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JOSEPH LANE McDONALD AND THE PURCHASE OF ALASKA

Very little is known of the early life of Joseph Lane McDonald, but from fugitive sources we glean that he was born in Ireland in 1820 and emigrated to the United States about 1834.¹ His life here for the next twenty years was uneventful. He followed rather unsuccessfully the trades of sailor, fisherman and ship carpenter, and at one time possessed a small craft, but he never advanced beyond a common calling.

These years, however, were not unfruitful to his mind, for, as he listened to the stories of the returned New Bedford whalers, his interest in fisheries, at first casual, grew, and he began to dream of the wonderful wealth to be gained some day in the Pacific waters.

Only a slight stimulus was needed to urge him to action. This he received from the discovery of gold in California, which widely advertised the West. About 1857 he made up his mind to seek these fisheries and, taking passage on one of the many ships bound to the Pacific, arrived in San Francisco in 1858.²

Early in 1859 he set out to explore the California waters. He was grievously disappointed in them. He found that the widely-heralded mackerel shoals in the Santa Barbara channel warranted no financial outlay, and that the cod banks yielded but an inferior and jaundiced fish. He quickly dismissed these waters as inconsequential, and set out on a second cruise, to the north, and explored the coasts of Oregon, Washington, British Columbia and Alaska. This time he was successful. What he beheld in Alaska outmatched all his dreams and he was certain a great fortune awaited him.³

¹ "Deposition of Joseph Lane McDonald" in *Evidence for the United States in the Matter of the Claims for the Puget Sound Agricultural Company* (Washington, D. C., 1867), pp. 122-126. Joseph Lane McDonald, *Hidden Treasures or Fisheries Around the North-West Coast* (Gloucester, Mass., Advertiser Press, 1871), pp. 6-10. McDonald to Seward, July 15, 1867, in *House Executive Document*, 177, 40th Congress, 2d session, serial number 1339, p. 58. Stellacoom (Washington Territory) *Puget Sound Herald*, May 1, 1862.

² *Hidden Treasures*, p. 10. McDonald to Seward, in op. cit., p. 58.

³ *Hidden Treasures*, p. 10.

But he also found that Americans worked under a disability in Alaska, for since the expiration of article 4 of the treaty of 1824, in 1834, the United States had come to no arrangement whereby its citizens could make landings in the Russian possessions, and that permission to do so would have to come from the Russian governor.

Late in the fall of 1859 he returned to San Francisco where he formed a company one of whose members was the Russian consul, and as the governor was in the city at the time the consul was entrusted with the business of getting the necessary permit. It is certain that at this time McDonald had no thoughts concerning the purchase of Alaska. What he desired was without doubt a lease, or "the privilege of prosecuting the salt fisheries for a term of years along the peninsula of Alaska." The Hudson's Bay Company had secured (for fur-trading) such a lease on the mainland, and McDonald's request was not without precedent. The Russian consul was unsuccessful in his efforts, the governor refusing emphatically to listen to the proposition, and McDonald turned elsewhere for aid. He first addressed himself to Secretary Cass at Washington, D. C. The secretary replied that the troubles then in prospect in the South precluded any effort on the part of the Federal government in his behalf, and that his franchise in those regions must "wait for a more convenient season." He next applied to Senator Gwin who, according to McDonald, offered the Russian government "then and there" the sum of six millions for the territory of Alaska.⁴

Of efforts through Senator Gwin and Secretary Cass at Washington, D. C., we have an authentic account by Charles Sumner, who says: "It is within my knowledge that the Russian government was sounded on the subject during the administration of Mr. Buchanan. This was done through Mr. Gwin at the time Senator of California, and Mr. Appleton, Assistant Secretary of State. For this purpose the former had more than one interview with the Russian minister at Washington some time in December, 1859, in which, while professing to speak for the President unofficially, he represented "that Russia was too far off to make the most of these possessions; and that, as we were near; we can derive more from them." In reply to an inquiry of the Russian minister Mr. Gwin said that "the United States could go as high as \$5,000,000 for the purchase," on which the former made no comment. Mr. Appleton, on another occasion, said to the minister that the acquisition would be very profitable to the States on the Pacific; that he was ready to follow it up, but wished

⁴ *Hidden Treasures*, p. 10; McDonald to Seward, in *op. cit.*, p. 58; "Address of Cornelius H. Hanford before the Bar of Seattle on the Occasion of the Death of Henry G. Struve" in Clinton T. Snowden, *History of Washington*, iv, p. 154.

to know in advance if Russia was ready to cede; that if she were, he could confer with his cabinet and influential members of Congress. All this was unofficial, but it was promptly communicated to the Russian government, who seemed to have taken it into careful consideration. Prince Gortschakow, in a despatch which reached here early in the summer of 1860, said that the offer was not what might have been expected; but that it merited mature reflection, that the minister of finance was about to inquire into the condition of these possessions, after which Russia would be in a condition to treat." The prince added for himself that "he was by no means satisfied personally that it would be for the interest of Russia politically to alienate these possessions; that the only consideration which could make the scales incline that way would be the prospect of great financial advantages; but that the sum of \$5,000,000 does not seem in any way to represent the real value of these possessions;" and he concluded by asking the minister to tell Mr. Appleton and Senator Gwin that the sum offered was not considered "an equitable equivalent."⁵

Civil war and the changed administration dispersed most persons connected in any way with these negotiations, and McDonald repaired to Puget Sound which was nearer his coveted goal. His appearance here, as described by persons yet living, was most theatrical. His body was short, his shoulders enormous, and his head, the face of which was deeply pitted, formed union with the trunk without semblance of neck. His manners bespoke his person. Adults turned to take a second look and children to stare when he passed by. Some thought him a wonderful man, but others a halfwit, even bad. How he made a living nobody knew, although it was gossiped that he was a seller of whiskey to Indians and a smuggler, callings not held in such ill-repute then as now.⁶

He first came into prominence as a newspaper reporter and many of his signed articles give us valuable and interesting news.⁷ As he was ever on the move he probably became in a short time the best informed man in the territory on local happenings. His style certainly "was the man." He mixed in politics to a small extent and in 1863 applied for and received the position of chief clerk of the lower house. Thus he passed four or five years.

⁵ *House Executive Document*, 177, 40th Congress, 2d session, serial number 1339, pp. 133-134.

⁶ Several persons are yet alive who knew McDonald. The writer is especially indebted to Clarence B. Bagley, Cornelius H. Hanford, Albert Atwood and William Surber, all of Seattle, John Huggins of Steilacoom, and Ezra Meeker of Puyallup. See, also, *Steilacoom Puget Sound Herald*, May 1, 1862.

⁷ *Olympia Washington Standard*, January 4, 1862.

With the dawn of peace McDonald renewed his former activities but on a grander scale. He now proposed to form a gigantic "Oriental and Occidental Railroad and Steamship Company" having Europe as its eastern and Asia its western terminus, which should control many subsidiary concerns, cod packets, whalers, factories, and the like. Of course such a complex enterprise could not be inaugurated all at once, so he began an initial venture styled the "Puget Sound Steam Navigation Company", a good idea of which is contained in the prospectus issued on October 4, 1865:⁸

"If the heroes from the 'tented field;' statesman from the halls of Congress; 'wise men from the East;' the 'widows and the fatherless,' seek a safe lodge in our vast wilderness, may we not reasonably hope for 'replenishing streams' of useful immigrants within our 'sequestered vale of life'. Our people appreciate the situation. The mountain passes are made passable, and the weary traveler may now bathe body and soul in the 'placid waters of Puget Sound.' Our prairies abound with superior white pasture oak, which may be had 'without money and without price;' excellent for timber of medium sizes is now offered in quantities at six dollars per thousand feet, while ship carpenters, joiners and machinists are ready and willing to labor at reasonable wages.

"The topography of our smooth inland sea; the absence of hurricanes; the convenience of safe harbors and the prospective travel and commerce on Puget Sound, renders the immediate organization and incorporation of a Steam Navigation Company indispensable.

"We have been in correspondence with steamship owners 'beyond the seas' for several months, and we have assurance of means, if properly encouraged by our leading merchants and business men residing on the route.

"We propose visiting Victoria, via ports on the sound, early in November next, for the sole purpose of organizing the 'Puget Sound Steam Navigation Company,' which we hope to have incorporated by the Territorial Legislature early in December. It is desirable that the ports on the Sound shall contribute a sufficient amount of stock to entitle said ports to a local director. The amount of stock subscribed to be appropriated to the equipment of one or more first-class steamships, as the directors collectively assembled may determine from time to time. We cordially solicit stockdrovers, farmers, merchants, mechanics, and all others favorable to safe, cheap and speedy travel, to subscribe to the stock, in timber, provisions, labor,

⁸ *Seattle Gazette*, November 4, 1865; *Id.*, December 27, 1865; *Seattle Puget Sound Semi-Weekly*, April 12, 1866.

or money, to the end that travel and communication may be facilitated and placed within the reach of all. Clergymen, teachers, editors, and all others having the prosperity of our beautiful and romantic Sound at heart, are cordially invited to agitate this much needed enterprise, in their respective localities.”

Despite his eccentricities many important men enlisted their support,⁹ and by the time the legislature came into session the company was ready for incorporation. To Olympia, the capital, went McDonald in person, for he wished to sound the legislators beforehand on certain larger phases, fisheries, etc., already mentioned. He was assured that the bill for the incorporation of the Puget Sound Steam Navigation Company would pass without serious opposition, but no privileges could be given him in Russian waters since the territory had none to offer. However, a memorial might be addressed to the president of the United States touching that matter. Such a memorial McDonald decided to have introduced as follows:

“To his Excellency, Andrew Johnson, President of the United States. Your memorialists—the Legislative Assembly of Washington Territory, beg leave to show that vast quantities of cod, halibut and salmon of excellent quality, are found along the shores of Russian America. Your memorialists respectfully request your Excellency to obtain *such rights and privileges* of the government of Russia, as will enable our fishing vessels to visit the harbors of its possessions to the end that fuel, water and provisions may be obtained; that our sick and disabled fishermen may obtain sanitary assistance; together with the privilege of taking and curing fish and repairing vessels. Your memorialists further request that the Secretary of the Treasury be instructed to forward to the Collector of Customs of this, Puget Sound District, such fishing license, abstract journals and log-books as will enable our hardy fishermen to obtain the bounties now paid to the fishermen in the Atlantic States. Your memorialists finally pray your Excellency to employ such ships as may be spared from the Pacific Naval Fleet in surveying the fishing banks known to the navigators to exist from the Cortez bank to Behring Straits.”¹⁰

Both memorial and incorporation bills were introduced on the same day, January 9, 1866, the former being referred to the commit-

⁹ Those mentioned in the articles of incorporation were W. P. Sayward, Thomas Deane, E. S. Fowler, H. L. Tibbals, O. F. Gerrish, P. M. O'Brian, C. B. Sweeney, W. W. Miller, Isaac Lightner, S. W. Percival, S. D. Howe, G. K. Willard, Sam Coulter, T. F. McElroy and J. L. McDonald. The capital stock was \$50,000.

¹⁰ *Laws of Washington* (1865-66), p. 223. Cited also by Seward, and by McDonald in *House Executive Document*, 177, 40th Congress, 2d session, serial number 1339, pp. 4; 132-133.

tee on memorials and the latter to the committee on commerce. Both were reported back favorably on the 10th. The memorial passed its third reading on that day without debate.

Little objection was encountered by the incorporation bill, only two representatives, Messrs. A. S. Miller and H. C. Rowe, opposing, and it likewise passed on the 10th. But later in the day the Clarke County representatives had the vote reconsidered, to amend the bill, that the privileges granted should not extend to the Columbia river, where operated a rival company of much influence. The bill thus amended passed on the 11th.

Inasmuch as no debates were kept and the journal is our only source, certain parliamentary procedures are not altogether understandable. Thus one member moved that the privileges granted in the act be extended to the Russian possessions and Behring Straits; another that the company build the Northern Pacific Railroad. Both motions embody McDonald ideas, but whether they were made to help or hinder him is not clear.¹¹

While the memorial was yet before the legislature, McDonald forwarded a printed copy to Seward with a long letter, and urged the Secretary to acquire such fishing privileges in Russian America as were enjoyed by fishermen in British America.¹²

The document arrived in Washington at a most opportune moment. Seward was already engaged in renewing the purchase negotiations so hastily terminated by the Civil War. He says:

"The memorial of the legislature of Washington Territory to the President, received in February, 1866, was made an occasion in general terms for communicating to Mr. de Stoekl the importance of some early and comprehensive arrangements between the two countries to prevent the growth of difficulties in the Russian possessions."¹³

This is the memorial which was so widely used both in Congress and country as a "cause" to justify the purchase. Coming at a time most opportune and representing seemingly a large commonwealth, it played a larger part than it merited. So far as can be ascertained it represented no interest in Washington Territory save

11 *House Journal* (1865-66), pp. 172, 180, 189, 194, 207, 210, 219, 220; *Council Journal* (1865-66), p. 182; *Laws of Washington* (1865-66), pp. 193-194; 223. H. F. Smith introduced the memorial. H. G. Struve claimed to have drafted it. See "Address of Cornelius H. Hanford before the Bar of Seattle on the Occasion of the Death of Henry G. Struve" in Clinton T. Snowden, *History of Washington*, iv, p. 154.

12 McDonald to Seward, July 15, 1867, in *House Executive Document*, 177, 40th Congress, 2d session, serial number 1339, p. 58.

13 *House Executive Document*, 177, 40th Congress, 2d session, serial number 1339, pp. 4; 132-133.

McDonald, for this was before the days of commercial fishing here.¹⁴ Not a single Territorial paper gave it even mention, let alone comment, at the time; but after the purchase, it assumed importance.¹⁵

Shortly after the treaty of cession, McDonald made several trips to Alaska and after his return visited the East to seek capital for his enterprise. There he delivered several lectures on the resources of the new country, and arranged for the publication of his book entitled "Hidden Treasures, or Fisheries Around the North-West Coast." The latter was an ill-gotten up work of less than a hundred pages made up for the most part of excerpts from other writers, notably Wilkes and Davidson. In it McDonald wildly advertises the fisheries, urges the immediate annexation of British Columbia, relates his share in the acquisition of Alaska, and winds up with an enormous praise of the Puget Sound country, which he accompanies with a depreciation of the harbor facilities of Oregon and California.¹⁶

Nothing came of the Puget Sound Steam Navigation Company.¹⁷

In the promotion of his Oriental and Occidental Railroad and Steamship Company, McDonald found his last work on the Sound. As this company existed in his mind it was to be an international affair having many commercial ramifications, but for the present it was to be a spur-road, extending southeastwardly from Seattle to connect with the Union Pacific in Wyoming. The company was incorporated on March 3, 1875, and after surviving four years of stagnation, appealed to Congress through the Territorial Legislature for

14 Practically all newspapers give 1863 as the year when the commercial fishing began in Alaska: "The fisheries of the Ochotsk Sea, says the S. F. Call, became more and more promising, as an element contributing to our prosperity, as the capital and enterprise invested swells in volume. Two years ago [1863], a single vessel [Timandra] wandered off to the then unknown banks, on an uncertain adventure, and in a round voyage of three months brought in a cargo of codfish which opened the eyes of some of our incredulous merchants. Encouraged by the result of the first experiment, the same parties fitted out a second expedition, consisting of two small vessels, and the enterprise was again crowned with most gratifying success. . . . Recently eight hundred quintals of codfish, direct from the Ochotsk sea, were landed from one vessel at Clay street wharf, for J. G. Marks & Co."—*Seattle Weekly Gazette*, Oct. 14, 1865. See also, *Olympia Courier*, Dec. 12, 1879. Washington efforts, however, did not begin until many years afterwards. As late as 1869 two Italian fishermen were the subject of an editorial by a Seattle paper for introducing halibut into the local market.—See *Seattle Intelligencer*, May 17, 1869.

15 Hubert Howe Bancroft, *History of Alaska*, p. 592; Edmond S. Meany, *History of the State of Washington*, pp. 153-154. Henry G. Struve in later years claimed to be its author. See "Address of Cornelius H. Hanford before the Bar of Seattle, on the Occasion of the Death of Henry G. Struve" in Clinton T. Snowdon, *History of Washington*, iv, p. 154.

16 Little was known of McDonald's whereabouts from August, 1867, to May 28, 1870. On the latter date he suddenly reappeared and stated that he had been to Alaska. Shortly after, on August 6, 1870, he left for the east to publish his book, and nearly two years later, on March 18, 1872, the *Seattle Intelligencer* carried this notice: "The Plymouth (Mass.) Memorial announces that J. L. McDonald, Esq., who has been five times to Alaska, and for many years a resident of Washington Territory, will lecture in that place on the 'Resources of Alaska.'" See note 1 for the reference to his book.

17 One steamship was actually put into operation by the company, the *Annie Stewart*. See "An Act for the Relief of Puget Sound Steam Navigation Company, approved November 6, 1877" in *Laws of Washington, 1877*.

a land grant and bond issue; but nothing came of the matter, and the papers ceased its advertisement after 1880.¹⁸

McDonald left for the East about 1881, supposedly in the interest of his company, and his friends heard of him no more. Thus passed one of the unique characters of the West, whose life work resulted in failure and whose only claim to fame is his association with the early fisheries and the purchase of Alaska.

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¹⁸ *Laws of Washington* (1879), p. 275. McDonald placed the western terminus of his road at Steilacoom at which place he had a land claim. Prior to his departure for the East the *Olympia Transcript*, under date of November 27, 1880, published this notice: "Joe Lane McDonald is about starting east, when he comes back he wants to bring the Oriental and Occidental Railroad with him, and when he does we [the town of Steilacoom] will have a city that can be seen by land or water without the aid of a balloon or county seat either; and when these New Tacomaits see our seven miles of good anchorage all filled with shipping, protected by heavy fortifications at the American Gibraltar just below us, they undoubtedly will feel a little ashamed of their county seat on a hill above a harbor without any bottom to it." Tacoma was the terminus of the Northern Pacific which gave McDonald's road its quietus.