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THE STRUGGLE FOR FREE TRADE IN EAST FLORIDA AND THE CÉDULA OF 1793

by JANICE BORTON MILLER*

ONE OF SPAIN'S most critical weaknesses in her effort to hold on to her empire in America in the eighteenth century was her incapacity to produce supplies necessary for her colonists. The Industrial Revolution provided England with goods in universal demand, but Spain had few industrial machines. Nevertheless, she was convinced that control of the trade of her empire brought in the highest profits for both home and colonial markets and provided the stimulus the colonial economies needed for their prosperity.

With the acquisition of West and East Florida following the American Revolution, Spain possessed a vast area of frontier land bordering the new United States. To resist pressures from the fast movement of people into the border areas Spain sought to facilitate and make profitable the entrance of settlers into Spanish domains. She consequently found herself in a dilemma. To bring about both population and economic growth within her colonies, she must make possible profits from individual commercial enterprise involving the relaxing of her traditional trade restrictions. But, unable to compete with Britain in production of goods, freeing her channels of trade might result in the loss of her markets to England and France, to their colonies in the Caribbean, and to the United States. Under such terms, it was maintained, the foundation of Spain's imperial power would surely crumble.

In 1782, the Spanish government issued a *cédula* providing that for a period of ten years Spanish subjects in Louisiana and West Florida could trade freely with New Orleans, Pensacola, and French ports in which there were Spanish consuls. Goods made in Spain could be exported from New Orleans and Pensacola to other Spanish colonies. An import and export duty of

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six per cent was levied, and the exportation of specie, except for slave trade, was forbidden. The purpose of this relaxation had been to encourage the development of Louisiana and West Florida, to control the Indian tribes by satisfying their demand for goods, and to protect the Spanish subjects from British and American trade. At the end of the ten-year period, the government hoped that it could supply the colonies with Spanish-manufactured goods. The *cédula* was not extended to East Florida when the province was returned to Spain in 1783; she was required to carry on her trade with the mother country through Havana, Cuba.

In 1784, when the first Spanish governor, Vicente Manuel de Zéspedes, arrived in St. Augustine, he immediately recognized the necessity for importing goods into East Florida from other than Spanish sources, not only for the settlers but for the Indians who were accustomed to make regular visits to the city for gifts and supplies. He secured permission for the English trading firm, Pantón, Leslie and Company, to continue its right to trade with the Indians under the Spanish government. Emphasizing that this was necessary to insure the friendliness of the Indians, he also pointed out that American traders from Georgia, Watauga, and Cumberland were coming to Indian country with gaudy wares. They were promising to drive the Spanish into the Gulf. He pointed out that the British could undersell the Americans.¹

By the time Governor Juan Nepomuceno Quesada arrived in St. Augustine in 1790, Pantón, Leslie and Company had stores at St. Augustine and St. Marks. The operation in St. Augustine was doing a thriving business, not only with Indians but also with the colonists. The publicly-maintained post stocked a variety of goods, including costly items like velvets and satin. This irritated many of the inhabitants who wanted the right to trade themselves. The company also began to charge prices without regard to any of the restrictions that Spain had placed upon the monopoly or that had been agreed to in a treaty with the Indians.²

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1. Arthur Preston Whitaker, transl. and ed., *Documents Relating to the Commercial Policy of Spain in the Floridas, With Incidental Reference to Louisiana* (DeLand, 1931), xxx-xxxii.
 2. "Representation With Regard to the Commerce of East Florida by Various Inhabitants of St. Augustine," November 27, 1794, in *ibid.*, 185-99.

Quesada soon realized that controlling trade among the settlers, the Indians, and the Americans posed many problems. The economic prohibitions placed upon the people were at cross purposes with his responsibility to encourage the settlement and prosperity of the province. Many of the colonists, including former Britishers and others who had migrated from the United States or Europe hoping to make a living in this new country, wished to supply other settlers, Indians, and Americans with goods and foodstuffs. The inhabitants, who were not permitted to trade even among themselves within the province, pressed both for permission to buy from the cheapest source and to sell to whomever they could.

Well aware of the necessity for settlers to have a market for their goods, Quesada also knew that should Panton, Leslie and Company fail to find trade in Spanish lands profitable there would not be an adequate supply of goods for the province. It appeared both logical and desirable for the future of East Florida to permit more freedom of trade.³ Therefore, he requested that the captain general in Havana, Luis de las Casas, use his influence with the viceroy in Mexico to secure permission for settlers to engage in small trade among neighbors so that they could supply their families with necessities.⁴

From the time of his arrival in St. Augustine, Quesada received requests from various inhabitants, including many prominent citizens, for the right to trade with the Indians and the settlers of the plaza and province.⁵ He granted several of them certificates to trade. Other requests followed, and Quesada was informed by the government's accountant, Gonzalo Zamorano, that his predecessor, Governor Zéspedes, had determined that no one would be permitted to trade with the Indians, since a royal concession had given this right to Panton, Leslie and Company.⁶ As to Quesada's desire to grant inhabitants the right to deal with the Indians, there was actually no official statement for-

3. Juan Nepomuceno Quesada to Luis de las Casas, September 29, 1790, East Florida Papers, microfilm copies, Robert Manning Strozier Library, Florida State University, Tallahassee, roll 8, bundle 22I2, frame 219. East Florida Papers hereinafter cited as EFP.

4. Quesada to las Casas, August 1, 1790, EFP, rl 8, bnd 22I2, f 160.

5. Petitioners, St. Augustine, Florida, to the Governor of Florida, August 1, 17, 18, 20, 1790, EFP, rl 77, bnd 180A14, f 141, 157, 169.

6. Gonzalo Zamorano to Quesada, July 29, 1790, EFP, rl 77, bnd 180A14, f 119.

bidding this change of practice. The royal order granting the Pantón, Leslie firm permission to trade with the Indians did not define this as a monopoly; it only granted the right of continuing commerce with the Indian nations such as it held under the British. Thus, both on this question and that of permitting trade among settlers, Quesada could make his own decision. Zamorano felt that it would be advantageous for settlers to trade with the Indians. Such activity would promote peace between Indians and the province and the profits and production would benefit the nation.⁷

Should trade be authorized, Zamorano emphasized, settlers would have to procure licenses from Quesada stating the places in which they intended to operate. The governor should have absolute assurance that supplies were not taken other than those used by Indians. The royal order provided no further information; any additional interpretation would rest on Quesada's own judgment.⁸ With this advice and counsel, Quesada decided in favor of the settlers and began a policy of exercising the most liberal interpretation of the commercial laws.⁹

During the first summer of Quesada's term as governor, the settlers began to enjoy freedom to trade and expanded their activities in many directions. By September there were requests for authorization to supply the army, clerks, and the rest of the community. Apprehensive about their own situation, Pantón officials began to play upon the fears of Quesada and tried to bribe him with gifts. Unable to carry through with the concessions he had granted the settlers, Quesada sought instructions from Diego de Gardoque, Spain's minister of trade.¹⁰ Having served as minister plenipotentiary to the United States, Gardoqui was recognized as one with first-hand knowledge on colonial matters and who, in matters of trade, was liberal. It had been the result of his efforts that the commercial ordinance of 1782 had been established for Louisiana and West Florida.¹¹

7. *Ibid.*

8. *Ibid.*

9. Quesada to Zamorano, July 29, 1790, EFP, rl 77, bnd 180A14, f 112.

10. Quesada to Diego de Gardoqui, September 25, 1790, EFP, rl 39, part 2, bnd 102K8, f 103-05.

11. "Juan Nepomuceno de Quesada, Governor of East Florida, to the Conde de Lerena, Relative to the Commerce of East Florida," November 15, 1791, in Whitaker, *Documents*, 154-61, xxiv.

Dissatisfaction spread as Floridians came to believe that Spain was making regulations without understanding the nature of the situation in their province. The number of communications to Quesada increased. Typical was one noting the disadvantages of the restrictive measures and requesting the right to "trade with anyone that might best accommodate them."¹² Knowing that in two years the home government would have to take some action in regard to the cédula of 1782, Quesada hoped to extend to East Florida the privileges of trade provided by that ordinance to New Orleans and Pensacola.¹³

Quesada discussed with several people ways to promote the resources of the province. He approved a letter to Madrid listing East Florida's products: pine lumber, cypress, oak, juniper, ash, resin, pitch, turpentine, rice, maize, rye, tobacco, cotton, wheat, hemp, flax, indigo, sugar cane, syrup, rum, honey and beeswax, trade with Indians, cattle, salt meat, hides, tallow, butter, cheese, fisheries, silk worms and mulberry trees, and olives and olive oil. The letter noted that the St. Johns and St. Marys rivers area held the greatest potential for lumbering. Improving these waterways would have a favorable impact on commerce.¹⁴

East Florida annually shipped 150,000 deerskins to Europe which sold for one peso each. The Indians traded them in St. Augustine or at one of the outlying stores for rum, cane syrup, sugar, coffee, English silver trinkets, and other items. According to the settlers, trade had been declining because of Panton's activities in American territory. The Indians were finding other markets for their skins and seeking peace with the Americans who permitted the importation, duty free, of manufactured goods up to the value of 150,000 pesos.¹⁵

Unless Spain gave the Indians the same privilege as did the Americans, Florida trade would be hurt. The letter writers complained: "only the said English house [Panton, Leslie] can introduce goods openly into the province, and it does so without paying duties. Since it has no competitors, it fixes the price of goods

12. Robert Corwin and William Chapman to Quesada, July 23, 1790, EFP, rl 77, bnd 180A14, f 109-10.

13. "Juan Nepomuceno de Quesada, Governor of East Florida, to the Conde de Lerena, Relative to the Commerce of East Florida," November 15, 1791, in Whitaker, *Documents*, 155.

14. "Description of the Commerce of East Florida, Written by Luis Fatio," November 17, 1790, in *ibid.*, 124-39.

15. *Ibid.*, 132-33.

to suit itself and at very high rates." If Spanish subjects enjoyed similar privileges, skins would go to the mother country, and her goods— "woolen cloth, cheap woolen hats, common chintz cloth, and silver trinkets"— could be sold to the Indians.¹⁶

In another letter the complainants noted that East Floridians were required to purchase their goods in Havana. Since no clothes suitable for the families and Negroes of the province were made there, these items had to be imported from Spain. Additional costs of shipping and middlemen operations increased expenses. The one hopeful sign, according to the letter, was the attitude of Governor Quesada; before he arrived, Panton's monopoly had hurt the province. No one else could buy skins, horses, cattle, or other commodities, except deer meat, from the Indians. "Thanks to Quesada's investigation, it was found that no such exclusive trading privilege to the company had been granted. Therefore, he permitted everyone to buy skins and cattle of the Indians." Because of a lack of trade goods, Florida commerce had not increased significantly. Economic growth would be deterred, the writers believed, until the province became more productive.¹⁷

Apparently Spain's response was a communication dated June 24, 1791, reinforcing the regulation that ships leaving St. Augustine for other Spanish ports be refused permits to trade articles known not to be locally produced. Quesada then proposed that commerce be carried on directly with Spain rather than through Havana. So long as the people in St. Augustine had to order goods from Havana, they would have to pay inflated prices. As a result, illicit trade was increasing with the United States. According to Quesada, if he had acted to stop such trade, he would have retarded, rather than advanced, the King's interest. The intendant in Havana, of course, disagreed with Quesada.¹⁸

The governor sent the treasury minister in Madrid lists of products exported by St. Augustine, but he admitted that he could not guarantee that everything going to Havana had, in fact, been produced in East Florida: "In truth . . . I refrain from making a rigorous investigation into the matter for, without bene-

16. *Ibid.*

17. "Juan Nepomuceno de Quesada, Governor of East Florida, to the Conde de Lerena, Relative to the Commerce of East Florida," November 15, 1791, in *ibid.*, 154-61.

18. *Ibid.*

fitting the royal treasury essentially, this would destroy the community." Quesada also noted that the trade difficulties and the exigencies of such a restricted allotment for operating East Florida were beginning to affect immigration into the province.¹⁹

By January 1792, St. Augustine's dissatisfaction with the restrictions upon trade had become more articulate. With Quesada's approval, a group of settlers decided to send a petition to the King explaining the effect of Spanish policy upon the growth of the province and upon their own individual fortunes. Thirty-seven men signed the letter. They reiterated their belief that the secret of British success in Florida was because no duty had been placed on local products. East Florida's difficulties were compounded by the prohibition of all communication and dealings with Indians and Americans, who surrounded the province. Whereas the Americans, with free commerce were exceedingly wealthy, the Spanish were deprived of necessities. "What a sad spectacle, but what a true picture," lamented the petitioners.²⁰

The settlers offered a plan which promised to increase the population, attract old colonists, provide a diverse commerce, and contribute to the general profit and benefit of the monarchy. They asked for free commerce with Europe and America, limited within the empire in accordance with existing laws, and free entry and exit of all shipping from any foreign or Spanish ports during a period of time as determined by the King. They preferred cargoes to be duty free, or to be taxed only moderately. For trade between Florida and other Spanish dominions, they preferred no duty, or, at best a small one.²¹ They proposed that since the United States Congress had placed excessive duties on Spanish products—juices, wines, liquors, oil, soap, almonds, silk, cotton, and other items—it would be advantageous to the commerce of East Florida to build warehouses on the frontier stocked with these commodities. The Americans would utilize canals, rivers, and the sea for trade, and this would encourage St. Augustine's commerce with other Spanish ports, Europe, and America. In times of scarcity in the Caribbean and other Spanish colonies, or in case of war, the Florida warehouses could supply necessities

19. Quesada to Zamorano, December 20, 1792, Archivo General de Indias, Seville, Spain, Papeles Procedentes de Cuba, legajo 416.

20. *Ibid.*

21. *Ibid.*

and goods quickly at low cost and duty free. The petitioners hoped the King would "be pleased to order free harborage, and free port, and permit American ships to take refuge in Florida."²²

In Madrid, the council of state had begun discussing the issuance of a new ordinance which had to be completed by 1793. Speaking for the colonies, Gardoqui argued that Spain must change its course "for the colonies cannot endure without commerce. . . . It would be expedient to grant Louisiana and the Floridas absolute freedom of trade in Europe and America with all foreign nations with whom we have mutual commercial treaties."²³

The council heard from officials who opposed any liberalization. The Marques de Bajamar, governor of the Council of the Indies, advocated more restrictive commerce; he wanted to prohibit all direct commerce with foreigners and to confine it to Spain. By reducing import and export duties on foreign commodities brought to Spain for re-exportation to Louisiana and the Floridas, foreign merchants could support Spanish merchants. Then, by granting a reduction of export duties to Spanish businessmen, the goods could be sold in the colonies at almost the same price that foreigners would charge. Under such circumstances, the Marques argued, both merchants and colonists would benefit, the latter by having an outlet and market for his products and the former by obtaining them and bringing them back to Spain for sale. Furthermore, Spanish entrepreneurs could carry goods between foreign ports and the colonies.²⁴

The *cédula* was finally completed and approved June 9, 1793. Many of the ideas advocated by Quesada, the settlers of East Florida, and Gardoqui were incorporated in the order which extended to St. Augustine and permitted trade with New Orleans and Pensacola. Also, some additional trading privileges were permitted between Spanish colonies and overseas French ports. Louisiana and the Floridas could trade freely in Europe and America with all "friendly nations having treaties of commerce with this crown." Merchants handling commerce between the

22. *Ibid.*

23. Juan Antonio de Ororrio to George Franco de Estado, Cadiz, September 10, 1792, Archivo General de Indias, Santo Domingo, legajo 2668.

24. "Opinion of the Marques de Bajamar on the Commerce of Louisiana and the Floridas," January 7, 1793, in Whitaker, *Documents*, 162-69.

colonists and foreign nations had to pay an import duty of fifteen per cent and an export tax of six per cent.

In November 1793, when the *cédula* reached St. Augustine, Quesada and his council studied the new regulations, raising many questions and finding some ambiguities.²⁵ There was specifically the question of which nations had alliance treaties with Spain. The inquiries went to Las Casas, who forwarded them to Madrid. There was no definitive reply, although Las Casas tried to find satisfactory answers.²⁶ In a quandary, St. Augustine officials interpreted the concessions in a conservative manner, and Quesada did not permit American ships to enter East Florida ports indiscriminately the remainder of his administration.

Frustrated in their efforts to win significant concessions the settlers became more dissatisfied, and by the end of 1794 they had become hostile toward Quesada. Fifteen of the settlers dispatched a petition to the King, angrily protesting the Pantón, Leslie trade monopoly. Zéspedes, it was claimed, had gone beyond the requirements of logic in justifying the establishment of this monopoly under Spanish sovereignty. Zéspedes had offered seventeen reasons for his actions. According to the petitioners, he stood to gain by the concession since no one would ever make seventeen rationalizations in "behalf of the father who begot him," much less for a trading company.²⁷

They insisted that Zéspedes had acted neither for the benefit of the King nor the welfare of the province. He had received gifts from the company in anticipation of his favors. The kingdom had been hurt by the monopoly. Instead of securing Indian loyalty, the opposite had resulted. Since all the goods traded with the Indians were British, they felt that they were living under British dominion. The growth of the colony it was claimed had been injured by the monopoly.²⁸

The protesters argued that Pantón, Leslie operated a public store and supplied meat for the garrison. They saw "brigantines

25. Junta de hacienda, November 8, 1793, Archivo General de Indias, Santo Domingo, legajo 2668.

26. Las Casas to Quesada, January 25, 1794, Archivo General de Indias, estante 87, cajón 3, legajo 22, número 16, photostat in Stetson Collection, P. K. Yonge Library of Florida History, University of Florida, Gainesville.

27. "Representation With Regard to the Commerce of East Florida by Various Inhabitants of St. Augustine," November 27, 1794, in Whitaker, *Documents*, 184-99.

28. *Ibid.*

from [New] Providence and London entering with the greatest [of] ease for the privileged house of Panton and Leslie, without paying any duty whatever to your Majesty," with cargoes estimated to be worth more than 30,000 pesos annually. Prices were set by the company. Under Quesada, "whose avarice is unbounded," and who with the accountant worked to maintain the monopoly, the problem grew worse. At first the governor allowed everyone to trade with the Indians. Then, when John Leslie began providing him with the latest mode in furniture for his house, Quesada changed his attitude; he "ended up by advancing the same or even stronger arguments than the other governor."²⁹

The St. Augustine signatories declared that their complaints could be verified "by the whole town and by some documents that are confidential." Fearing that their letter might become public, only a few men signed it, although it was stated more than 200 signatures could have been secured. The writers asked the King to have someone verify their complaints.³⁰

Obviously the *cédula* of 1793 did not solve East Florida's trade problems. It was not clear whether it was obstacles to free trade or the lack of goods to trade, that interfered with economic growth. After Quesada's efforts to extend the right of trade to all settlers, including trade with foreign ports, it must have become evident to him that it was more important to satisfy the province's immediate need for supplies. Spain could not provide commodities even for the Indians, much less all that was needed for St. Augustine's defense and economic growth. The dilemma was real. If Quesada supported the Panton, Leslie monopoly, he was assured that the Indians, supplied with wares, would remain peaceful and that necessities for settlers would be available. Yet the economic growth of the settlers and the colony as a whole would be impossible. On the other hand, if he permitted the settlers to trade in as wide an area as possible within the broadest interpretation of the *cédula* of 1793, Panton, Leslie's profits would decline and the source of supplies would diminish. Even though the settlers increased their production and new colonists were attracted to East Florida, there was no possibility of securing the same quantity of manufactured goods from Spain as

Panton, Leslie was receiving from England. The authors of the petition of 1794 seem to have been aware of this dilemma when they suggested that Quesada wanted the King to believe that but for the company, “God knows what would have become of this province.”³¹

Regardless of the justification, which might or might not have existed, for the restrictions upon the trade of St. Augustine and for the monopoly granted Panton, Leslie and Company, many settlers believed that their interests were being sacrificed to the immediate concerns of government, if not to the personal profits of individual officials. This loss of confidence caused the settlers to question the loyalty and allegiance which they had given to Spain. Many had received land grants, moved with their families and slaves, and had begun the development of plantations. Seeing their efforts and investments restricted, they sought other avenues to solve their economic problems. Some believed that the difficulty stemmed from corrupt officials, and they hoped to have these recalcitrants removed from office. To those who saw the problem as part of Spain’s efforts to control the trade for its own benefit, the answer was to force the Spanish out of Florida. Some of this latter element participated in the incursions into East Florida from Charleston organized by the French as part of the French revolutionary movement.³²

During the years 1790 to 1795— the administration of Quesada — Spain’s eventual loss of East Florida was determined. Her inability either to provide the colonists with goods or to permit them to supply themselves, resulted in the loss of loyalty of the settlers which eventually forced her to relinquish the peninsula. Quesada was a competent and perceptive governor who with some understanding of the nature of the problems of his province proposed positive and imaginative ideas for their solutions. But the remedy had to come from Spain, from men far from the scene who had little appreciation for their implications. Their unwillingness to confront the dilemma and the unlikelihood that any solution could be found under any consideration resulted in a slow demise of the province. With the cédula of 1793 the die

31. *Ibid.*

32. For an account of these campaigns, see Richard K. Murdoch, *The Georgia-Florida Frontier, 1793-1796: Spanish Reaction to French Intrigue and American Designs* (Berkeley, 1951).

was cast, the opportunity lost. Spanish Florida's future was to be joined with that of the United States.