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Silas Deane: Revolutionary or Profiteer?

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SILAS DEANE:
REVOLUTIONARY OR PROFITEER?

by
Fred Gerard Flegal

A Thesis
Submitted to the
Faculty of The Graduate College
in partial fulfillment
of the
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Fred Gerard Flegal
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Silas Deane was an unusual man. He was a patriot leader in Connecticut, and yet his activities at times during the Revolution leave grave doubts concerning his dedication to the American cause. Charges that he had improperly used public funds were brought against him in the Continental Congress. These charges were never clearly resolved by his contemporaries; they were neither proved nor disproved, but rather postponed indefinitely. Historians have also been unable to agree on the case of Deane. No definitive study has been made of this interesting character, and as a result many aspects of his career are relatively unknown. This thesis will attempt to re-examine the evidence and to draw conclusions concerning the economic activities of Silas Deane.

Early Years and Family Life

On December 24, 1737 Silas Deane was born to Silas and Sarah Baker Deane of Groton, Connecticut. His father was a blacksmith and apparently of some standing in the community, since he served in the Connecticut General Assembly as a Deputy from Groton.\(^1\)

Deane attended Yale and was graduated in 1758. He then taught school for a brief period. One of his pupils was Edward Bancroft, with whom he would have a quite different relationship during the Revolution. Deane soon devoted his time to the study of law and was admitted to the Connecticut bar in 1761. He opened a law office in Wethersfield the following year.

At Wethersfield Deane became a friend of Joseph Webb, a prosperous merchant, and was admitted to the social circle which surrounded him at "Webb House". Within a year Webb died leaving a large disorganized estate and six young children. His widow, Mehitabel, was not in the best of health, and she turned to Deane for help with the estate. This business relationship evolved into a personal one, and they were married on October 8, 1763 and moved into "Webb House". Deane gave up his law practice, all his time being taken up with mercantile activities and management of Webb's estate. Thus in a short period of time his position in society changed radically; he was now a prosperous merchant. Deane's new way of life was capped by the birth of a son, Jesse, in 1764.

After Mehitabel died in 1767 Deane married again, this time into the prominent Saltonstall family. His new bride, Elizabeth, was daughter of General and granddaughter of Governor Saltonstall of New London. They moved into a
new house Deane had built on property he bought next to "Webb House", which was taken over by his step-son Joseph Webb. This marriage was terminated in 1777 when Elizabeth died during Deane's French mission.²

Connecticut General Assembly

The people of Wethersfield placed their trust in Deane and elected him to the Connecticut General Assembly. He served during the years 1768 to 1769 and 1772 to 1775³, although for part of the latter period he was also a delegate to the Continental Congress.

During this time Deane was involved in a legal action which deserves attention because in it Deane acted dishonestly and attempted to circumvent an order of the Connecticut General Assembly. Between 1771 and 1773 Samuel Grant and John Kneeland of Boston petitioned the Connecticut General Assembly against Samuel Tozer, of Colchester, and Silas Deane concerning a debt Tozer owed the petitioners. Grant


and Kneeland in lieu of the debt took by executions and attachments lands belonging to Tozer in Colchester. Tozer held these lands by a deed of release from Silas Deane. In order to keep the lands Tozer took the deed and destroyed it unrecorded. Deane was ordered by the General Assembly to execute another deed of release to Tozer for the lands, and this he delivered to the town-clerk of Colchester. Tozer then took this second deed out of the hands of the town-clerk and delivered it back to Silas Deane unrecorded. Deane destroyed the deed. The General Assembly ordered a copy of the deed be recorded and gave it all the legal standing of the original, and Tozer lost his lands.⁴

By destroying the deed Deane was knowingly acting against the will of the Connecticut General Assembly. There may be other unknown circumstances surrounding the incident, but from the record it would appear that Deane acted dishonestly to keep property which did not legally belong to him. This was a private matter and whether it was publically known or not, it did not affect Deane's career in the General Assembly or later in the Continental Congress.

As an Assemblyman Deane was active in many areas. He and others worked to have buoys placed on the sandbars of the mouth of the Connecticut River. This would make navi-

⁴Ibid., XIV, 98-99.
gation cheaper and easier and promote business activity in the towns along the river. He was on a committee to pursue Connecticut's claim to western lands, specifically the Wyoming Valley of the Susquehanna River which was disputed with Pennsylvania. Later he was a member of the committee which conferred with the Governor concerning a reply to a speech of King George III to Parliament in 1774.

His most important assignment was to the Committee of Correspondence, of which he was Secretary. This was a very important position as the Secretary was head of the committee. It indicates that Deane was a leading figure in Connecticut politics. He was closely associated with Jonathan Trumbull, the Governor. This was an elected office in Connecticut and thus the Governor was the leader of the Whig movement rather than a supporter of British policy as in the other colonies. Events later in his life have caused Deane to be ignored by most historians of this period, but actually he was very active in the Whig movement in Connecticut.

Deane's activism stemmed from his mercantile activities. In the Connecticut General Assembly he was a leader of the protest against England's restriction of colonial trade. It is safe to assume that Deane's whig sentiments

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were due more to pragmatism than idealism. Whatever his reasons, he was a Whig.

On June 3, 1774 the General Assembly authorized the Committee of Correspondence to appoint the Connecticut Delegates to the Continental Congress. Silas Deane was one of the men nominated when the committee met in July, and he, Roger Sherman and Eliphalet Dyer went to Philadelphia in September as the delegates from Connecticut.

It appears that Deane tried to keep Roger Sherman off the Connecticut delegation. He wrote to William Samuel Johnson, who had also been nominated to go, urging him to attend giving the reason that Sherman was needed on the colony's Superior Court. Johnson declined to serve and remained neutral throughout the Revolution. As fellow delegates Deane and Sherman never got along well, perhaps because Sherman knew of Deane's activities against him. The main reason, however, was their incompatible personalities; Sherman a strict Puritan while Deane was not religiously inclined.

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7 Ibid., 130.
Philadelphia was proud to be the site of the Continental Congress. The last days of August 1774, as various delegations arrived, were days of great feasts and celebrations. Sumptuous tables were spread from morning until late evening, and spiritous drink flowed freely. While they awaited enough delegations to arrive to open the Congress, members sized each other up and examined where they stood on the issues of the day.

Once the formal sessions began, Silas Deane stood "forth as one of the impressive figures in the congress" but not a radical leader. H. James Henderson has written a study tracing the development of party factions in the Continental Congress. He shows a radical eastern party consisting of most of the New England and Southern delegates. The conservative party drew its strength mainly from the Middle colonies. Henderson does not list Deane among the solid core of either the radicals or conserva-

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9 Ibid., p. 24.

atives, while the other two Connecticut delegates were consistently radical.¹¹

Besides other delegates, Deane met some of America's principal merchants such as Robert Morris in Philadelphia. The conservative views of these merchants must have had an influence upon Deane in some cases. It is likely that the pragmatism which made him an active Whig in Connecticut tempered his views to resemble those of the great merchants he hoped to emulate.

Deane did not speak much in Congress, but was kept busy with committee work, as he wrote to his wife.¹² His most important committee was one charged with review of Parliamentary Acts which affected colonial trade and manufactures.

The merchant from Wethersfield was re-elected to the Second Continental Congress in 1775, and events between sessions caused him to be a much more important member of the second Congress. Deane, Samuel H. Parsons, and Benedict Arnold were in on the instigation and planning of the expedition against Fort Ticonderoga. The attack was financed

¹¹Ibid., p. 46.

by a £300 note from the Connecticut Treasury signed by a group of men including Deane.\textsuperscript{13}

This action brought Deane renown and greater prestige when the Second Continental Congress opened and seems to have been a reason for his assignment to many important committees. Deane was so active he wrote his wife, "I had rather not be appointed to committees quite so often as I am; for since my being at this Congress, I have had more than my share of such business".\textsuperscript{14}

He was a member of the committees to send a letter to Canada, to draft rules and regulations for the army, to inquire about virgin lead and leaden ore and the refining of it, to import military supplies, and to consider the best means of supplying the army. In addition he was also a member of committees to collect accounts of hostilities committed by the British army and navy in America, to purchase woolen goods for the army, to intercept munitions ships headed for Canada, the Committee on Accounts, and the Committee of Secrecy.\textsuperscript{15} It should be noted that

\begin{itemize}
  \item\textsuperscript{13} Clark, \textit{Silas Deane}, 28-29.
  \item\textsuperscript{14} Silas Deane to Mrs. Deane, June 3, 1775, Burnett, ed., \textit{Letters of Members}, I, 112.
  \item\textsuperscript{15} Clark, \textit{Silas Deane}, 29-30; Burnett, ed., \textit{Letters of Members}, I, 204, 205, 216, 234.
\end{itemize}
many of these committees did not meet on a regular basis, and that all members of Congress were on several committees.

The committee Deane was most interested in was the Naval Committee. As agent of the Congress, he purchased the first ship for the American Navy on October 15, 1775. He was also Chairman of the Committee of Ways and Means for furnishing naval armaments. Even after he was relieved as a Delegate from Connecticut Deane stayed on in Philadelphia to finish up his work for the Naval Committee; however, there may have been other reasons for this which will be discussed later.

Support by members of Congress was sought by office seekers from their home colonies. Deane was no exception; he did his best to help his political and business friends from Connecticut. For example, he tried to obtain the post of Secretary to General Washington for Joseph Trumbull, but this failed as Washington wanted a man he knew personally. Then Trumbull wrote to Deane, "I must sollicit your Fav' in Congress, to have me appointed Comissary General,

16 Silas Deane to Thomas Mumford, October 15, 1775, Burnett, ed., Letters of Members, I, 230.
17 Clark, Silas Deane, 29-30.
18 Silas Deane to Joseph Trumbull, June 18, 1775, Burnett, ed., Letters of Members, I, 133.
for the whole Army, ..." Trumbull pointed out that it was the only major appointment left to be filled and that it should go to a Connecticut man. In this case Trumbull got the office.

In another case Deane wrote to Jonathan Trumbull, Jr. regarding his intentions on the post of Deputy Paymaster. If Trumbull did not want it Deane hoped to secure it for his own brother, Simeon. Another brother, Barnabas, also benefited from Silas Deane's presence at the Congress. A contract was thrown his way for the construction of a frigate to be named Trumbull after the Governor of Connecticut. It also appears that Silas Deane was a silent partner in this contract.

Old merchant friends from Connecticut were not forgotten either. Deane wrote to Thomas Mumford, who was also Deane's brother-in-law, on October 15, 1775:

"The Congress have also appointed a Secret Committee, for supplying the Continent with

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21 Gurdon Saltonstall to Silas Deane, February 8, 1776, Connecticut Historical Society, Collections, XXIII, 16-19, and Henry Laurens to Barnabas Deane, April 11, 1778, Ibid., 126.
certain Necessary Articles. of this I am one, and wish I could see you, or some other of my Connecticut Mercantile Friends here, as it would be in my power to help them, and in theirs to serve their Country. This if you will come down, the sooner the better."

Deane was doing all he could to promote Connecticut business in general, and family business in particular. Independent of Deane's above letter of the fifteenth, Mumford wrote Deane on the nineteenth asking him to obtain permission for Mumford to import 50 tons of gunpowder for which two of his captains had made a deal at St. Eustatia. This was during the period of the Continental Association, and special permission of Congress was required to export or import goods. Deane did what he could, and Mumford was given one of the first powder contracts from Congress. In view of the shortage of gunpowder, it is certain that Mumford would have received the contract even without Deane's assistance.

Silas Deane and Eliphalet Dyer were not re-elected to the Congress and were replaced by Oliver Wolcott and Samuel

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23 Thomas Mumford to Silas Deane, October 19, 1775, Connecticut Historical Society, Collections, XXIII, 11-12.

Huntington in January of 1776, but Roger Sherman continued on as a delegate. This was not in accord with Deane's desires, and Eliphalet Dyer reported Deane was "confoundedly chagrined at his recall".\(^{25}\) The reasons why he was not continued in Congress are important for they bear upon the propriety of choosing him as envoy to France.

The factors which led to Deane's recall from Congress were particular to Connecticut and have little to do with Deane as a patriot or Congressman. Ezra Stiles said that the Connecticut Assembly "think Liberty most secure under frequent changes of Delegates--and determine to set an early Example & Precedent".\(^{26}\) Although this was good Whig political philosophy, there was much more to Deane's repudiation than that.

One factor was the turmoil that arose over the appointments of Major Generals for the army. It was determined that one of them should be from Connecticut. Deane supported General Israel Putnam because he was the most competent of the Connecticut generals. This was unpopular with many in Connecticut because Generals Wooster and Spencer both ranked higher than Putnam before his appoint-

\(^{25}\)Eliphalet Dyer to Joseph Trumbull, January 1, 1776, Burnett, ed., Letters of Members, I, 293.

\(^{26}\)Collier, Roger Sherman's Connecticut, 131.
ment to Major General. That Deane was aware of the opposition his support of Putnam aroused is evidenced in letters he wrote to his wife.27

Deane's position on the Wyoming Valley question may have also lost him support back in Connecticut. The Wyoming Valley of the Susquehanna River, which lies in the present state of Pennsylvania, was claimed by both Pennsylvania and Connecticut. The Susquehanna Company was the Connecticut based claimant to the valley and a powerful force in the colony's politics. In the fall of 1775 a dispute arose between the Pennsylvania and Connecticut settlers in the valley which threatened the unity of the thirteen colonies. Deane favored a compromise and by his own admission "stood well with the more dispassionate of the other party."28 A compromise was worked out and peace among the colonies preserved, but many in Connecticut who had invested in the Susquehanna Company took a dim view of the compromise.29


28 Silas Deane to Thomas Mumford, October 15, 1775, Ibid., I, 229.

29 Deane's position on the Wyoming Valley claims is stated in the above letter and the following: Connecticut Delegates to Zebulon Butler and others, August 2, 1775, Ibid., I, 186; and Connecticut Delegates, Proposed Resolution, October 1775, Ibid., I, 231-32.
Perhaps the most important factor in Deane's repudiation was a change in the political power structure in Connecticut. Politics in that colony were more confusing than those of the other colonies because of the added division of religion. Ever since the Great Revival it was impossible to separate politics from religion in Connecticut. The colony was divided between New Light supporters of the Revival and Old Light proponents of the old religious forms. Thus long before the struggle with Great Britain arose Connecticut politics had deep divisions. These divisions were not put aside when the Whig movement began. The Whig party in Connecticut had two factions with the divisions along religious rather than political lines.

Deane did not feel strongly one way or the other about religion, he was a merchant not a cleric. He was allied politically to Old Lights because they were strong in the mercantile areas in central Connecticut along the Connecticut River. Roger Sherman and William Williams were leaders of the New Light faction which opposed the faction to which Deane was allied. Deane and Sherman never got along, and the merchant wrote to his wife in reference to Sherman "that if the order of Jesuits is extinct their practices

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are not out of fashion even among modern New Light Saints, or some of them, --for I will never particularize any Sect."31

In the elections of October 1775 the New Light faction gained control of the General Assembly. Thus they were able to control the Committee of Correspondence which chose the delegates to Congress. Sherman and Williams saw to it that Deane and Dyer were not re-elected,32 and sentiment was so great against them that a rumor spread in Connecticut of their being confined to irons as tories.33

Thus the reasons Deane was not re-elected to the Continental Congress were of a provincial nature and in no way reflected upon him as a patriot of the American cause. In fact a case can be made that he was more of a patriot than the people of Connecticut wanted. His positions in the nomination of major general and the Wyoming Valley controversy show Deane as an advocate of the interests of the colonies as a whole, not merely those of his own Connecticut.

31Silas Deane to Mrs. Deane, January 21, 1776, Connecticut Historical Society, Collections, II, 349.

32Collier, Roger Sherman's Connecticut, 131-32.

33Dr. Benjamin Gale to Silas Deane, November 22, 1775, Connecticut Historical Society, Collections, II, 322-23.
Diplomatic Appointment

In the early days of March 1776, Silas Deane was commissioned by the Secret Committee and the Committee of Secrecy of the Continental Congress as their agent to France for both political and economic matters.

The Secret Committee ordered him to appear as a merchant in France, and to make contacts with Messieurs Le Roy and Dubourg as friends of America. He was to request an audience with Vergennes, the French Foreign Minister, concerning supplying arms to the colonies. If the Foreign Minister was receptive, Deane was authorized to even go as far as to discuss an alliance in the event of a declaration of independence. He was also instructed to set up a meeting with Edward Bancroft and to correspond with Arthur Lee, agent of the Congress in London. Bancroft was a prominent physician and naturalist in London and an acquaintance of Benjamin Franklin. He had also been one of Deane's students in Connecticut after Silas graduated from Yale. It was hoped Bancroft would be able to supply inside information on events in London.  

The instructions of the Committee of Secrecy were essentially a contract to procure goods for the Indian trade. It was an agreement between "John Alsop, Francis Lewis and Philip Livingston of the City of New York—Merchants and Silas Deane of the Colony of Connecticut, merchant—and Robert Morris of the City of Philadelphia, merchant of the one part, and Samuel Ward, Benjamin Franklin, Thomas McKean, Joseph Hewes, Josiah Bartlet and Robert Alexander, Esqrs, members of the Committee of Secresy(sic)". By this agreement Congress would put up 200,000 dollars, and the merchants would buy goods in the colonies with it. These goods would be shipped to Europe and sold at a profit. The proceeds would then be used to purchase goods directed by the Committee of Secrecy for shipment to the United Colonies. The merchants would be allowed five percent in America and the contractors in Europe five percent additional on the goods purchased there.

This is Deane's official commission from the Continental Congress covering his activities in France. But this was dated in early March and a look at what Deane was

35Committee of Secrecy Contract, March 1(?) 1776, Ibid., I, 117. This contract is also printed in Burnett, ed., Letters of Members, I, 372-374.
36Ibid., 117-118.
doing between his replacement as a delegate to Congress and this formal commission is very interesting.

Although the new delegation from Connecticut arrived in mid-January, Deane did not return to Connecticut. This greatly disturbed his fellow recalled delegate, Eliphalet Dyer, as Deane wrote to his wife:

"Col. Dyer plead, scolded, fretted, and even threatened me, to make me set out for home with him, and finally parted rather in an ill humor with me, because I would not give him all the reasons for my tarrying; conclude it will occasion some speculation, and almost wish to know what reasons he assigns, for my tarrying behind. The ostensible reason, and a very good one too, is the necessity of my tarrying to close the Naval Accounts and assist in getting forward the preparations for the Fleet in the coming season." 37

Col. Dyer also charged Deane with having "'some other scheme'" in his head or not caring at all for his family. 38

It was true that Deane's activities concerning the navy needed to be brought to a close. On November 17, 1775 he was ordered to purchase, arm, provision, man, and send out to sea two vessels in New York City. 39 In December he was unanimously chosen a member of the Standing Commit-


38 Ibid., 351.

tee to superintend naval affairs. This work would certainly require his attention beyond January of 1776.

But if this was the "ostensible reason", what were the underlying reasons for Deane's tarrying in Philadelphia? Private business seems to be the underlying reason. It is likely that this business was the ground work for Deane's later commission as the agent of the Congress to France.

One thing Deane was doing was to obtain a contract for himself and his brother Barnabas with the Committee of Secrecy to trade American products for goods from Europe much like the later Indian goods contract. When Deane was elected to Congress Barnabas took over his mercantile business with Silas as a silent partner. This contract also involved them in some form of partnership as Barnabas mentioned "our agreement" in his letter to Silas. It is very probable that the contract was made before Deane was relieved as a delegate to the Congress, and this is another case where Deane used his public position for private gain.

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40 Silas Deane to Mrs. Deane, December 15, 1775, Ibid., 94.
41 Connecticut Historical Society, Collections, II, 352.
42 Ibid.
John Adams thought the agency to France had been created for Deane, who
"had been left out of the Delegation by the State, but instead of returning home to Connecticut remained in Philadelphia, soliciting a Appointment under the two foregoing Committees (Secret Committee and Committee of Secrecy), as an Agent of theirs... Unfortunately Mr. Deane was not well established at home. The good people of Connecticut thought him a Man of Talents and Enterprize, but of more Ambition than principle."^43

Actually Deane was not working alone but with a group of fellow merchants—John Alsop, Francis Lewis, and Philip Livingston of New York and Robert Morris of Philadelphia. The key man in this group was Robert Morris who was an influential member of the Congress and member of the Secret Committee. The plan probably originated with Morris rather than Deane and certainly required his support to succeed.

On January 27, 1776 the Congress authorized the Committee of Secrecy to contract for Indian goods up to the amount of £40,000.44 These goods were necessary in the effort to keep the Indians from entering the war on the side of the British, because the Indian's allegiance naturally followed their trading patterns. It is probable that

^43 Collier, Roger Sherman's Connecticut, 134.

Morris, Deane and the other merchants were even at this time the men for whom the contract was intended. The time between this date and the issuance of Deane's commissions was filled with activity. The agreement between Morris and his merchant friends had to be formalized. Letters of recommendation were acquired. The actual contract with the committee is not dated and was settled upon much earlier than the first of March.

The contract mentions 200,000 dollars, continental money, and this seems to be a proper exchange for the £40,000 authorized by Congress. Deane would make five percent on this as the agent in Europe; this comes to £2,000. This was clear profit because as he wrote to his wife:

"Confident this letter will go safe, I venture to say that a Concern, different from my contract, is to support me. I have agreed that all expenses of every kind shall be paid, and referred my salary to be determined hereafter, in consequence of which it is agreed that I have Five hundred pounds Sterling to carry with me for that purpose, and the same sum is to be remitted to me at the end of six months.

Should any accident happen to me, you will find this entered on the Committee of Secret Correspondence's Books."45

Thus, the Secret Committee was paying Deane's expenses as their agent in France while he was making five percent

from the Committee of Secrecy. Add the possibility of
great gain in private business with the firm of Willing
and Morris, and Deane wrote to his wife, "the present
object is great. I am about to enter on the great stage
of Europe", however, he was modest enough to add, "and
the consideration of the importance of quitting myself
well, weights me down, ..."[46]

Thus Silas Deane sailed off to Europe, but the ques­
tion still remains, was he the best man for the job? Ul­
timately this author believes the answer is no, but within
the circumstances of the Indian contract he was the best
man for the job. The reasons for his recall from Congress
have already been discussed and have no bearing on his
competence as agent to France. There were two commissions
involved and each must be examined separately.

Under the Indian contract he was actually chosen as
commercial agent in Europe not by the Committee of Secrecy,
but by his fellow merchants involved in the contract. The
contract provided for an agent in Europe and as Deane had
just been recalled he was the logical one of the group to
go. The doubt arises when the contract itself is considered.
The reasons Robert Morris and his friends got the contract
was Morris' great influence in the Congress. At this time
he and people like him with a pro-merchant view of public

[46] Silas Deane to Mrs. Deane, March, 1776, Isham, ed.,
The Deane Papers, I, 121.
affairs were in control of the Congress. Morris was so powerful that when Congress fled Philadelphia because of a British threat in late 1776 he remained behind at the head of a small committee which handled all the business of Congress.

It was this power which saw to it that Morris and his friends got the Indian contract, but they were not the best merchants for the job. According to the contract the basis of financial support in Europe was to be the sale of American produce to be sent over with money supplied by the Congress. The American produce which brought the most profit in Europe was tobacco and indigo, both of which were grown in the southern colonies. However, the merchants chosen were all from the northern or middle colonies, Robert Morris being the farthest south in Philadelphia. Also, all of them lacked experience in the tobacco and indigo trade. Granted, Robert Morris was expanding his network of business partners into the southern colonies, but it still seems that a group of merchants experienced in the tobacco and indigo trade would have served the Congress much better. Furthermore, someone with experience in the tobacco trade would have been a far better agent in France than Silas Deane.

Given his appointment as agent for the Indian contract in Europe Silas Deane was the logical and best choice of
the Secret Committee at that time. His experience in the Connecticut Assembly and the Continental Congress qualified him for this position. He was to explore the attitudes of the French Government toward the colonies. Once independence was declared other more qualified commissioners were appointed to augment the American delegation in France. Perhaps the most important factor was that he was going to France and had much political experience. If he had not been going to France concerning the Indian contract, it is doubtful the Secret Committee would have commissioned someone specifically to go to France. Rather, they would have chosen some other qualified American who was either in France or happened to be going there on other business.
THE BUSINESSMAN DIPLOMAT

After long delays and a false start, Deane finally reached France in July of 1776 via Bermuda and Spain. This long route was taken to reduce the chance of capture by the British. Deane sought to remain inconspicuous by using a false name and the cover of a merchant, but this failed. It was impossible to keep his activities secret, and soon it was well known that he was in France and what his mission was.¹

Courtiers and Philosophes

When Silas Deane, and later Benjamin Franklin, arrived on the continent they found two Frances with which they had to deal. The first was the France of the royal court and government. The splendor of the court was dazzling, especially to a provincial American like Deane. Leo Gershoy describes it very well:

"Never before was social intercourse so gay, so refined, and so graceful. Never were manners so good, conversation so sparkling, and morals so low as they were at the court. Never was the cult of luxury so assiduously served and defended by its devotees. Indeed, in the eyes of many, extravagance in dress and entertainment seemed the triumphant vindication of the prevailing philosophical doctrine of progress.

Refined taste and exquisite manners condoned great vices, and elegance of speech gilded base topics of conversation. Court society was 'a charming and wicked moment, a world which has brought the art of sensuous enjoyment to its perfection and was going to ruin with a smile!' Elaborate retinues, huge establishments, garments of gold and silver cloth, hunting, gambling, theatricals, gala balls, sumptuous spectacles, extravagant repasts exhausted the largest fortunes. The spendthrift monarchy of Louis XV was generous in its assistance, dispensing well-paying sinecures and rich bounties to its favorites, encouraging, even taking the lead, in the mad whirl of profligate extravagance."2

Although this passage describes the court under Louis XV, things changed very little when Louis XVI came to the throne.

The other France was that of the philosophes and the enlightenment. Influenced by earlier English thought of Newton and Locke, this was the France of Voltaire and Rousseau, of ideas and natural philosophy. These were the ideas of social contract and the natural rights of man which had influenced the leaders of the American revolution. The philosophes did not call for revolution in France, but they were urging governmental reforms. Montesquieu in his Persian Letters "ridiculed the corruption of the court, condemned the privileges of the aristocracy, derided the

incompetent financial administration, and denounced the vices of fanaticism and intolerance."\textsuperscript{3}

The philosophes and their ideas reigned at the great salons of Paris. These were the gathering places of the brilliant minds, the rich bourgouise, and some of the young nobility for conversation on the issues of the day. It was through the salons that the ideas of the enlightenment were spread and eventually filtered down to the rest of urban society. At the salons were found the "intellectual luminaries of France and all Europe--Hume, Wilkes, Garrick, Adam Smith, Priestley, and Franklin."\textsuperscript{4} Indeed, Benjamin Franklin was lionized in the Parisian salons and by the French people. He was the "very ideal of a philosophe--a perfect blend of Voltaire's intelligence and Rousseau's simplicity."\textsuperscript{5} Franklin used his great popularity to further the American cause in France.

These two Frances were not mutually exclusive of each other. There were some courtiers who were also philosophes. One of these was Beaumarchais, author of the critical \textit{Marriage of Figaro}. He was a philosophe and yet able to

\textsuperscript{3} Ibid., 67.

\textsuperscript{4} Ibid., 78.

\textsuperscript{5} Ibid., 80.
write to the king with a plan to supply the Americans with French military supplies. Fortunately for the American cause, the king and his ministers had their own reasons for sending arms, and the two Frances became one on this issue.

Situation In France, 1776

As directed by the Secret Committee Deane wrote to Bancroft in London asking him to come to France for a meeting. Bancroft immediately complied and they met in Paris. This was a renewal of an old acquaintance for, as noted, Bancroft had been one of Deane's pupils eighteen years before in Connecticut. Bancroft was born an American, and even though he had resided in England for many years it was hoped he would promote the American cause in the struggle with Great Britain. He was also known to Benjamin Franklin because of his scientific activities. 6

The cause Bancroft was most interested in promoting was his own. He agreed to supply information to Deane, and then went back to London and the British ministry offering his services to them. They accepted, and in return

he was to receive a down payment of £500 and £400 per annum thereafter. This was later raised to £500 per annum and was to continue for the rest of his life. 7

This enterprise proved very successful for Bancroft. He eventually became secretary to the American delegation in France with access to all the secret papers and proceedings. After the revolution he was considered a patriot hero, and greatly respected in America. His dual role was not discovered until much later in the 19th century when British records were made public.

Bancroft was not the only English spy in France. The ministry relied on a ring of spies working through the British Ambassador to France, Lord Stormont. The ministry did not trust any single source and had agents who were unknown to each other to double check the information. Even Bancroft worked through Lord Stormont by way of messages left in a bottle in a hollow tree in a public park. 8

In obedience to the orders of Congress, Deane had unknowingly given a key position to a British spy who was to keep the British Government informed of the activities of the American delegation in France. They were so well informed that on one occasion Lord Stormont protested about

7Ibid., 477.
8Ibid., 474-492.
an American Memorial to the French Government before the Foreign Minister had even received a copy of the memorial. 9

The source of supplies for the American army in the crucial year of 1777 developed without Deane's active participation. This was the famous Roderique Hortalez and Company, which was the brain child of Caron de Beaumarchais. He was a watchmaker, playwrite and man of society, his most famous work being the *Marriage of Figarro*. He was a favorite at Court and held one of those useless positions which surrounded the French Monarchy. 10

Beaumarchais presented a memorial to the King concerning aid to the Americans. 11 In it he stressed the benefits France would gain by helping the colonies. The great difficulty a small amount of aid would cause for archrival Great Britain was the main one. Beaumarchais suggested that aid "will serve not so much to terminate the war between America and England, as to sustain and keep it alive to the detriment of the English". 12


12 Ibid., I, 109.
The aid was to reach America through a fictitious trading company. This was to allow France to continue to remain neutral with Great Britain. The company would have access to the armory of the French Army which had just been refitted with lighter weapons leaving a large stock of older but serviceable firearms. The working capital would be supplied by France, to the sum of one million livres. This would be used to send supplies to America, which would in turn remit goods to France to be sold at a profit. This profit would then be used to send more supplies.

By this method it was hoped the amount of supplies could be tripled each time the cycle was completed. It should be noted that as proposed this arrangement would cover only military supplies available in the King's arsenal. It was clearly intended that the Americans pay for the supplies in order to keep the cycle going. The money from France was not intended as an outright gift but as working capital to enable the Americans to receive supplies in a much greater amount than that of the initial investment.

The idea was accepted by the King, and he put up one million livres credit to fund the firm of Roderique Hortalez and Company which was formed to send the supplies to America. In actual practice Roderique Hortalez and Company expanded

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13 Ibid., I, 112.
beyond the confines of the King's arsenal and supplied all the necessary materials to equip an army. ¹⁴

This was the situation when Deane arrived in France. Beaumarchais had already approached Arthur Lee in London concerning his plan, but Lee was not interested. It was Lee who wrote to Congress calling the money a gift and saying Congress need not pay Roderique Hortalez and Company for the supplies. ¹⁵ Beaumarchais approached Deane about the plan and the latter went along with it at once. Thus with very little effort Deane acquired the means of sending badly needed supplies to America.

The fact that Beaumarchais founded the firm of Roderique Hortalez and Company in no way reduced the importance of Deane's role in the affair. The means of obtaining supplies was there, but they did the Americans no good sitting in the King's arsenals in France. Deane and Beaumarchais both expended a great amount of energy getting the supplies to America. They had to be transported from inland centers to the ports, and shipping had to be acquired. Finally Deane and Beaumarchais had to struggle


with French authorities to allow the supplies sent because the British had protested. Fortunately the supplies arrived in time for the Saratoga campaign and much of the credit for this goes to Deane.  

Deane was within the guidelines set up for him by Congress when dealing with Roderique Hortalez and Company. His instructions from the Secret Committee ordered him to seek aid from the French government, and in actuality Roderique Hortalez and Company was only a cover for the French government. Even after Deane was recommissioned by Congress and a separate commercial agent appointed, Roderique Hortalez and Company still dealt solely with Deane because of the close connections with the French government.

Eventually some of the articles specified in the Indian Contract were acquired through Beaumarchais and his firm. Roderique Hortalez and Company was expanded to include all necessary supplies for America, not just military. The Indian Contract itself could not be fulfilled since remittances were almost totally lacking from America. One cargo did make it to France and some goods were acquired through the firm of Samuel and J. H. Delap of Bordeaux.  

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16 James, "The Revolutionary Career of Silas Deane", 36-38.  
17 Robert Morris to Silas Deane, August 11, 1776, Isham, ed., The Deane Papers, I, 173.
but other cargoes were either not sent or captured by the British. The bulk of the goods for the Indian trade were sent over through Beaumarchais' company.

Deane's work could hardly have been accomplished without the aid of Beaumarchais and Roderique Hortalez and Company. They provided a most vital commodity to Deane—credit. As a stranger in a foreign land it would have been very difficult for Deane to obtain credit in the large quantities necessary to send supplies to America without the support of Beaumarchais and the French government. Once money ran out and remittances were not forthcoming, the credit of America rose and fell with the fortunes of the battlefield, but for the vital period of 1777 Deane was able to send many supplies to America. Without Beaumarchais this would have been infinitely more difficult if not impossible.

Events in America in July of 1776 changed Deane's position in France. With the Declaration of Independence the Congress thought its mission to France should be upgraded and appointed Benjamin Franklin, Thomas Jefferson and Silas Deane as commissioners to France. Jefferson refused, and Arthur Lee, the agent of Congress in London, was appointed in his stead. 18 Also appointed at this time

18 Ford, ed., Journals, V, 827, and VI, 897.
was Thomas Morris, nephew of Robert Morris, as Commercial Agent of the Congress in France. This relieved Deane of many of his commercial duties, but all the business with Hortalez and Company still remained in his hands. These new appointments did not go into effect until months after July when Franklin and the commissions from Congress reached France.

Robert Morris

The Indian contract made Deane and Robert Morris partners in commercial affairs for Congress, but before Deane left for France they also agreed to become partners in private ventures. Morris' hopes for the partnership are laid out in two of his letters to Deane. The first is written from Philadelphia on August 11, 1776. Robert Morris, having received a letter from his brother Thomas who was at Marseilles, suggested to Deane that Thomas would be useful in the trading plan.19

Robert Morris suggested woolen goods as part of the first cargo saying, "All sorts of Cutlery Ware, Copper, tin, Lead, and every Kind of Goods fit for winter Wear must bring any price".20 Credit was to be obtained from

19 Robert Morris to Silas Deane, August 17, 1776, Isham, ed., The Deane Papers, I, 173.
20 Ibid., 174.
the wealthy houses of France and the goods shipped to America via the French West Indies with William Bingham acting as agent there. Morris hoped to use American frigates to convoy the ships from there to America.

Morris' plan called for monthly shipments of appropriate seasonal goods thereafter. The risk was to be two-thirds Willing and Morris and one-third on the account of Silas Deane. Upon arrival of the goods Morris thought they would immediately sell at high prices. The return from which he would invest in tobacco, indigo, flour, or wheat and ship them back to France.

Robert Morris was agreeable to a French or Dutch trading house joining the venture with a division of one-third each for the foreign house, Silas Deane and Willing and Morris. Morris left the subject with these words:

"You may depend that the pursuit of this plan deserves your utmost Exertion and attention so far as your mind is engaged in making of money, for there never has been so fair an oppert'y of making a large Fortune since I have been conversant in the World, ...".21

In a later letter to Deane dated September 12, 1776 Robert Morris expanded upon his plan. He urged that in addition to the shipments via Martinique, French ships be chartered for direct round trip sailings to America. The

21 Ibid., 176.
profits would be so great that the risk should be insured even up to a premium of fifty percent.\(^22\)

Morris informed Deane the entire venture would have to be funded by credit because all his advance remittances were needed for the ventures of "Mr. Ross and others who have not the advantage of a public character to recommend them".\(^23\) Morris dropped the subject of cash funding by saying, "it is not necessary with you, because I have no doubt Tom & you together will be able to establish the needful credit; ..."\(^24\)

This was the plan Morris proposed to Deane in the fall of 1776. It was a private economic venture with the possibility of great profits, yet it involved both of them in their official capacities to some extent. Robert Morris hoped to arrange armed escort for the goods from the West Indies to America. Most likely this was to be in conjunction with shipments for Congress and as long as the transport of public goods was not delayed this practice can be accounted for. Silas Deane was to use his public position


\(^23\)Ibid., 235.

\(^24\)Ibid.
to obtain credit for these private ventures. His position
gave him a great advantage over other American merchants.
His work for Congress gave Deane many contacts with leading
French businessmen and it was these men to whom Deane
turned for private credit.

Deane's response to the Morris plan was positive, but
he felt he needed Thomas Morris, who was then in London,
to help because Deane was too involved in public affairs.
On December 4, 1776 he wrote the following to Robert Morris:

"I have a prospect of being able to send out
a large quantity of goods early in the Spring,
but this very much depends on my having your
brother, or some other for an assistant, for
to trust at random is too dangerous".25

Deane listed alternative ways to put the plan into effect
and concluded by asserting his interest in the plan. "Be
it which it will, I expect to be equally concerned with
you, as I shall have the principal charge of the affair
here".26

Nine days later on the thirteenth Deane had found an
unnamed French mercantile house to interest in the plan
and he wrote Robert Morris, "you will in the Spring, I
hope, be well supplied with everything".27 The next day

25Silas Deane to Robert Morris, December 4, 1776,
Ibid., 400.
26Ibid., 402.
27Silas Deane to Robert Morris, December 13, 1776,
Ibid., 420.
Deane also advanced the plan as a profitable one to S. and J. H. Delap, French merchants.²⁸

What were the results of Morris' plan? How many shipments did Deane send over on their private account? Actually they were partners in only three ventures, one of which was a privateer and will be discussed later. One of the remaining ventures failed; the other brought a handsome profit to those concerned. Statements by both Robert Morris and Silas Deane agree exactly on the details and there is no reason to doubt their validity.²⁹

The venture that failed was fitted out by the French merchants Messrs. Delap of Bordeaux. It appears that without solid financing the only way to send out a cargo was to include a French merchant in the venture to provide the necessary capital. The terms of the venture were one-third on the House of Delap, one-third on the firm of Willing and Morris, and one-third on the account of Silas Deane.³⁰

²⁸Silas Deane to Messrs. Delap, December 14, 1776. Ibid., 422.


³⁰Silas Deane to John Ross, March 23, 1778. Isham, ed., The Deane Papers, II, 423. John Ross was Robert Morris' other agent in France and was handling all of his accounts there. There is no reason to doubt Deane's statement of transactions to Ross.
A brig, *Timoleon*,\(^{31}\) was the ship used for this venture. Deane thought it best to purchase the brig rather than lease her for the voyage. He wanted it fitted out to carry as many passengers as possible. Their passages would be paid by Congress thus helping to defray costs of the vessel, and their presence on board would help defend the ship in case of attack. Deane was conscious of Congress' situation enough to recommend the passages be paid upon arrival in America.\(^{32}\) The passengers were to be European officers seeking to serve in the American army.

The cargo list was composed of many consumer goods. Cloth for the use of slaves in the southern colonies was one of the primary items. Also listed were silks and ribbons. Heavy items such as brandy, window glass, sheet and bar lead, and painters' lead colors were included for ballast.\(^{33}\) These goods would have brought a good return had they reached America, but unfortunately for Deane and his partners, even though they knew the stations of the British


\(^{33}\)Ibid., 356-57.
warships off America, the ship was captured enroute by the British.

Another venture was sent out in January of 1777. This time the financial backing was provided by Le Ray de Chaumont, a very wealthy French merchant with connections at court. Deane and Robert Morris split a one-third share in the venture, which was 100,000 livres. Of this Deane put down 10,000 livres and gave his note for the remainder.

The cargo, which consisted mostly of woolens was shipped in the Union under Captain Roche. The goods were consigned to Roche and Mr. Bromfield, Chaumont's agent, who were to accept Robert Morris' advice and direction in America. As the Delaware River was blocked up,

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34 Ibid., 356.
35 Silas Deane to Robert Morris, October 1, 1777, Ibid., II, 163
36 Silas Deane to Robert Morris, January 6, 1777, Ibid., I, 448.
37 Silas Deane to John Ross, March 23, 1778, Ibid., II, 422.
38 Silas Deane to Robert Morris, January 6, 1777, Ibid., I, 448.
40 Silas Deane to Robert Morris, January 6, 1777, Ibid., 448.
the ship was sent southward and arrived safely in Charles-
town, South Carolina. The cargo was sold by Roche and
Bromfield with the help of Jonathan Dorsius, a friend of
Robert Morris.41 Roche's ship was loaded for the return
to France with rice and other ships were sent out from
North Carolina with tobacco purchased with the additional
proceeds.42 The venture was a success and the profits
more than covered the earlier loss.

Robert Morris was not totally pleased with the oper-
ation, however. He outlined his complaints in a letter
to Silas Deane written in June of 1777. While passing
through Virginia and Carolina to buy tobacco Bromfield
told everyone about the concern Morris and Deane had in
the Union's cargo. Morris wrote of his fear that people
"may conjecture by & by that Private gain is more our pur-
suit than Public Good, for such unworthy suspicions are
frequently taken up on less Grounds."43 Apparently Morris
felt their actions would not be viewed as totally honest in
the light of public scrutiny.

41Robert Morris to Silas Deane, December 29, 1777, 
Ibid., II, 295.
42Ibid.
43Robert Morris to Silas Deane, June 29, 1777, Ibid.,
82.
Morris also suffered from a bruised ego in the affair. He did not like the fact that Bromfield was sent over as Chaumont's agent or that all the proceeds would be sent back to Chaumont in France where the accounts would be settled after the return shipments arrived. He wrote to Deane that "there is a Certain degree of indignity in the terms that I will not submit to again". 44

Morris had no objection to future concerns "provided they were to come on such a footing as is Consistent with that Credit and Character I am entitled to". 45 However, the venture with Chaumont in the Union's cargo was the last for the Morris-Deane partnership. This affair had cooled the relationship. Deane's time was occupied by the affairs of Congress in France and he did not have time for the type of venture Morris wanted. Only by working with French merchants could Deane engage in private commercial activities.

Another factor in the cooling of the partnership was Robert Morris' younger brother, Thomas. When the American mission to France was expanded, Thomas Morris replaced Silas Deane as commercial agent. Thomas had been a wild

44 Ibid., 82-83.
45 Ibid., 83.
youth, but Robert Morris thought he had matured and secured his brother the appointment. The Philadelphia merchant asked Deane to keep an eye on his brother and give any advice and direction needed. Unfortunately Thomas Morris had not matured and fell in with bad company. He drank heavily and became incompetent in handling the commercial affairs of Congress. The commissioners in Paris tried to remove him and took what functions they could from him; but before the conflict could be resolved Thomas Morris died.

Deane and Franklin wrote to the Continental Congress complaining of Thomas Morris' incompetence. Robert Morris became very upset with Deane for not writing to him privately first. Morris wrote, "I never was more shocked and hurt by any Incident in my Life than at the manner in which you, Gentlemen Commissioners at the Court of France, have been pleased to mention him in Public Letters that you knew must be laid before Congress".46

One of Thomas Morris' duties at Nantes was to handle the sale of prizes captured by American privateers. He was incompetent in this area as well as the others, and the commissioners took this job from him by sending an agent of their own to handle the prizes. The commissioners

46Ibid., 77.
considered privateering under their jurisdiction, and they had added incentive because they were personally involved in some of the voyages. They chose as their agent Jonathan Williams who also happened to be Benjamin Franklin’s nephew. Reports of this reached Robert Morris and caused him to wonder if “relatives and Interested motives are united to remove my Brother and make way for a Nephew, a Cousin and a Partner”.\(^\text{47}\) Morris reserved final judgement because he knew his brother’s past record, and events supported the commissioners. However, Morris felt the matter could have been handled in a more discreet manner.

Silas Deane did not confine his mercantile activities to ventures with Willing and Morris. He met and corresponded with another American merchant in France—Samuel Beall. Beall was in France during the summer of 1776 and returned to America in the fall of that year. He went into business with a Mr. Norton and established the house of Norton and Beall in Williamsburg in early 1777. Deane and Beall purchased £600 worth of gunpowder from Messrs. Clifford and Teysset of Amsterdam. This was later paid for in total by Deane in two installments.\(^\text{48}\)

\(^{47}\text{Ibid., } 80.\)

\(^{48}\text{Silas Deane to Samuel Beall, February 17, 1778, } \text{Ibid., } 367.\)
The powder was shipped to St. Eustatia under the cover of a shipment from Clifford and Teysset, and from there the cargo was divided and sent on to America in smaller shipments to avoid capture of the whole. The British captured part of the powder and this was sold in England. The proceeds were forwarded to Clifford and Teysset and held by them for Deane. As only a fraction of the powder was captured, Deane presumed the profits to be considerable and ordered them turned over to his brother.

Simeon Deane and Company

Silas Deane's younger brother, Simeon, arrived in France in the fall of 1777. He came in the capacity of a merchant, and Silas did what he could to help his brother get established. The American commissioner recommended him to acquaintances at the leading French and Dutch mercantile houses. It was thought Simeon would stay the winter, and business propositions were sent to many trading houses.

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49 Clifford and Teysset to Silas Deane, April 25, 1782, Connecticut Historical Society, Collections, XXIII, 165.

50 Silas Deane to Samuel Beall, February 17, 1778, Isham, ed., The Deane Papers, II, 367.

51 Silas Deane to John King, October 16, 1777, Ibid., 193.
From these contacts and through Silas Deane's influence, several partnerships were formed. Simeon Deane associated with the House of Sabbatier, Fils, and Desprez, M. Chaumont, and M. Grand, the Paris banker. Some sort of arrangement was also worked out between Simeon Deane and John King, another American in France who was just leaving for home.

With influential French backing Simeon set out to form a cargo for America. In October he went north to the Dutch cities in search of goods. He sent back a shipment of thirteen cases of linen samples from which to make future selections. This was sent under a false invoice in the name of M. Grand of Paris in a ship along with goods for Congress consigned to Jonathan Williams on Nantes. Williams credited the whole cargo to the public account and the misunderstanding was not straightened out until a year later.

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Simeon Deane's stay in Europe terminated abruptly, and by the end of the year he was on his way back to America. This early return to America cost him several business deals. One was proposition of an interest in a brig with Andrew Limosin to which Silas Deane replied that all his brother's funds were already engaged. Another opportunity missed was a partnership with John Ross. A joint venture had been set up between Ross and Simeon Deane. However, due to slow delivery of one of Simeon's letters he left France before all the details were settled. John Ross thought it best to postpone the venture.

Simeon Deane sailed for America to set up a new mercantile house in Petersburg, Virginia. The name of the firm was Simeon Deane and Company. The background of the firm was a contract between Simeon and Silas Deane dated December 22, 1777. The terms of the contract are the following:

"In Consideration of the Credit obtained for him in Europe by the Sd Silas Deane, and the equal risque which the Sd Silas Deane runs of their going out, the said Simeon promises

55Silas Deane to Andrew Limosin, December 29, 1777, Isham, ed., The Deane Papers, II, 293.
56Silas Deane to John Ross, December 18, 1777, Ibid., 280.
57John Ross to Silas Deane, February 7, 1778, Ibid., 358.
& agrees to be accountable at any time when demanded to the said Silas Deane for the one half of all the Profits, wether (sic) by Merchandize, Commission or otherways that shall be made by said House so established".58

Simeon Deane had intended all along to establish a house in Virginia,59 but circumstances dictated that he leave France as soon as possible. News of the American victory over General Burgoyne reached Europe by this time, and this author believes Silas Deane knew it would bring France closer to some form of a treaty. In the event of which war between France and England would develop. Under the hope of protection from the French fleet Deane expected French merchants would begin trading heavily to America. A trading house in tobacco rich Virginia would be very profitable, especially if Silas Deane could use his influence to have the French cargoes consigned to that house. Indeed, the action prompted William Lee to write to his brother Richard the following:

"As Mr. Deane's brother, Simeon, is sent out to establish a house in Virginia under ye firm of S. Deane & co., that will have all possible interest made here to get ye chief of ye consignments for this country, which

58 Agreement between Silas Deane and Simeon Deane, December 22, 1777, Connecticut Historical Society, Collections, XXIII, 124.

59 Silas Deane to Robert Morris, October 1, 1777, Isham, ed., The Deane Papers, II, 163.
probably will take a great deal from ye house of Willing, Morris & Co., if things continue here as they are at present".

Before leaving France Simeon Deane had begun gathering his cargo in Nantes with Jonathan Williams acting as his agent in that port. Simeon Deane purchased a ship to carry his goods to America and become a permanent asset of his firm. The ship purchased was a prize captured by an American privateer, a brig named Two Friends which was then fitted out at Nantes by Jonathan Williams.

Unfortunately the exact nature of the cargo is unknown. The value of the cargo and ship was placed at 60,000 livres for insurance purposes. Insurance was taken out by Simeon Deane's French partners Sabbatier, Fils, and Desprez. Jonathan Williams received 9,000 livres for his part in the venture as agent at Nantes.

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63 Silas Deane to Jonathan Williams, March 15, 1778, Ibid., 407.

64 Silas Deane to Jonathan Williams, January 13, 1778, Ibid., 327.
A quantity of tea Simeon Deane purchased did not sail for America on the Two Friends. Simeon thought Captain Nicholson had agreed to carry the tea in his private cabin in the Continental Frigate, Lyon. It was customary for the Captain to be allowed space in his cabin for a small private venture, and in this case Simeon's tea was to fill that space.

Upon Simeon's departure, Silas gave Nicholson orders to receive the tea from Williams and directed it to New England consigned to Barnabas Deane. Apparently a problem developed with Nicholson and Deane wrote Williams that the tea had specifically been purchased to go in the Frigate. Deane was misunderstood and had to write again to Williams denying that the tea was intended as a cargo, but merely a captain's privilege. Deane indicated he would take it personally if Nicholson took another interest in his place. Although using the captain's privilege was not out of the ordinary it seems unusual pressure was put on Nicholson to carry Simeon Deane's tea.

65Silas Deane to Jonathan Williams, February 1, 1778, Ibid., 348.
67Silas Deane to Jonathan Williams, February 1, 1778, Ibid., 348.
68Silas Deane to Jonathan Williams, February 3, 1778, Ibid., 352-353.
Another unusual aspect of this venture was the convoy arranged by Silas Deane. This involved not only his brother Simeon's ship but also those under the direction of John Ross. The protection for the convoy was Captain Nicholson's Frigate, Lyon, mounting thirty-six guns. William Lee accused Silas Deane of delaying the Continental ships until the merchant vessels were ready. Lee wrote his brother the following:

"I have wrote you a variety of letters, all which are on board ye Independence, Captain Young, and ye Lyon, Captain Nicholson, two Continental vessels, that from ye most outrageous ill-management of your directors here, are I believe at this moment in ye river Loire, on which Nantes is situated, with ye clothing for your army, which ought to have been in America three months ago, and which most certainly in other hands would have been so. ye danger of the enemy excepted. Things cannot go otherwise while public interest is sacrificed to private jobs".

Although this account is somewhat exaggerated, Deane was willing to delay the Continental vessels if the private ones were not ready. He wrote to John Ross saying "Capt. Nicholson writes that he fears your Vessels will not be ready to go out with him, which I hope will not be

the Case, as I wish he may not be detain'd after being ready for sea".^^

The convoy of private goods by public ships was not unusual, in fact about the same time John Paul Jones wrote Deane of his willingness to convoy any ships ready on his return voyage to America. The point where Deane hindered the public interest was when he delayed the Continental vessels until the merchant ships were ready for sea. To wait on a private venture at the expense of speedy shipment of public supplies was beyond the boundaries of public service.

Despite the armed convoy Simeon Deane's ship was lost to the British. Unfortunately another cargo consigned to him from Cette was also lost, and Simeon wrote his brother that the combined cargoes would sell for £100,000 in Virginia. This was not the end of Simeon Deane and Company; Silas Deane continued to recommend it to his friends in France. By 1780 Simeon was interested in three vessels and engaged in speculation which he hoped would bring

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72 Silas Deane to Capt. John Paul Jones, February 7, 1778, Ibid., 357.

73 Simeon Deane to Silas Deane, Letter intercepted by the English, and published in Lloyd's Morning Post, August 26, 1778, Ibid., 465.
Silas Deane was still interested in the company, and by then was on his way back to France to arrange more ventures.

The French Merchants

Another group Deane was involved in private business with was the French merchants, principally through Le Ray de Chaumont and his associates. In the ventures already related it will be noted mercantile houses of Europe were involved in almost all of them. And, in several topics to be discussed later the same is also true.

There are obvious reasons for this French involvement. One was the language barrier; another was American lack of knowledge about French sources of supply. Both of these difficulties were easily solved by dealing through a French mercantile firm. This would not necessarily mean the foreign firm became a partner, but merely an agent who would receive a relatively small commission for his services.

Robert Morris had hoped to avoid foreign partners, but the British government made this impossible. Prior to the American Revolution the American merchants trading

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74 Simeon Deane to Josiah Buck, April 1780, Connecticut Historical Society, Collections, XXIII, 150-153.
to Europe had done so almost exclusively through Great Britain. It was with the mercantile houses of England where most of the American merchants' credits were lodged. The British government decided to protest these credits and not allow their transfer to France. This left the American merchants with very little capital to work with and no alternative but to take in foreign partners in their ventures.

Silas Deane's public work acquainted him with many of the leading mercantile houses of France, and these contacts provided ample opportunity for private ventures. Le Ray de Chaumont was a major contractor of supplies for the American Army. It was only natural for Deane to turn to the same man for private ventures. Beaumarchais did not get involved in private ventures as he was not a merchant, but we will later see him involved in privateering.

The venture in the Union involving Willing and Morris, Silas Deane, and Chaumont has already been discussed. When Thomas Morris failed to cooperate fully concerning that venture Chaumont urged Deane to take the Willing and Morris share on his own account. This Deane did not do. However, the point was well made and in the future Deane no longer interested Willing and Morris in his ventures with Chaumont.

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75 Silas Deane to Robert Morris, October 1, 1777, Isham ed., The Deane Papers, II, 162.
One venture in which Deane was probably involved to a small extent with Chaumont was a shipment of gunpowder sent out via Martinique about the same time as the Union. The powder was consigned to the firm of Willing and Morris, but they were not partners in the venture as none of their capital was involved. The powder arrived in June of 1777 at Alexandria, Virginia. The price at the time was low and Morris ordered the powder stored until the price rose again. Clearly Morris was faced with a conflict of interest in this situation. In his public capacity Morris should have obtained all the gunpowder for the army he could while the price was low. Yet as a private merchant it was his duty to obtain the best price he could for his French associate's goods. In this case profit motive proved stronger than the spirit of public service.

There is little available record of Deane's business dealings with Chaumont. Their arrangements were made in face to face meetings and there were very few written letters between them. They saw each other often in public af-

76 Ibid., 163.
77 Robert Morris to Silas Deane, December 29, 1777, Ibid., 295.
fairs, and Deane and Franklin were staying at one of Chaumont's houses in Passy.  

There can be no doubt that Deane and Chaumont were involved in private business affairs together. Furthermore they were successful ventures resulting in unfortunately unknown profits. After the war when Silas Deane was a poor discredited exile in England, his brother Barnabas wrote to him twice concerning the possibility of seizing Chaumont's securities in America to settle the debt owed Deane. This was not done, but the correspondence indicates the private ventures resulted in a gain for Deane and Chaumont.

It must be noted, the French merchants were not the junior partners in these ventures. They had to rely on the Americans for knowledge of the colonial market, but in most things they wanted their own way. It has already been noted that Robert Morris was upset with the treatment he received in the venture with Chaumont. The latter outlined the trading plan desired in the following letter to Morris:

"It is to be wished that the principal merchants of Philadelphia, Maryland, Virginia,

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78 James, "The Revolutionary Career of Silas Deane", 65.

79 Barnabas Deane to Silas Deane, December 10, 1784, Connecticut Historical Society, Collections, XXIII, 207-208, and Barnabas Deane to Silas Deane, October 15, 1785, Ibid., 217.
and Carolina would associate together and make expeditions for France, and in Dividing the losses upon as great a number of ships as possible the weight of insurance might be saved.

The merchants may address their vessels to me and Mr. Deane, and we will return in them whatever commodities they shall desire, and in which we will have an interest." 80

If any American merchants agreed to the plan this could be the source of the profits Chaumont owed Deane. The French merchants were also making money on freight and commission fees for carrying public goods. William Bingham complained to Silas Deane that freight on a shipment of gunpowder from Nantes was twice what Bingham had paid for a similar shipment from Bourdeaux. He also complained that addressing the shipment to Monsr. Diant, Chaumont’s associate in Martinique, had "saddled it with a Commission of 2½%, merely for the Receiving & delivering the Bills of Lading". 81 Cargoes of this nature were consigned to French merchants in Martinique to disguise their actual destination in the event of inspection by a British warship. Two and one-half percent is an excessive charge


81William Bingham to Silas Deane, February 28, 1777, Connecticut Historical Society, Collections, XXIII, 75.
for this service and the people involved were making good profits in exchange for little actual service.

Trade With Great Britain

Another topic which involves most of the topics already discussed is trade between Great Britain and the rebellious colonies. Several authors have discussed this trade. E. James Ferguson mentions it in general terms in *Power of the Purse*. Robert A. East in *Business Enterprise* relies on Thomas P. Abernethy's "Commercial Activities of Silas Deane in France", but does give additional evidence supporting his thesis.

Abernethy described the trade by saying, "Morris in the fall of 1776 proposed to Deane the organization of a company with a capital of £400,000, the object of which was to carry on trade between the enemies". Then he

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went on to elaborate on who was involved, shipping methods, etc. 85

This was not exactly what happened. This company—actually a very loose association of merchants—was much the same as the plan proposed to Deane by Morris and previously discussed in the section of Willing, Morris, and Company. The primary reason for the company was to supply America with consumer goods. Trade with Great Britain was indeed a part of this effort, but so was trade with France. The goods would be purchased wherever they were cheapest. In fact Franklin used this argument to the French ministry in defense of the American trade with Great Britain. 86

Paul Wentworth, an English spy in France, provides the basic outline of the trade between Great Britain and America:

"Willing & Morris of Philadelphia having wrote to Mr. Deane a scheme for an extensive & very profitable Commerce, to be carried on between the subjects of France, & those of G.B. now in Rebellion—Mr. Deane did actually engage Mr. Thomas Walpole, Mess. Bourdieu & Co., Mr. ___

85 Ibid., 478-479.

& others in London—Mess. Delap of Bourdeaux—
Mess. ________________(this House to which the
Brig Dickinson was ________) at Nantes—Mess.
De Chaumont— Mr. Grand of Paris, Mess. Hornieca,
Fiscaiaux & Co., & Mess. Crommelin at Amsterdam—
a House of Antwerp & Many others being sharers
of a capital of £400,000 to be employed as
French property on French ships. The articles
besides others are clothing ..., sail cloth,
cordage, ... linens, shoes, hose, blankets,
drugs, etc. Great quantities are shipped by
various means to Dunkirk & Ostend—& thence
in Coasters to ________, Nantes, & Bordeaux—
where they are reshipped in armed ships pro-
vided with American papers besides the neces-
sary papers as French ships sailing on French
account...One condition which is to bind the
adventure is that they are not to ship any
military stores."

Lord Stormont, the British ambassador at Paris, sup-
ports this report saying, "I am likewise informed that a
ship is now loading at Dunkirk for Nantes which is a very
unusual thing, Mr. Bordieu...and several other English
Merchants are it is said to be freighters in part". The
goods were "all ultimately intended for Philadelphia". The
Mr. Bordieu and the Mr. Bourdieu mentioned in Wentworth's
report are probably the same man.

87 Intelligence from Paul Wentworth, November 23, 1776,
B. F. Stevens, Facsimiles of Manuscripts in European Archives
Relating to America 1773-1783 (Wilmington, Del.: Mellifont
Press, Inc., 1970), No. 131. Hereafter cited as Stevens,
Facsimiles.

88 Lord Stormont to Lord Weymouth, October 9 and 10,
1776, Ibid., No. 1368.
Basically this was how the trade between American and Great Britain was carried on. Goods were shipped to Holland and then to France and finally on to America. In at least one case, it appears a ship sailed directly from England with passes to protect it from both English and American warships.\(^9\)

Silas Deane was for a period of time directly involved in this trade with the enemy. Benjamin Franklin corresponded with the British merchants involved, but this does not prove or disprove his personal investment. Lord Stormont's report concerning this correspondence is of interest, because it reveals the code names used by the merchants to protect their identities:

"I have some reason to suspect that Franklin has at least an occasional Correspondence with the following persons, viz. Lord Shelburn, Lord Camden, Mr. Thomas Walpole, Mr. Samuel Wharton, Lisle Street, Mr. Thomas Wharton Suffolk Street, Mr. Williams Queen Street Cheapside. The names of Jones, Jackson, Johnson, Watson, and Nicholson are fictitious names applies to signify the abovementioned persons".\(^9\)

Stormont also reported that the correspondence was sent to London through the French ambassador, Garnier.\(^9\)

Edward Bancroft wrote to Deane further details concerning the trading plan. He mentioned sending orders to


\(^9\)Ibid.
Amsterdam concerning "our Company transaction", which clearly refers to the trading group. Bancroft reported on the activities of "Johnson & Co." which refers to Thomas Walpole and his merchant friends in London. Bancroft even went so far as to suggest that Deane serve as their factor or agent in Paris for handling Bills of exchange between the countries. Imagine the American Commissioner in France acting as factor for a group of London merchants engaged in trade between the belligerents. Fortunately Deane had the sense not to act upon Bancroft's suggestion; however, this did not hinder the brisk trade that developed or Deane's share in it.

There is evidence that the trade between the enemies moved in both directions. In November of 1776 Edward Bancroft wrote Deane the following from London:

"I have settled matters respecting our project, and things are already to begin but the price of a certain commodity does not rise sufficiently as was hoped since its last fall; we shall do something however soon, & I beg you will not lose a moment in giving me notice of the receipt of certain Documents when they come to hand."

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93 Ibid.

94 Edward Bancroft to Silas Deane, November 8, 1776, Ibid., 350.
The commodity referred to was tobacco, and apparently Deane answered because Bancroft wrote on December 13:

"I have before me accounts of the Sales of some Quantities of Tobacco here (London) & in Holland. They were made in Consequence of your Letter of the 18th Ultimo. The Prices have since risen from a ..." 95

Although the evidence does not specifically indicate it, this author believes the tobacco came from America. It reached London somehow, either directly or via France and Holland. In any case Silas Deane was in the middle of a trade between Great Britain and America which moved in both directions.

In early 1778 Deane discouraged trade between the enemies. He stated it was in "direct opposition to the Resolutions of Congress". 96 With a view to the negotiations with France, Deane thought it "impolitic" to hold out the carrot of American trade while simultaneously trading with Great Britain. 97 Whether these were Deane's true sentiments or merely intended for prying French eyes is open to debate, but as Deane soon left France his role in the trade ended at any rate.

95 Edward Bancroft to Silas Deane, December 13, 1776, Connecticut Historical Society, Collections, XXIII, 58.
96 Silas Deane to John Ross, January 15, 1778, Isham, ed., The Deane Papers, I, 331.
97 Ibid.
British Stock Market

The Americans and some or all of the same merchants of London who engaged in wartime trade with America were also involved in speculating on the London stock market. Also involved on the French side of the English Channel were Silas Deane, Edward Bancroft, Jonathan Williams, and perhaps Benjamin Franklin. The basis of their speculation was Deane's access to secret American and French information about the war and possible alliance.

One area where it appears great profits were made was speculation based upon Burgoyne's defeat in 1777. As soon as news of Burgoyne's initial reverses reached France, Bancroft passed on the word to his associates in London. In a letter to Thomas Walpole, which was received November 3, 1777, Burgoyne's troubles are mentioned. Furthermore, two pages written in white ink were also included in the letter which probably referred to an alteration of their investments on the basis of that information.98

A similar letter to Samuel Wharton also covered Burgoyne's situation. In addition, it contained a separate sheet on which Bancroft analyzed the effect of this news on the British stock market. It was thought the bulls would suffer heavy losses and it would become a bear controlled

98 Dr. Bancroft to Thomas Walpole, undated, received November 3, 1777, Stevens, Facsimiles, No. 289.
market. This letter also contained passages written in white ink. 99

At a later date Paul Wentworth was to have met Bancroft upon the former's arrival in Paris from London. Wentworth reported that Bancroft was not in Paris but had "gone on the wing", (to London), "to save by Insurances a loss of £10,000 which may affect Deane & Co." 100 This trip was in response to the news of Burgoyne's final defeat which had reached France on November 30. 101 The insurance mentioned was a form of a wager. At that time events could be insured, such as whether it would rain on Friday. This particular insurance may have been one payable upon Burgoyne's surrender to cover either and insurance for his success or more likely, expected losses on a declining stock market.

Whichever the case, the insurance covered any loss and Deane and his friends came out money ahead on the deal. Wentworth reported to Eden:

"Ed is not as he should be—He offered to repay all he has received—the cursed journey to London has spoiled all ... He is flush of

99Dr. Bancroft to Samuel Wharton, undated, received November 3, 1777, Ibid., No. 290.

100Paul Wentworth to William Eden, December 11, 1777, Ibid., No. 225.

money. Has Large share in the cargoes going out---& I suppose has been bribed by W__le."102

The "Ed___" refers to Edwards, which was Bancroft's code name in the British spy system. "W__le" refers to Thomas Walpole, a London merchant, who has been previously mentioned in Deane's affairs. Deane was sufficiently aware of the situation on the London stock market to report not only the downward affect of Burgoyne's surrender, but even the minor counter effect the British capture of Mud Island had on the market.103

The other subject upon which Deane and his friends speculated was the alliance between America and France. The alliance was agreed upon in early January 1778, but not signed until February. On January 10, 1778, Paul Wentworth reported to William Eden that Deane had given Bancroft "orders to employ Wharton (i.e. W____le) to open policies(sic) to insure the acknowledgement of their Independence within six months".104 This refers to French recognition of American independence. In view of Deane's knowledge of French agreement on this point this insurance can be regarded as the classic sure bet.

There is concrete explicit proof that Deane was involved in these speculations. E. James Ferguson reports a

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103Silas Deane to John Ross, January 15, 1778, Isham, ed., The Deane Papers, II, 332.

104Paul Wentworth to William Eden, January 10, 1778, Stevens, Facsimiles, No. 335.

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"statement of accounts dated February 1778 which shows profits of 20,000 livres arising from his share of transactions in British stocks conducted through the Amsterdam firm of Hornica, Fizeau and Company".105

An entry in the account of the United States with M. Grand the Paris banker is also a direct link between Deane and the speculations. On February 17, 1778 Deane ordered the transfer of 19,520 livres to Samuel Wharton of London.106 The fact that the entry was on the public account was an error on the part of the banker and should have been on Deane's private account. Even Arthur Lee testified that this was the case.107

Further evidence that Deane was directly involved appears in a letter he wrote to his brother Simeon after the war. It appears Deane's account was not settled and he hoped Simeon would be able to collect some money that was still due him from Wharton.108

Although Arthur Lee did not approve of Deane's activities, his brother William was an even greater speculator.

105Ferguson, Power of the Purse, 89-90.
106Ingraham, Case of Silas Deane, 110.
107Ibid., 160.
108Silas Deane to Simeon Deane, October 20, 1783, Connecticut Historical Society, Collections, XXIII, 191.
He also hoped to take advantage of early knowledge of events for financial gain. In December of 1777 he felt the market was about to plunge even lower and ordered £200,000 worth of stock sold immediately after Christmas. Deane could only dream of such sums, and this was only a part of Lee's holdings.\textsuperscript{109}

**Privateering**

Privateering was very important to the American effort against the British. Without an established navy, privateers brought the war to the home shores of the British Isles. Silas Deane coordinated and encouraged these activities for the American commissioners.

As early as August of 1776 Deane wrote to the Committee of Secret Correspondence that it would be very profitable for individuals under the guise of trade to be privateers out of the French ports.\textsuperscript{110} In October he again requested power to commission privateers noting that "persons of the first property have already solicited me on the occasion."\textsuperscript{111}


Once again in December Deane wrote to John Jay about this matter saying the privateers would be very useful and might help to bring on a war in Europe.\textsuperscript{112}

Finally in late December the Committee of Foreign Affairs granted permission to fit out armed vessels on the public account if such action was acceptable to the French court.\textsuperscript{113} Later this was expanded to include actual privateers.

Deane mentioned he had been solicited by "persons of the first property" for privateer commissions. No doubt these were some of his French merchant friends. Successful privateering was a very profitable business, and this author feels Deane was rewarded for his efforts to get commissions with a share in the ventures. This was a case where his public and private interest coincided—he had an opportunity for profit and the United Colonies benefitted from the hinderance of British trade.

Soon privateers were sailing from many French ports. This placed France in a very awkward position with respect to Great Britain. The British had grounds to declare war,

\begin{itemize}
\item\textsuperscript{112} Silas Deane to John Jay, December 3, 1776, Wharton, \textit{Diplomatic Correspondence}, Vol. II, 213.
\item\textsuperscript{113} Committee of Foreign Affairs to Franklin, Deane, and Lee, December 21, 1776, Force, \textit{American Archives}, 5th Series, Vol. III, 1328.
\end{itemize}
but they chose to avoid war with France as long as possible and did not break relations with France. Lord Stormont, the British ambassador in Paris, did press the French ministry to maintain strict neutrality.

The initial fitting out of privateers was not difficult because they went under the guise of armed merchant ships until they left port. Once a privateer was known it was a different matter. In response to British complaints concerning American privateers, the French Council ordered that known privateers could remain in French ports for only 24 hours. However, this was not immediately enforced; and express letters were sent to ports where privateers were likely to be allowing them to remain. 114

Much more difficult was the sale of prizes or captured enemy vessels and their cargoes. To avoid breaking the 24 hour rule, a complex procedure was worked out. A prize would come into a port and arrange for sale of the cargo. Within 24 hours it would leave port followed by coasting lighters to which the cargo was transferred along an isolated coastal area. The markings of the ship were then changed, and the ship and lighters could freely enter any port on the coast with fake ships papers. Ships which remained in a port for more than 24 hours ran the risk of being detained

114 Paul Wentworth to Earl of Suffolk, July 17, 1777. Stevens, Facsimiles, 182.
by the Farmer-General of customs. After long delays and much adjudication these ships were forfeited to the Farmer-General who disposed of them at less than their value to the proper persons. In this case the proper persons being French merchants connected with Deane and other Americans in France.

Once the cargoes were sold and the markings and papers changed, the captured enemy vessels were brought into a French port for sale. There is evidence that these prizes were sold for much less than their full value. English intelligence reposts mentioned that a prize was sold by Captain Conyngham for half price and that Captain Lambert Wickes sold five of his prizes "purposely for much less than they were worth". Thomas Abernethy in an article on Deane's commercial activities in France uses manuscript material to footnote his statement that these prizes and captured goods were then sold to Congress at the high prices then prevalent in America. This resulted in great

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115 Paul Wentworth to Earl of Suffolk, October 17, 1777, Ibid., No. 274.
116 Ibid.
117 Statement concerning the employment of Lieutenant Colonel Edward Smith with regard to Captain Hynson and a sketch of Information obtained, March 1777, Ibid., No. 248.

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profit, at one time even as much as eight thousand percent.\textsuperscript{118}

The 24 hour rule meant that the French merchants could almost dictate the terms in the sale of the cargoes. The dubious legality of the papers on the captured prizes meant they also could not be sold at their true value; however, in both cases a better procedure could have been found to dispose of them.

The topic of privateering is too broad to be covered in its entirety in this space. This thesis will only cover Deane’s personal involvement on a private level. This author believes most of his privateering activities were in conjunction with merchants and friends—the most prominent being John Ross, Beaumarchais, and Le Ray de Chaumont. Deane’s role in privateering is usually clouded. As American commissioner even Deane felt the need for discretion. Furthermore, contemporaries made very little distinction between publically and privately owned ships.

In one instance, Deane and his business associates, one of whom was Ferdinand Grand the Paris banker, had a difficult time finding a ship suitable to be their privateer. They sent Samuel Nicholson to search for a vessel. He searched Boulogne, Calais, and even crossed the channel to Dover, Deal, and Foalstone. Finally at Coalchester he

\textsuperscript{118}Abernethy, "Commercial Activities of Silas Deane", 481.
found an old revenue cutter of 85 tons. From England he sailed the cutter to Havre. From there a French crew moved the ship to Nantes, but there the crew left when they found it was to be a privateer rather than a merchantman. Guns were put on and an American crew went aboard. Nicholson admitted that the cutter would cost a lot of money to fit out, but he wrote to Deane, "You may depend all I can do; shall be done, to make her pay for herself the first Cruise, ..." It may seem strange that Americans would go to England to find a ship with which to prey on British shipping, but war was different during the eighteenth century.

Robert Morris did not approve of privateering during the early stages of the revolution. He wrote to Deane that his long standing business connections in London caused him to stay out of privateering as a matter of principle. By winter, as hopes of reconciliation grew dim, Morris changed his mind and proposed a venture to Deane. Morris obtained a commission for Thomas Bell as captain of a privateer, which was to be obtained in France.


120 Samuel Nicholson to Silas Deane, April 13, 1777, Ibid., 91-92.

121 Robert Morris to Silas Deane, September 12, 1776, Isham, ed., Deane Papers, I, 233.
Robert Morris and John Maxwell Nesbitt were to be interested for 1,000 pounds sterling each. The rest of the venture was to be made up by Thomas Morris and Silas Deane. Morris sent a cargo of tobacco over to France in the same ship on which Captain Bell was a passenger. The proceeds from the sale of this cargo were to be Morris' share of the venture.\textsuperscript{122}

Eleven months later Robert Morris wrote of the venture again because he had heard nothing from either Deane or his brother Thomas about a ship for Captain Bell. He questioned whether Thomas had paid the Philadelphian's share and whether a ship had been purchased.\textsuperscript{123} Robert Morris had heard nothing of the venture, because very little had happened. For further financial backing in the venture Deane had turned to Beaumarchais.\textsuperscript{124} A Mr. Eyries was commissioned with an advance of 70,000 livres to obtain a suitable ship, and he and Captain Bell went to Marseilles.\textsuperscript{125}

\textsuperscript{122}Robert Morris to Silas Deane, January 31, 1777, \textit{Ibid.}, 477-78.

\textsuperscript{123}Robert Morris to Silas Deane, December 29, 1777, \textit{Ibid.}, II, 296-97.

\textsuperscript{124}William Bell Clark, \textit{Lambert Wickes: Sea Raider and Diplomat} (New Haven: Yale University Press, 1932), 212.

\textsuperscript{125}\textit{Ibid.}, 330.
George Lupton reported to British intelligence that a ship mounting twenty 12 pounders was purchased. The privateer hoped to prey upon British ships returning from Italy loaded with silks.\textsuperscript{126} Carmichael later testified before Congress that two ships were purchased, but the State of Genoa intervened and annulled the sale.\textsuperscript{127} The whole affair ended as a fiasco with the venture scrapped and Deane requesting Beaumarchais' help in settling with Mr. Eyries.\textsuperscript{128} Thomas Morris refused to cooperate in a losing venture and would not provide his brother's or his own share of the money from the sale of the cargo of tobacco consigned to that purpose.\textsuperscript{129} Thus ended another good opportunity for Deane which failed to bear fruit.

One affair in which Deane was involved was the transfer of an unprofitable ship from private hands to the public account. The ship was the La Brune, a privateer under Captain Green, in which Silas Deane had an interest through


\textsuperscript{127}Examination of Mr. Carmichael Before Congress, Ingraham, \textit{Case of Silas Deane}, 145.

\textsuperscript{128}Silas Deane to Caron de Beaumarchais, August 9, 1777, Isham, ed., \textit{Deane Papers}, II, 101.

\textsuperscript{129}Ferguson, \textit{Power of the Purse}, 88.
John Ross. Once the ship was purchased, funds were lacking to start a venture, and Ross proposed that the ship be sold to the public account. Deane thought the La Brune would probably be profitable as a private concern, but agreed with Ross saying it would surely be profitable to the public.\textsuperscript{130}

With Deane's positive response to this proposal, Ross privately informed Deane that he would put the matter before the commissioners as a whole. He asked Deane to urge the commissioners' acceptance, and to secure a commission for Captain Green. Ross thought the ship would have made a good cruiser if money had been available for outfitting and the public was getting a fair deal.\textsuperscript{131}

Deane answered Ross's request on behalf of the commissioners. They agreed to the purchase and ordered that Ross equip the ship accordingly. A commission for Captain Green was sent along with the letter. The commissioners hoped, as Ross had assured them, that the ship would be the cheapest vessel they had purchased and equipped to date. No mention was made of Deane's interest in the vessel.\textsuperscript{132}

\textsuperscript{130}Silas Deane to John Ross, February 1, 1778, Isham, ed., Deane Papers, II, 349-50.

\textsuperscript{131}John Ross to Silas Deane, February 5, 1778, Ibid., 356-57.

\textsuperscript{132}The Commissioners to John Ross, February 11, 1778, Ibid., 361.
Privately Deane informed Ross that the decision was the result of his and Franklin's deliberations. If Ross did not like the arrangement, Deane suggested using the ship to transport public supplies to America. By charging a low freight they could have the public bear the risk of possible loss of the ship. Deane was of the opinion, however, that the simplest method would be to sell the La Brune to Congress. ¹³³

The La Brune may have been a bargain for the public, but this author has his doubts. It is unlikely that a shrewd businessman like John Ross or even Silas Deane who was a silent partner would let an opportunity for profit slip through their fingers. More likely the ship was not suitable for their initial purpose and was sold to Congress to avoid a loss.

Captain Gustavus Conyngham was one of the most colorful of the American Privateers. Early in 1777 a venture was organized around the ship Surprise and in May he sailed out of the port of Dunkirk. Conyngham captured two prizes, one of them the Harwich mail packet. This mistake was compounded by his returning with the prizes to Dunkirk, from which he had sailed as a merchant man.

¹³³Silas Deane to John Ross, February 11, 1778, Ibid., 362-63.
The British protested strongly to the French Government, and Conyngham and his crew were put in prison and the prizes seized. Now the American Commissioners protested and after a short stay Conyngham and his crew were freed. The prizes, however, were returned to the British.

A new ship, the Greyhound, was fitted out for Conyngham by William Hodge, and assurances given that it would not sail as a privateer. The Greyhound was a privateer and after it sailed Hodge was put in the Bastille for a short time to please the angered British. Conyngham had learned from past experiences and on this second voyage brought his prizes into ports on the northern coast of Spain.

The backers of Conyngham's first voyage were Mr. Hodge, John Ross, and the public account. It appears Deane was also privately concerned on a silent basis with Hodge and Ross. Deane wanted to sell the public share of the venture to Hodge and Ross, but the deal fell through. In fact after the venture proved a failure William Lee wrote home that "on account of some irregular conduct in fitting out a privateer at Dunkirk, commanded by Captain Conyngham, on private account, tho' it is hinted now that

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134 Examination of Mr. Carmichael Before Congress, Ingraham, Case of Silas Deane, 148.

135 Lee Testimony, Ibid., 40.
Actually Conyngham's two ships did cost the public 113,720 livres just to get them both outfitted at Dunkirk. This includes the public's share of both ships, lodging for the crew, provisions for the ships, and a 2½ per cent commission for Hodge. It appears that although the ships themselves were only partially owned by the Congress, small items like travel expenses and lodging were paid in their entirety by the public account.

Conyngham's second voyage illustrates the use of public credit to fund partially private ventures. Conyngham brought his ship and prizes into the ports of northern Spain. He sold a prize and used the money to pay his expenses, but that soon ran out and Conyngham wrote to Deane asking that a credit be established for him at Ferroll. Conyngham stayed off the coast of northern Spain until February of 1778, by which time Hodge arrived to take over the financial affairs for Ross and Deane. In this case Deane was acting in a public capacity.

136 Silas Deane in Account with William Hodge, Ingraham, Case of Silas Deane, 103.
137 Gustavus Cunningham to Silas Deane, September 17, 1777, Connecticut Historical Society, Collections, XXIII, 112-14.
The ship had piled up more bills than could be covered by the money brought in by the sale of prizes and captured cargoes. Hodge complained that the settlement of accounts was further hindered by orders of Arthur Lee. Lee wrote to the ships' creditors that as only half the ship was owned by Congress they should only cover half the expenses from the public account.\textsuperscript{140}

This was not the usual manner of handling American privateer accounts in foreign ports. In distant ports like those of Northern Spain it was much easier to establish a public account than one for the private backers. Thus putting all the charges to the public account was a matter of expediency, but it also made it easy for accounts to be shuffled and the private owners not pay any or only a part of their just expenses. Arthur Lee was correct in asking for separate accounts, but this was not the way Deane and his friends normally did business.

The American Commissioners in Paris sent new general orders to Conyngham soon after Deane left for America. The public interest in the ship caused them to regard it as a continental ship of war. The commissioners informed Conyngham that neither Hodge or Ross had any right to direct the movements of Conyngham's ship. The commissioners

\textsuperscript{140}Ibid., 377.
also informed Conyngham that, "neither had Mr. Deane alone any right to dispose of the prizes you made, as Mnsr. Lagonere informs us he has done". It seems that after Deane's departure, the commissioners felt privateering should be handled more with the public interest in mind.

141 American Commissioners to Gustavus Conyngham, no date, Neeser, ed., Cruises of Gustavus Conyngham, 131.
RECALL, LATER LIFE, AND CONCLUSIONS

Recall and Later Life

Notice of Deane's recall by the Congress reached France in early 1778 shortly after the signing of the treaty between the United Colonies and that country. The recall was engineered by Arthur Lee and his brothers and friends in Congress. Lee and Deane had never gotten on very well, and Lee had written his relatives in America many negative things about Deane. In particular he wrote that accounts were improperly handled, and these accusations ultimately reached the Congress. ¹

Deane arrived in America on the French fleet which had also brought Gerard, the French Minister, to America. ² Deane, however, was ignored by Congress, which interviewed him only a few times in spite of his numerous requests to be heard. Deane had neglected to bring receipts and other pertinent records with him so his accounts with Congress could not be properly settled. ³

The question of Deane's conduct became the focal point of factional conflict in Congress. Issues far

¹Burnett, Continental Congress, 360-361.
²Ibid., 360.
³James, "The Revolutionary Career of Silas Deane", 154-55.
greater than Silas Deane added fuel to the fires of debate. The whole course of American foreign policy was in question, as were several diplomatic posts. An issue involving Arthur Lee rekindled the old New England-Virginia political faction in Congress. Henderson, in his study of party politics in the Continental Congress, draws an analogy between the Deane question and the earlier debate over independence. The Adams-Lee group assumed the role of Patriots in a second resistance with the Deane-Morris group, the tories, and France, the contaminating Old World menace. The old Eastern party did not revive fully, because sectional influence proved too strong. Antagonism between the Eastern and Southern parties grew, and the result was a decline in the influence of the Eastern party during 1778 and 1779.

The group supporting Arthur Lee's charges came from Massachusetts, New England, and his home state of Virginia. Deane's friends came from the middle and southern states. For the Eastern party it was the old patriots trying to keep the revolution pure against the enemy within. The Middle states wanted to preserve their new economic ties with France from interfering amateurs. The Southern states

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4Henderson, Party Politics, 188.

5Ibid.
needed good relations with France in the hope that the French Navy would help turn back the British invasion.\(^6\) The Southern states may have been influenced by the French Minister, Conrad Alexandre Gerard, who was not a friend of Lee.

As these two parties lined up behind the personalities of Lee and Deane, the division spread to many related areas as well. The problem of formulating acceptable peace terms came into the debate. Related to this question was the debate over who should have which ministry abroad. Quite a struggle grew up over the positions of peace commissioner and minister to Spain.\(^7\) In short, the question of Silas Deane's activities in France was only one aspect of what became a greater struggle between factional and sectional interests.

Deane took his case to the public and a long debate in the newspapers began with Thomas Paine writing against Deane.\(^8\) The debate carried on well into 1779 with no resolution. Finally, in August, Congress discharged Deane and authorized that an agent be sent to France to settle the accounts.\(^9\) This resolved none of the charges against

\(^{6}\)Ibid., 194-95.
\(^{7}\)Ibid., 206-213.
\(^{8}\)Burnett, Continental Congress, 363-64 and 366-68.
\(^{9}\)James, "The Revolutionary Career of Silas Deane", 183-84.
Deane. He was found to be neither guilty nor innocent, but merely sent away. Furthermore, the burden was now upon Deane to justify his monetary claims against Congress.\textsuperscript{10}

Finally, in June of 1780, he sailed again for France to get his accounts in order so an agent from Congress could settle them.\textsuperscript{11} He also hoped to engage in private business activities, but his funds were limited and trade between France and America was almost at a standstill. The agent from Congress arrived, but he was only empowered to look over the accounts not settle them.\textsuperscript{12}

Deane became very depressed and shortly before news of the Battle of Yorktown reached Europe he wrote a series of private letters to friends in America urging a reconciliation with Great Britain. These were intercepted by the British and published in New York in Rivington's tory newspaper.\textsuperscript{13} Deane was branded a traitor. Word of this was sent to France and Deane, fearing arrest, went into exile in Holland.

After the end of the war Deane moved to London where he lived a humble existence. With the new government in America in the spring of 1789, he decided to return to

\begin{footnotes}
\item[10]Ibid., 184.
\item[11]Ibid., 190.
\item[12]Ibid., 206-207.
\item[13]Ibid., 218-219.
\end{footnotes}
America. He boarded ship to do so in September, but before the vessel could get away from England he suddenly became ill and died. Julian Boyd feels Deane did not die of natural causes, but rather was poisoned by Edward Bancroft. Bancroft had been the American Commissioners' secretary in France all the while acting also as a British spy. He may have feared Deane would stumble on to his spy activities and therefore resorted to poison.

Conclusions

The possibility of conflict of interest by public officials is given much scrutiny today. Our modern standards will not tolerate such conflict, and any trace of it is usually grounds for dismissal or criminal proceedings. During the late eighteenth century, however, it was common for a public official to have private interests which by today's standards would be totally unacceptable. Silas Deane's private business activities are a case in point. Clearly, his ventures would be in severe conflict of interest today, but by eighteenth century standards the mere fact of his private concerns was not a cause of concern. The question of whether Deane was in conflict of the public

14Ibid., 258-59.
interest becomes the degree to which he allowed his personal ventures to take precedence over his public duties.

Deane himself saw no conflict of interest in his handling of the public affairs in France. In one of his first reports to the Secret Committee he wrote that "surely you will put me down as one of the first in the roll of American heroes, ..."\(^{16}\) At the end of his mission to France Deane wrote his feelings on public business to his brother. "I am most heartily tired of public Business, & only wish to retire without Loss or Disgrace. Others may give greater satisfaction. No one can be more Zealous or Asiduous than I have been in promoting the Interest of my Country."\(^{17}\)

Deane was not being totally honest with himself or perhaps he really believed the public interest was always foremost in his mind. There were several times when Deane failed his public duties. There were no major blunders which materially affected the American Cause, but there were failings all the same and another man might have done better.

The details of several of Deane's activities in France are sketchy and open to several interpretations.

\(^{16}\) Silas Deane to the Secret Committee of Congress, August 18, 1776, Isham, ed., \textit{Deane Papers, I}, 216.

\(^{17}\) Silas Deane to Simeon Deane, January 15, 1778, \textit{Ibid.}, 333.
They must be viewed in the light of some of Deane's previous activities of which more is known. His action in the destruction of a deed of property to avoid the loss of property in Connecticut certainly does not speak well for him. Deane was also very eager to help his friends while he was a delegate to the Continental Congress. This was not uncommon, but granting his brother a contract to build a warship was not in the public interest. Barnabas Deane was a merchant not an experienced ship builder. Thus we find Deane a man who would do more for his friends than the public interest would allow. This was not a conscious plot to subvert the public interest, but his good intentions had the same effect.

Once in France Deane's desire to help his friends and himself caused the public interest to be neglected several times. One was the delay of a shipment of public goods to America until his brother Simeon's ship was ready to sail in convoy with them. This did not cause the continental army to lose a battle, but the public supplies were needed badly in America.

The practice of trading with Great Britain was also partially contrary to the public interest. Several of the goods purchased in England were necessary for the war effort. These included sailcloth, cordage, and drugs; but others such as linens, shoes, and hose were not absolutely necessary. One aspect of American policy was to withhold
trade from the British merchants in hope they would be forced to support the colonies in London. Deane's trade in consumer goods with the British merchants was in direct opposition to this hope.

Deane's speculations on the British stock market did not harm the American cause, but they certainly did not help it either. They were only profitable because of Deane's official position and access to secret information. He was rather naive to think that such speculations could be carried on without the knowledge of the British government, and even more so not to question why they were allowed to continue. Apparently, Deane did not question the ease with which Bancroft, Secretary to the American Delegation in France, traveled between England and France to make speculations. By not questioning this, Bancroft the spy went undetected.

Deane's most serious violations of the public interest occurred in the area of privateering. The transfer of a ship owned by John Ross and himself to the public account was definitely inappropriate. Much more costly, however, were two less blatant cases. One was the lack of an adequate accounting system to handle the costs involved in outfitting ships jointly owned by the public account and private investors. The private investors did not bear their full share of the costs of outfitting such vessels. The costs were drawn upon the general public account rather
than on a separate one from which the private investors could be charged back their appropriate percentage of the expenses.

The other failing concerned the control of the privateers which were partially public. The captains took them where they pleased and made any captures they could. The case of Captain Conyngham is a good example of how such activity caused problems for the Americans with the French government. More assertion of the public's rights in such ships by Deane would possibly have avoided some of these problems.

Deane did not deliberately attempt to subvert the public interest by these activities, and he is not guilty of embezzlement of public funds. He did fail to realize the full ramifications of some of his actions, but this does not excuse Deane from blame. Surely another man could have served much worse, but another man might also have served his country better than it was served by Silas Deane.
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