in their own language. The words of John Law along with their hopeless situation convinced them to take the risk.

These German farm families settled on land above New Orleans. The French called this settlement *Cote Des Allemandes*, the German Coast. These experienced, hard-working farmers cleared the land and planted gardens. They saved the colony by growing enough food to keep the people from starving. Once, when the German farmers brought garden produce to New Orleans, people fought over the food. Soldiers had to be called in to keep order.

**Above:** The Louisiana coast and the area around New Orleans are depicted in this map by de Serigny, drawn around 1719-1720. The inset in the lower left corner shows one of the earliest views of New Orleans.

## Lagniappe

The banks of the Mississippi were called *coasts*.



**Top:** This illustration shows an early camp at New Biloxi that was home to some of John Law's early settlers.

**Above:** John Law's power and influence in France increased when he was appointed comptroller general, the official in charge of money for the French government. But when the Mississippi bubble burst in 1721, he had to flee Paris in disgrace.

Even more settlers were needed. Unfortunately, the next effort did not bring farmers like the Germans. When no volunteers could be found, prisoners were sent to the colony instead of to jail. At first, the prisoners were nondangerous criminals such as debtors and smugglers. But before long, the new arrivals included more dangerous criminals, who were unwilling or unable to work.

People in France grew concerned when vagrants (homeless people) were shipped to the colony. The Company paid a "finder's fee" for locating possible colonists; soon, citizens with jobs and families were kidnapped to collect the fee. Finally, the French government stopped this practice. But the colony continued to have other problems.

Colonists complained that the Company never sent enough flour, fabric, wine, brandy, shirts, or shoes. When goods were available, they cost four times as much as they had in France. And when flour did arrive, it was usually bug-infested. The lack of flour was a major problem. Wheat would not grow in the warm climate, and the French did not consider corn a proper food. They especially hated corn bread, because they had always eaten wheat bread. Sometimes wheat was sent down the river from the Illinois country, and the colonists were able to bake "proper" bread.

### The Collapse of the Mississippi Bubble

Even as the colony struggled with these shortages and hardships, Law was promising that huge profits were just around the corner. People in France kept investing because they wanted to make money. The Company expanded, and the price of the stock rose—until the bubble burst in 1721.

The investors began to suspect that their stock was worthless and demanded their money. The Company collapsed because it could not pay back the investors. This crash was called the **Mississippi Bubble** because the price of shares kept increasing like an inflating balloon until it burst and collapsed. When the



scheme crashed, so did the world of John Law. The powerful man who had once advised the king of France had to flee Paris in disgrace.

The Company of the Indies was given a new agreement and remained in charge of the colony. The colony needed money to stay alive, and the king still did not want the expense. Bienville continued as governor because of his experience in dealing with the problems. Louisiana needed an adequate army, more dependable settlers, and a good export crop.

## The Code Noir

Slavery began in Louisiana in the early colonial days as a way to provide workers for the colony. A **slave** is a person who is bound to a life of service to others and who is considered property. Shiploads of slaves were first brought to the colony in 1716. The numbers continued to increase during the proprietorship of the Company. The slaves came from West Africa, where their cultures had long harvested rice and indigo. The Africans' ability to grow rice added another staple food to the diet of the colony. Their knowledge and experience produced indigo and tobacco as Louisiana's first cash crops.

The colony also had vast areas of land that could be planted once they were cleared. The **plantations** (large estates or farms) grew one major crop for profit. Labor was needed to clear the land and produce those crops. At that time, slavery was an accepted way to obtain the large numbers of workers needed for the plantation system.

The slaves had also been essential in building New Orleans. Not only did they provide strong labor, but many were skilled at carpentry and metalwork. From the early years, it was apparent the colony would not succeed without slave labor.

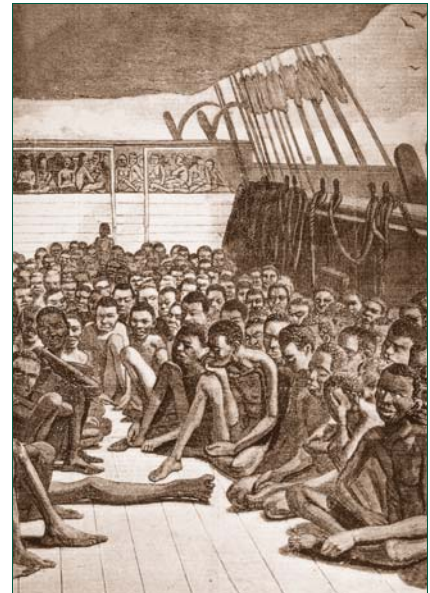
With the increasing number of slaves, legal regulations were needed. Bienville established the **Code Noir**, a set of laws governing the conduct and treatment of slaves. The laws, established in 1724, were patterned after laws in other French colonies. Their purpose was to protect slaves as property.

Rules were established for food, clothing, and health care. Sick and elderly slaves must be cared for. Slaves could not be forced to work on Sundays and were to be taught the Catholic religion. The laws also established many restrictions on the slaves. They were not allowed to carry weapons unless they were hunting, and they could not gather in crowds. The laws set harsh penalties for runaway slaves.

## A New Governor

During these years, Bienville faced constant complaints. Because he was governor, the settlers blamed him when things went wrong. The Company and the king blamed him because the colony was not profitable. Finally, he was ordered back to France to explain his decisions about the colony.

The Company chose one of its own dependable employees as the next governor—Etienne de Perier. This new governor was sent to bring harmony to the



**Above:** The first shiploads of slaves were brought to the colony in 1716. To manage the ever-increasing number of slaves, Bienville established the *Code Noir*, a set of laws governing the conduct of the slaves.

## Lagniappe

The Code Noir also called for the expulsion of all Jews from the colony and forbade the practice of any religion besides Roman Catholic.

colony. While he knew little about the Louisiana colony, Perier was well respected in the French navy. His sense of fairness helped him deal with the problems, even without any colonial experience.

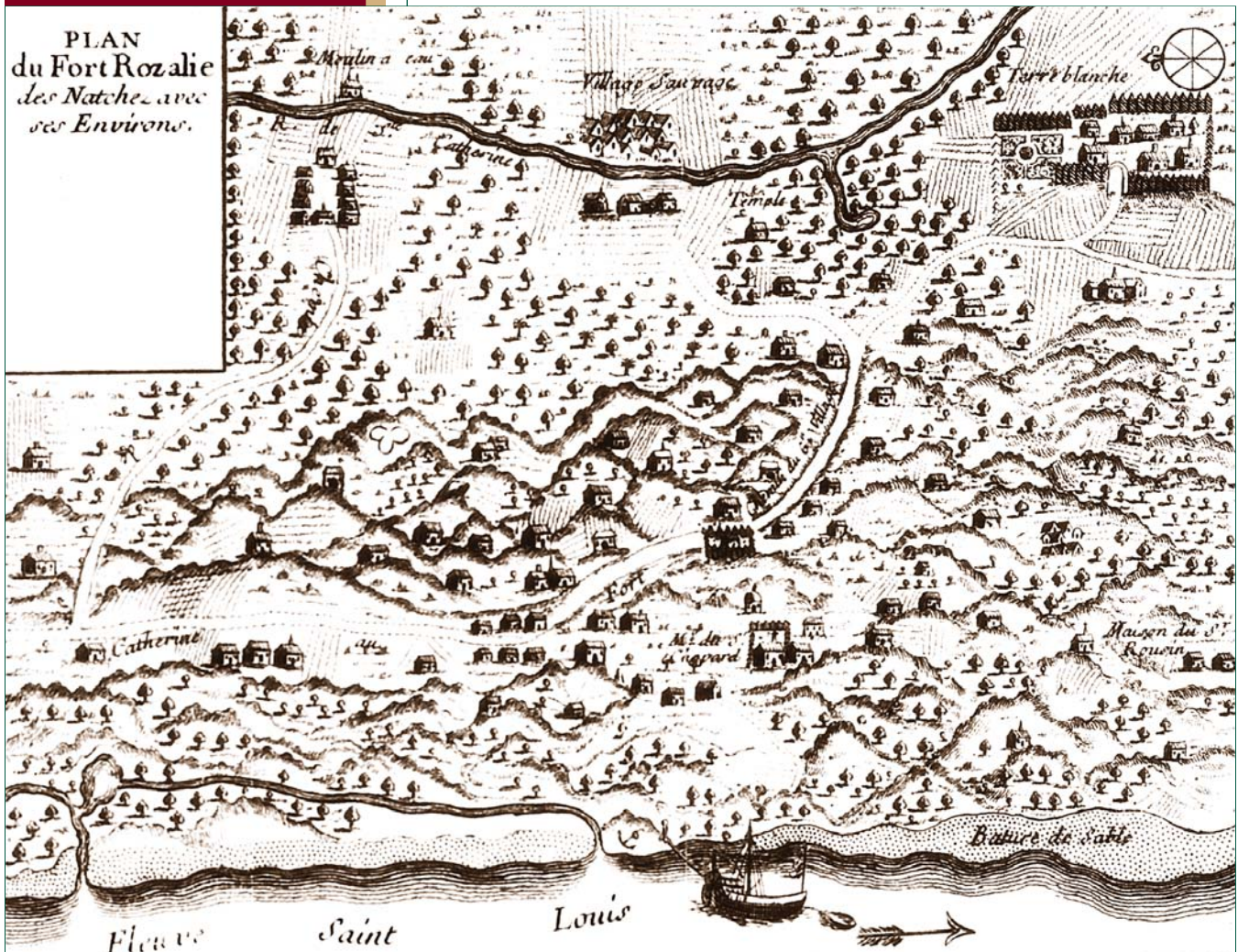
The new governor wanted to find new settlers and more raw materials for export. He saw the forests of Louisiana as a source of resin, tar, and wood for barrels and ships' masts, which were needed in France. Perier also wanted to improve trade with the successful French colonies of the West Indies and asked the French government to help.

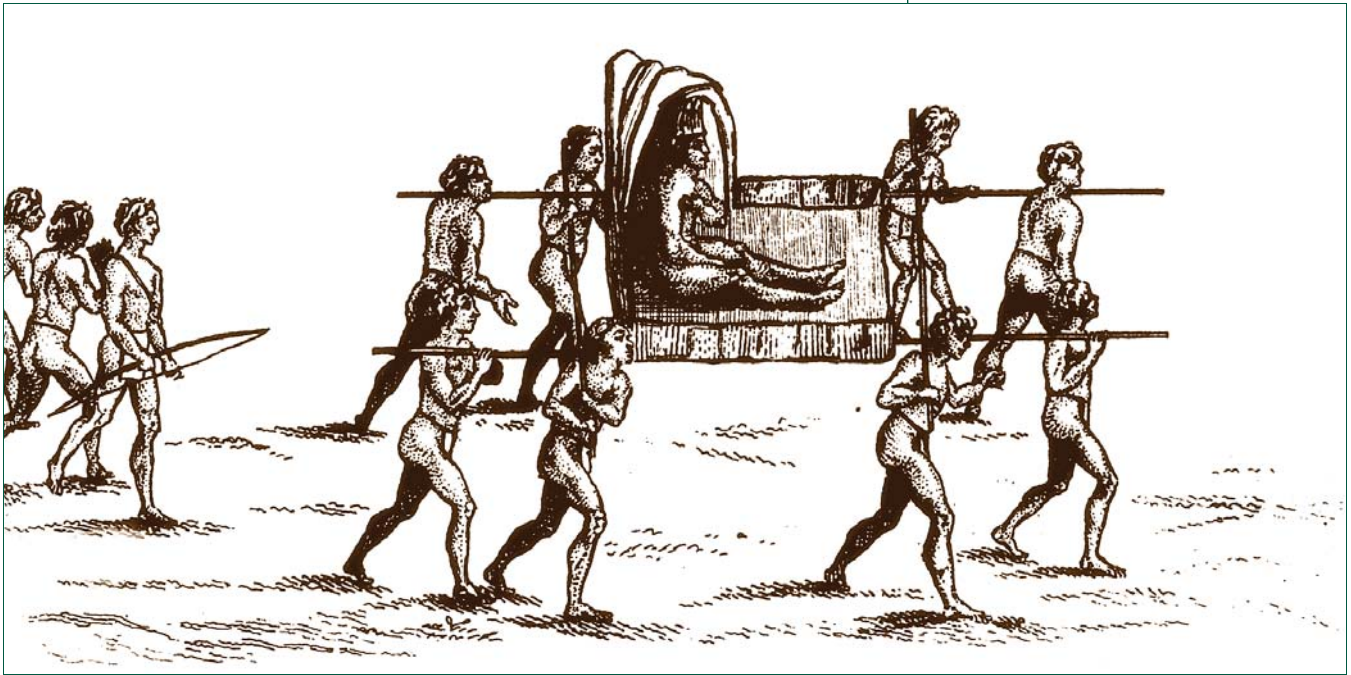
However, an incident that took place while Perier was governor eventually led to the end of the proprietorship.

### The Natchez Uprising

In 1716, Bienville had built Fort Rosalie at the site of present-day Natchez on land belonging to the Natchez Indians. Early French visitors had described this tribe as the most civilized. The Natchez permitted the French fort in their homelands and were helpful to the colonists. A tobacco plantation had grown up around the fort.

**Below:** Bienville established Fort Rosalie in 1716 on a bluff above the Mississippi River on land that once belonged to the Natchez Indians. Note the Indian village (labeled "Village Sauvage") in the top center.





**Above:** This Alexandre de Batz drawing shows the Natchez Sun King being carried on a litter.

A crisis arose when the fort's commander wanted the good land where a Natchez sacred village stood. He demanded that the Natchez move immediately.

Deciding the French would never stop intruding on their land and lifestyle, the Natchez attacked Fort Rosalie without warning. Native American historians call this event the Natchez uprising. Over 250 colonists were killed. The French considered this a massacre, because it was so different from their idea of warfare.

Governor Perier sent soldiers to destroy the Natchez as a tribe. Even so, the colonists blamed him for the massacre. They thought he should have responded when the commander first angered the Natchez. In addition, the French lost some of their best farms because few settlers wanted to stay in the area.

This loss of the tobacco plantations and so many colonists was too much for the Company. The colony had never made any money for the Company, and the French government had never paid its share of the costs. By 1731, the Company handed the colony back to the king.

## Check for Understanding ✓

1. Why did the king allow a proprietor to run the colony?
2. Why did the French want a fort at Natchitoches?
3. What are two reasons for Crozat's failure?
4. What was the purpose of the Company of the West?
5. How did the Mississippi Bubble collapse?
6. What was the purpose of the Code Noir?