

Wrangell History Unlocked Presents:

Strange Customs

Part 1. The Ring of Corruption

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Episode Description:

It's a true story of crime in the Alaskan frontier. Our story kicks off with the many lives of John Carr, a career criminal on the run from justice. When he finds his calling in Portland's criminal underground, the doors of political power open for him — including one in far away Fort Wrangel, at the peak of the Cassiar Gold Rush.

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Introduction

December 4, 1862. The California Gold Rush.

Two men squared off on the wide, dusty road on the front street of Oroville, California. One was 28 year-old Spaniard¹ Juan Fernandez. The other was 29 year-old Deputy Sheriff John Lyons. The men began to argue. But their dispute wasn't over a matter of law. The dispute was over money.²

Suddenly, out of nowhere, the sheriff drew a dagger, and stabbed Juan Fernandez in the breast. Fernandez gasped and fell to the ground. The sheriff fled, running away on foot, leaving Fernandez to die.

Fernandez pulled the dagger from his chest, and with his dying breaths, began to chase the sheriff. A bystander saw Fernandez running with the dagger, and tackled him. Fernandez died moments later,³ before he could get his revenge.

A judge charged John Lyons with cold-blooded murder, and issued an arrest warrant.⁴ But no one could find him anywhere. Even his wife and kids didn't know.⁵ He simply vanished.

When he turned up again, it would be in a new place, with a new name, a new identity, and the same old tricks.

You're listening to Wrangell History Unlocked Presents: Strange Customs. It's the true story of crime, corruption, justice, and power in Alaska. It's about law, from the people who make them, to the people who break them. And it covers one crazy year in Wrangell history: 1874, the fever

¹ 1862.12.13 Shasta_courier_1862-12-13_3.pdf

² 1862.12.08The_Daily_Bee_Mon__Dec_8__1862_.pdf

³ 1882.12.14 Oregonian_1882-12-14_3.pdf

⁴ 1882.12.23 Weekly Colusa Sun.pdf

⁵ 1862.12.08The_Daily_Bee_Mon__Dec_8__1862_

peak of the Cassiar Gold Rush, when a fugitive from justice became the most powerful man in Fort Wrangel, Alaska.

I'm your host, Ronan Rooney. This is Part 1: The Ring of Corruption.

Chapter 1. A Man Named John

Birth

There are a lot of mysteries about this man. He worked in the shadows, and dealt in covert influence. He was always in and out of court. And any time he was handed official government responsibility, it ended in disaster. And yet, he survived every setback, and lived another day to cheat someone out of their money.

He was born John Malson, in 1833 Kentucky.⁶ His parents were Francis Malson and Elizabeth Cambridge, both of them descendants of former slaves and European settlers. That John Malson was of mixed race is one the great mysteries of his life, because he passed himself as White to all who came to know him and listed as White on at least four censuses. In none of the many conflicts he encountered in his life was his African-American ancestry ever used against him.

By 1860, John Malson was living in Butte County, California, during the California Gold Rush. He was a 27 year-old married father of two little girls. He listed his occupation as “Speculator,” a type of short-term investor. In 1861, he appealed directly to the California legislature to let him legally change his last name, from Malson to Lyons.⁷ After the Senate⁸ and House⁹ approved it, and the governor signed it into law,¹⁰ John Malson became John A. Lyons.¹¹

A speculator he may have been, but the only investments John Lyons seemed to make were losing bets. As the United States fell into Civil War

⁶ Ohio (1860 US Census). Kentucky (1870 Census). Iowa (1880 Census). Kentucky (1910 Census).

⁷ 1861.03.04 San_Francisco_Daily_Herald_1861-03-04_2.pdf

⁸ 1861.03.09 Sacramento_Weekly_Union_1861-03-09_12.pdf

⁹ 1861.03.08 Sacramento_Daily_Union_1861-03-08_1.pdf

¹⁰ 1861.03.14 Sacramento_Daily_Union_1861-03-14_1.pdf

¹¹ 1861.03.30 The_Weekly_Butte_Democrat_Sat__Mar_30__1861_.pdf

to the east, John Lyons fell into debts left and right. He was repeatedly in the newspapers¹² for¹³ disputes over¹⁴ unpaid debts.¹⁵

The local sheriff posted a notice:

Sheriff's Sale. By virtue of an execution issued out of the Honorable Justice's Court of Jasper Coggins... I have this day levied upon and seized, and will expose to public sale at the Court House door... all the right, title, interest and claim of the said John Lyons...¹⁶

Deputy Sheriff

The California Gold Rush was about played out, and times were tougher. John Lyons found work as a deputy to the local sheriff. In August 1862, he nearly killed a Chinese man. The Oroville Weekly Union:

The Chinese man, for cutting whom (Lyons) was fined \$500 last August is still alive, though very severely wounded at the time. Four hundred dollars of the sum was remitted by Governor Stanford...¹⁷

Juan Fernandez

John Lyons had bad debts and a bad temper. It was his run-in with Juan Fernandez that would lead to life-altering consequences. The Oroville Union Weekly:

It appears that Lyons and another party were talking about making a horse race, when Fernandez, who had been drinking a little, said he had a horse that he would run with either of them. Lyons made some remark to the effect that... Fernandez... was

¹² 1862.01.01 Sacramento Daily Union.pdf

¹³ 1862.01.29 Sacramento Daily Union 29 January 1862 — California Digital Newspaper Collection.pdf

¹⁴ 1862.06.14 Sacramento Daily Union.pdf

¹⁵ 1862.06.28 Sacramento Daily Union.pdf

¹⁶ 1862.08.11 The_Daily_Bee_Mon__Aug_11__1862_.pdf

¹⁷ Page 3 of the December 13, 1862 issue of the Oroville Weekly Union Newspaper. <https://www.ancestry.com/family-tree/person/tree/55918720/person/30006075224/facts>

too drunk to talk with, to which the deceased took exceptions. A few angry words passed when both sprang to their feet and clinched, and almost immediately the deceased was heard to exclaim "I'm killed." The parties were separated with some difficulty, and it was found that Fernandez had a large dirk knife, some six inches long in his hand which he afterward said he had wrenched from Lyons the moment he was stabbed. With this weapon he would have undoubtedly killed Lyons had he not been restrained. Although no blows were seen to pass, Fernandez was found to have received a stab just below the ribs and a little on the left side, which severed some of the branches of the mesenteric artery, causing death from internal hemorrhage yesterday morning about 7 o'clock.¹⁸

When John Lyons vanished, he left behind his wife and two little girls, one still an infant. He left behind hundreds of dollars in unpaid debts, including to his own lawyer.¹⁹ He fled Oroville, and intended to never return.

And he would never again use the name John Lyons. Once again, he changed his name. John Lyons became John Carr.

John Carr's wife and children finally reunited with him, in Idaho. But the family wouldn't stay there long. Things were about to get much, much more strange. The family moved to Portland, Oregon.

¹⁸ Page 3 of the December 6, 1862 issue of the Oroville Weekly Union Newspaper. <https://www.ancestry.com/family-tree/person/tree/55918720/person/30006075224/facts>

¹⁹ 1864.01.16 Weekly Butte Record.pdf

Chapter 2. Stumptown

They called it Stumptown because of the miles of tree stumps that covered the ground, in anticipation of the great city it was about to become.

Portland, Oregon grew up from the mud, one boardwalk at a time. Settlers flooded into the land occupied by the tribes of the Multnomah, Clackamas, Kalapuya, and other Native peoples, who lived in the rich, fertile valley where the Willamette and Columbia Rivers converge.

John Carr was one of those settlers. When he fled California, he left behind the name John Lyons forever. His eldest daughter even changed her name, from Mary Ann to Harietta.²⁰

There's no doubt John Carr was fleeing his criminal past. He had unpaid debts and the murder of Juan Fernandez on his record. But there's another reason John Carr may have needed to separate himself from his past: race. When John Carr arrived in Oregon, it was illegal to be Black. It was a new rule enshrined in the Oregon state constitution by the voters. Even mixed-race men like John Carr were prohibited from entering the state.²¹ His new name and identity reduced the chance that somebody might catch on.

It's not clear exactly when it happened, but John Carr became a political henchman, and that's putting it politely. He was a fixer, a problem-solver, an arm-twister, and a minion of Oregon's political machine. Publicly, he ran a saloon in Portland. But privately, he was part of Portland's political influence-peddling underground.

In the 1860s, Oregon politics were explosive. Oregon was a bonafide state in the Union, with a seat in the House and two in the Senate. Abraham Lincoln needed the support of Congress to get through the difficult years

²⁰ US Census 1870.

²¹ <https://sos.oregon.gov/archives/exhibits/black-history/Pages/context/chronology.aspx>

of war, and that meant Oregon's vote mattered. While Oregon was miles away from Washington, D.C., its influence only grew throughout the war. Money and political interests flooded into the state.

For some, the new state of Oregon felt like a fresh start to the problems back east. By this time, the South had cut itself off from the North, seceded, and declared war. The North was occupied by generations-old entrenched interests, who jealously guarded their power. Oregon represented the idea of the frontier: a new beginning, opportunity, and free of entanglement. With that, many settlers moved West to start over anew.

John Hipple Mitchell

John Carr found his way into the services of a man who came to Oregon for a fresh start, and the politics.

Serious historians, who are not given to exaggeration, think this man may be the most corrupt politician in the history of the United States:

MITCHELL: John Hipple Mitchell

By the mid 1860s, John Hipple Mitchell was a rising star of Portland politics. Mitchell had been Portland's city attorney and a member of the Oregon legislature. He was married to the daughter of a prominent Oregon family. He wore a long, sleek beard beneath an ample mustache. He was known for his charm and wit, along with an ambition for a career advancement. But privately, John Hipple Mitchell was a ruthless, dishonest lawyer willing to betray anyone who put their trust in him.

Hipple Swindle: The Widow Balch

To help you understand, this is a segment we're going to call the John Hipple Mitchell Swindle.

<Chickasaw Outback 1:52>

The very first man executed in the brand-new state of Oregon was Danford Balch. He was hanged in broad public view for shooting and killing a man who attempted to elope with Balch's teenage daughter. Danford Balch left behind a wife, eight children, and a vast tract of Portland land.

As Danford Balch swung, John Hipple Mitchell made a plan to get that land. Mitchell cozied up to the widow, Mary Jane Balch, and persuaded her to make him her lawyer. Mary Jane couldn't read, and suddenly had to support herself and eight children. She agreed, and gave in to Mitchell. Then he got to work.

Without her knowledge, she signed her name with an X on papers handing over custody of her children to a complete stranger. Mitchell swindled her out of her own kids. The stranger, a man named C.S. Silver, used his power as the childrens' legal guardian to sell their property at market. The children's property was sold to none other than John Hipple Mitchell.

The land was valued at \$22,000, but Mitchell only paid \$2,500.²² Mitchell quickly flipped the deed to a Portland businessman for \$15,000. Mitchell netted \$12,500.

By the time the Balch family caught on, the land was gone. Newspaper ads openly advertised the property for sale.

For John Hipple Mitchell, the scheme worked perfectly. He got the goods and handed off the bag before anyone knew what he'd done. Where some confidence men dwell in the shadows, John Hipple Mitchell's swindles appeared in public notices. He understood the legal process, and how to use it as both a weapon and a shield. True to form, his swindles always betrayed the people who trusted him the most.

John Hipple Mitchell's political ambition was obvious. Mitchell set his sights high, to a seat in the United States Senate. This was a shrewd

²² 1882.08.25 Oregonian.pdf

choice for Mitchell. It was not only perhaps the most powerful elected position from Oregon, but did not require a vote of the public. Instead, Senate seats were appointed by Oregon's legislature. Winning a Senate seat was about pulling the levers of political influence, not necessarily influencing the public. It was a process that favored insiders and deal makers.

For years, Mitchell had to watch other men ascend to this seat of power he could only crave, but not quite reach.

Ben Holladay

In 1868, John Hipple Mitchell met the man with deep pockets who could make all his dreams come true: Ben Holladay, aka "the Stagecoach King."

He was a crass, stubborn, hard-nosed, self-made man who built his empire on stagecoach routes. For a time, he owned the Pony Express. When he sold out to Wells Fargo, he claimed his fortune and moved out west, to a city destined to become a transportation hotspot: Portland, Oregon.

One of his first acts in Portland was to steal a railroad contract away from a competitor. He simply stole their identity, built his own railroad under their name, and then created a controversy around whose railroad was better. In the end, the City of Portland formally recognized Ben Holladay's railroad as the winner, and gave him the contract. From that point on, he became an influential figure in Portland business and, of course, politics.

Ben Holladay's bankroll and Mitchell's ambitions were a perfect match. According to the legend, John Hipple Mitchell is supposed to have said:

MITCHELL: Ben Holladay's politics are my politics and what Ben Holladay wants I want.

And thus, Ben Holladay and John Hipple Mitchell's ring of corruption was born.

Judge Deady

As Oregon politics sunk further into the mud, one man did what he thought would elevate it. Judge Matthew Deady was Portland's civic father, an idealist who believed that cities were not built on boardwalks alone, but on law and justice. He was a settler who arrived in the 1850s. He was temperamentally cool, and toed the line of the conventions of his day. He supported slavery, until after the Civil War when it became illegal, and he became opposed to it.

He also had an appreciation for written law that surpassed his peers. He derived personal joy at serving as a sort of librarian of the law. He painstakingly collected old laws, sometimes on scraps of paper, corrected the mistakes, resolved conflicting versions, and even wrote portions of laws. Legal scholars today call this "the Deady Code." As a judge, he often heard cases based on laws he helped create.

Where Judge Deady actively fundraised for Portland's libraries and universities, Ben Holladay and John Hipple Mitchell looked for ways to enrich themselves.

Judge Deady couldn't stand John Hipple Mitchell. Over the years, Mitchell's star continued to rise, and Deady could not mask his disgust. Mitchell noticed, and in April 1872, he confronted Deady about it. As Deady recalled,

DEADY: Had a long talk with Mitchel[1] in which I told him that I liked him personally but disliked his political action because he had too much "business" in politics. He said that he had the impression that I did not like him and had not invited him to our house when we entertained [Judge] Sawyer in 1870 for that reason. I told him the party was not given to Sawyer but Miss Lake, and that the Bar were not invited but such persons as we knew and had room to entertain were indebted to—and that

there was no disposition to cut, but that circumstanced as we were we could not invite him. He subscribed \$500 to the L R fund.²³

Mitchell masterfully manipulated Deady by accusing him of a social slight, putting Deady on the defensive, then selflessly throwing Deady a large check for his latest charity.

In fact, Judge Deady was right to mistrust John Hipple Mitchell, both politically and personally.

Senator Mitchell

In the fall of 1872, after years of trying, John Hipple Mitchell was finally appointed to the U.S. Senate by the Oregon legislature. While John Hipple Mitchell celebrated, Judge Deady noted dryly in his journal:

DEADY: Attended the reception given to Mitchell at the Court House. Crowd radiant and immense... Mitchell's reply occupied about an hour and was very handsomely delivered, but was little else than words.²⁴

As a U.S. Senator, John Hipple Mitchell held the power to propose and vote on legislation, or bring the process to a grinding halt if he chose to. He could investigate government officials and departments. As a senator from Oregon, he was uniquely positioned to exert influence over the territory around him. Washington Territory and Alaska had no members of Congress. Instead, as the closest state to Alaska, John Hipple Mitchell's influence covered thousands of miles.

In March 1873, John Hipple Mitchell was sworn into the United States Senate.

²³ Pharisee Among Philistines: The Diary of Judge Matthew P. Deady, p. 76. Friday, April 19, 1872

²⁴ Pharisee Among Philistines: The Diary of Judge Matthew P. Deady, p. 96. Saturday, October 5, 1872

MITCHELL: I do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God.

It was a clear victory for the ring that got him there. And one of the ring's henchmen who would most benefit from this rising star was John Carr, previously known as John Lyons and before that as John Malson.

But a story was about to emerge that threatened to bring it all tumbling down.

CANTON REPOSITORY:...the deserted wife and child of United States Senator Mitchell, of Oregon is now living in interior Pennsylvania; that the wife supports herself and child by doing house work, &c.²⁵

SANTA BARBARA INDEX: She was afterwards sent back by the Overseers of the Poor to be cared for at home, where she is now.²⁶

PORTLAND DAILY PRESS: There is now living in a hotel in Franklin, Pa., as a servant, a woman who claims to be his wife and the fact is so well known that his friends do not deny it.²⁷

CANTON REPOSITORY: The gossip has it also that Senator Mitchell is not Mitchell at all, but that his name is Hipple.²⁸

²⁵ 1873.06.20 Canton_Repository_1873-06-20_3.pdf

²⁶ 1873.06.12 Santa_Barbara_Index_1873-06-12_2.pdf

²⁷ 1873.06.11 Portland_daily_press_1873-06-11_3.pdf

²⁸ 1873.06.20 Canton_Repository_1873-06-20_3.pdf

THE DEMOCRATIC PRESS: He has two names—Hipple alias Mitchell—one of which was so offensive that he left it behind; and he has two wives, one of whom he left in Pennsylvania, when he removed to Oregon.²⁹

SAN FRANCISCO CHRONICLE:...When he fled from Pennsylvania he carried off with him several thousand dollars belonging to other parties, which his law partner had to make good...³⁰

RUTLAND DAILY HERLAND: No one in Oregon, or probably elsewhere, knew that he was sailing under false colors, until his deserted wife made the discovery and published it to the world.³¹

MRS. HIPPLE: I should not tell you my story if I did not feel that it is but justice to my husband, who had always abused me, that I should now be able to show him that he cannot always triumph. For the sake of my children I would say nothing, but since his story, as told by his lawyer, Col. Thompson, is published as you tell me, I must speak... Did Col. Thompson tell you that when John ran away, taking money that did not belong to him, he took another woman away with him?

PUGET SOUND DISPATCH: No.

MRS. HIPPLE: Well, he did. When he went away he took with him Mary J Blank. And was advertised in the papers at the time as the elopement of Mary J. Blank and John Hipple. Well, that is God's truth, and she was the cause of the first trouble between me and John.

PUGET SOUND DISPATCH: Tell me about your life previous to marrying Mr. Hipple. Was he forced in Court to marry you for leading you astray?

²⁹ 1873.06.26 The Democratic Press.pdf

³⁰ 1873.05.29 San_Francisco_Chronicle_1873-05-29_1.pdf

³¹ Rutland_Daily_Herald_Thu__Jun_19__1873_.pdf

MRS. HIPPLE: It is true that John Hipple ruined me. I was a young girl of only fifteen at the time. He was twenty-six. He took advantage of his position and my youthful ignorance, and accomplished my betrayal.

PUGET SOUND DISPATCH: Of her little daughter, Jessie, whom John Hipple took away with him at the time of his elopement, Mrs. Hipple says:

MRS. HIPPLE: She was taken away from me when a little tender thing, and I have never seen her since. I heard of her in Pittsburg, when John ran away with her, and she cried and took on for mamma. Since that time John has taught her that her mother is dead...³²

PORTLAND DAILY PRESS: If the statement of his deserted wife is true, the Senate should request the Senator to return to private life.³³

Mitchell's crimes came into sharper focus. The public learned how Mitchell abandoned his first wife for his mistress, and then how he abandoned his mistress to take a second wife in Oregon. As far as anyone in Oregon knew, John Hipple Mitchell was a smart, charming, smooth talking, promising young lawyer. But now newspapers accused him of bigamy, fraud, and theft.

Judge Deady was outraged:

JUDGE DEADY: Talked with Gibbs about the Hipple affair... I think he must go down. Seduction, desertion, theft, clandestine change of name and absconding and bigamy are too much for a man to carry in the Senate, though he is making a desperate fight of it.³⁴

³² Puget_Sound_Dispatch_Thu__Jun_26__1873_.pdf

³³ 1873.06.11 Portland_daily_press_1873-06-11_3.pdf

³⁴ Pharisee Among Philistines: The Diary of Judge Matthew P. Deady, p. 128. Saturday, June 7, 1873.

Hipple Swindle: Finice Caruthers

At the same exact time as his reputation was torn into shreds, one of his underhanded, dirty tricks to steal another estate fell apart, in full public view. It's our next John Hipple Mitchell Swindle.

Just like the case of Danford Balch, this was a scheme to steal a dead man's estate. When Oregon settler Finice Caruthers passed away at the age of 42, he left behind a valuable piece of Portland property with no next of kin to inherit it. By law, if no one came forward as a relative, the land would return ownership to the state.

John Hipple Mitchell wasn't about to let a very valuable thing like this slip away. His ring got to work, looking for anyone who might be related to Finice Caruthers. Miraculously, the ring found his long, lost father and brought him to Portland. Under oath, the man claimed to be Finice Caruther's father, but then his story became shakier, until it was finally revealed the man was, in fact, a vagrant named Wrestling Joe, who was coaxed into the hoax under promise of payment. It was a brazen, bold scheme by the ring that almost worked.

Judge Deady wrote in his diary:

DEADY: ...Moore & Davidson were arrested today for subordination of perjury in putting the old man called Wrestling Joe up to swear that he was Finice Caruthers father, when [it turns out] his name is Nixon, and he admits it.³⁵

The knives were out. Embroiled in multiple scandals just months into his first term, John Hipple Mitchell's own friends encouraged him to resign.³⁶ Instead, he fought back. In the weeks that followed, he published not so much an apology, but an explanation:

³⁵ Pharisee Among Philistines: The Diary of Judge Matthew P. Deady, p. 128. Saturday, June 7, 1873.

³⁶ 1873.06.19 Santa_Barbara_Index_1873-06-19_2.pdf

MITCHELL: This I frankly concede was an indiscreet, ill-advised and injudicious act; a great blunder, a foolish mistake. I offer for it no excuse save my inexperience in the world, and a great desire to separate myself, as far as possible, from a past that was, and is, inexpressibly painful. It was a violation of the conventionalities of life for which I would gladly atone by a life's labor. It is not, however, in contravention of any public law. The act at once became irretrievable. I leave it to others to judge whether thus yielding to the misdirection of a perturbed mind, in days of dejection and sorrow, is a sin that years of honorable effort in the walks of daily life cannot atone.³⁷

His reputation in tatters, the press attacked him mercilessly. On December 10, 1873, the Morning Oregonian summed up John Hipple Mitchell:

...Seducer, wife-beater, deserter of wife and children, embezzler of moneys collected for his clients, keeper of a mistress whom he passes off in society as his wife, bigamist for over seven years, and United States Senator under a false name, is the person by whom and in whose interest this appeal is taken. This man is John Hipple alias J.H. Mitchell, Senator from Oregon.³⁸

Things got worse when the U.S. Senate formally announced an investigation of the newly seated senator from Oregon. If the Senate found the charges sufficient, they had the power to expel John Hipple Mitchell and send him back to Oregon. The ring's mightiest minion clung to his seat of power, as threats came from all directions.

Panic of 1873

Even worse for the ring, Ben Holladay suffered a devastating setback when the financial Panic of 1873 hit the markets, sending fortunes tumbling. The panic exposed over-speculation in the railroad and transportation business, where Ben Holladay was heavily invested.

³⁷ 1873.06.18 Portland_daily_press_1873-06-18_3.pdf

³⁸ 1873.12.10 Morning Oregonian.pdf

Ben Holladay's wealth was the lifeblood of the ring. But as this vein ran dry, another one was opening up, in far away, remote Alaska.

You're listening to Wrangell History Unlocked Presents: Strange Customs, Part 1: The Ring of Corruption. We'll be right back, after this commercial message.

**** Commercial Break****

The New Cassiar Diggings! Henry Saunders begs to inform miners and others proceeding to the New Gold Diggings that he has on hand the best selection of groceries and provisions, tools, &c., for a complete outfit, which he will sell at the very lowest rates for cash. Henry Saunders, Corner of Johnson and Oriental streets.³⁹

³⁹ 1873.09.07 Daily Colonist ad.png

Chapter 3. Alaska

Jefferson C. Davis

Sitting in U.S. Army headquarters in Portland, Oregon, General Jefferson C. Davis usually relied on reports to know what was going on in Alaska. In this case, he didn't need to. He could see it with his own eyes. Steamships packed with gold-miners and provisions left Portland nearly every day, bound for Fort Wrangel, Alaska, where they would embark up the Stikine River, to the gold fields of the Cassiar District.

Jefferson C. Davis was a legend in Alaska and in the U.S. Civil War. He had the unfortunate happenstance of having the same name as Confederate president Jefferson Davis, but that wasn't the only thing that made him famous. In 1862, midway through the Civil War, Davis shot and killed his superior officer, General William "Bull" Nelson in cold blood in broad daylight. Like John Carr, Jefferson C. Davis got away with. He was never charged, and continued his service in the Army. After the war, rather than being drummed out, he was advanced to his biggest role yet: serving as the first Commander of Alaska after the Treaty of Cession with Russia.

Few outsiders took up more than transient residence in Alaska. A few fur traders, some miners, and a small contingent of Army personnel in Sitka were vastly outnumbered by Alaska's Indigenous population. Much of Alaska was a mystery, having never been seen or documented by outsiders, but everyone knew that Alaska was full of Indigenous people. No matter where anyone went, they encountered Indigenous people in Alaska.

Despite the small number of settlers, the Army's first act in Alaska was to build several forts in remote locations, often next-door to Native villages.

This arrangement proved disastrous. In 1869 alone, the U.S. military bombed two Tlingit villages, in conflicts that surprised and bewildered their overseers in Washington, D.C. Reports indicated that the Army

corrupted, debauched, and demoralized Alaska Native people through liquor.

In 1870, the U.S. Army shut down all its Alaska forts, except for the post in Sitka, and General Davis was reassigned to service outside of Alaska.

Three years later, General Davis was back, with even more power and responsibility. As the Commander of the Columbia, he oversaw Alaska, Washington, Oregon, and Idaho.

Seveloff Decision

Davis found the challenge of enforcing federal law in Alaskan settlements had not gotten easier over time. In fact it had gotten a lot harder.

By 1872, the Army abandoned all its posts in Alaska, except for Sitka. Sitka was the former site of the Russian settlement, next door to the Tlingit village of Sheet'ka, Tlingit for "People of the Outer Branch." These villagers had more continuous contact with outsiders than anyone else in Alaska. Generations of continuous contact with Europeans and Americans made them familiar with many customs and habits.

And that included whiskey. Invented by Scotch/Irish monks in the 1400s, whiskey was a popular liquor, known for its rich, complicated flavor that burns the tongue and brings tears to the eyes. Whiskey is a strong liquor, and its effects are almost immediate.

Like other Indigenous tribes of North America, the Tlingit may have created alcoholic beverages using fermentation, possibly for ceremonial use, but distilled spirits were virtually unknown. The earliest Tlingit/European contact suggests that the Tlingit wanted nothing to do with foul tasting, distilled spirits. But prolonged trade and cultural contact with outsiders changed things, to the point where Tlingit people learned the science of distillation, and made their own spirituous liquors.

The Army sought to control the liquor trade in Alaska based on powers given to it by two laws. The first was the Indian Nonintercourse Act of 1834. The nearly forty year-old law prohibited anyone from distributing liquor in “Indian Country” without a permit.

The second law was the recently passed Act of 1868, where Congress and the President extended the laws of the United States to Alaska. These laws made an exemption for the U.S. Army, allowing it to import liquor into Alaska for the enjoyment of officers. Critics of this era point to the inconsistency of the Army attempting to enforce prohibition, while also importing liquor, which was ultimately used to debauch and demoralize Indigenous people. One thing is clear: the Army believed it was control of the liquor trade.

To test this theory in court, the Army looked into the village of Sheet’ka, and found Feureta Seveloff, a half-Tlingit, half-Russian man, making and distributing whiskey. The Army seized his liquor, arrested him, and bound him to Oregon for trial.

In the fall of 1872, Ferueta Seveloff, nearly two-thousand miles from home, stood in front of Judge Matthew Deady. The case became known as *United States v. Seveloff*. The defense argued that the Indian Nonintercourse Act of 1834 did not apply to Alaska, because the law only defined Indian Country based on 1834’s borders and territories, and nothing since, had been done to update that narrow, local definition of Indian Country.

Judge Deady shocked everyone when he agreed.

DEADY: Because a country is inhabited or owned in whole or in part by Indians, it is not therefore an Indian country, within the purview of the trade and intercourse acts.⁴⁰

⁴⁰ 1872.12.10 US v Seveloff.pdf

If Alaska didn't meet the legal definition of Indian Country, then the Army had no right to enforce Indian Country laws in Alaska. That meant the Army could not ban the sale of liquor in Alaska.

Judge Deady knew he'd dropped a bombshell on the Army. Nobody expected the Army to lose to this case. In his decision, Judge Deady acknowledged the inevitable surprise and pointed out who needed to fix it:

DEADY: I would not be understood as stating this conclusion without doubt. On the contrary, I have reached it with hesitation, and express it subject to correction. But in this case, it is safer to err, if at all, by declining the jurisdiction than to accept it. If congress should think it desirable that this or any other provision of the Indian intercourse act should be in force in Alaska, it can so provide, beyond doubt.⁴¹

Ferueta Seveloff was let go, a free man.

Until Congress updated the Indian Nonintercourse Act to include Alaska, there was little General Davis and the Army could do about liquor in Alaska.

The Army was already fighting for control with one hand tied behind its back. With the Seveloff decision, it was like fighting with two hands tied behind its back.

Fort Wrangel

Alaska was little more than an oddity to the American government. Most had never been there, including Judge Deady. Its purpose to the United States was ill-defined. But around the same time as Judge Deady issued his Seveloff decision, news came that finally gave the public a reason to go to Alaska: gold.

In 1872, gold prospectors Henry Thibert and Angus McColluch found gold along a stream feeding into Dease Lake, in Canada's Cassiar District,

⁴¹ 1872.12.10 US v Seveloff.pdf

accessed through the Stikine River, which emptied into U.S. waters of southeast Alaska. At the mouth of the river sat the abandoned Army post of Fort Wrangel, next to the much larger, and older Tlingit village of *Kaachxana.áak'w*. For the past several years, the Army virtually ignored Fort Wrangel, as it had few outside settlers, and the Tlingit were perfectly capable of taking care of themselves.

But the discovery of gold on the Stikine River in 1872 was the worst possible timing for the Army. A gold rush would mean merchants, traders, prospectors, and speculators. The Army had no one in Fort Wrangel to keep the peace, and Sitka was over 200 miles away by steamship — a long voyage through often rock-infested waters. The trip by steamship took at least a full day, in the best conditions.

David Flannery

The U.S. government's only man in Fort Wrangel was a Deputy Collector of Customs for the U.S. Treasury named David Flannery. He'd held the job since the Army abandoned the post in 1870. He seldom made waves, dutifully collecting the fees, taxes, and levies due to the Customs Service on goods coming into Fort Wrangel. He was no peace officer or settler of disputes. David Flannery simply made sure the government got its money.

While the U.S. government was willing to let Alaska go ungoverned, it would not let it go untaxed. The Customs Service provided a vital, essential source of income for the U.S. Treasury. Until World War I, this was the primary source of income for everything the federal government did. The \$7.2 million dollars used to purchase Russia's interests in Alaska all came from the Customs Service.⁴²

In the spring of 1874, the gold rush fever claimed David Flannery. He sent word of his resignation as Deputy Collector aboard a steamship, where it traveled down the coast, along the Columbia River, all the way to the Customs House in Portland, Oregon. The news from Fort Wrangel meant a

⁴² <https://customsmuseum.org/history/>

unique, interesting opportunity for the right man. And Senator John Hipple Mitchell knew just the wrong man for the job: John Carr, formerly John Lyons, formerly John Malson.

You're listening to Wrangell History Unlocked Presents: Strange Customs: Part 1, the Ring of Corruption. We'll be right back after this commercial break.

**** Commercial Break ****

The Cassiar Mines. "The Vanguard has gone—may success gild their footprints." John Boyd, Grocer, Wine and Spirit Merchant, Pattrick's Corner, Johnson Street, First Store Above Government Street. Miners and others who may honor him with a call may depend upon getting the Very best articles at the Lowest Prices. Packages for the Mines put up with care and in First Class Order. Imperial weights and measures guaranteed. John Boyd's celebrated blend of scotch whisky is unequalled on the coast. Please note the address—Pattrick's Corner, Johnson Street, first store above Government Street.⁴³

⁴³ 1874.02.20 Daily Colonist John Boyd.png

Chapter 4. Opportunity Knocks

Old Tricks

Back in Portland, John Carr was up to his old tricks. He was routinely in and out of court, filing bankruptcy,⁴⁴ and suing or being sued over unsettled debts. He listed his occupation on the 1870 census as “Saloon Keeping,” and in 1872 he bought two horses to transport people around Portland.⁴⁵

This was his public face. But privately, he was part of an underground criminal ring of election stealing, influence peddling, and arm-twisting henchmen of two powerful men, Portland transportation tycoon Ben Holladay, and his ambitious, underhanded lawyer and now U.S. Senator from Oregon John Hipple Mitchell.

John Carr, along with his fellow henchmen, liked to hang around Portland’s U.S. Treasury building so much, that the press adopted a name for them: The Customs House Ring. From the September 19, 1873 Albany Democrat:

The Republicans of Oregon will not accept this dishonor... Hereafter there will be no question who were the enemies of the Republican party: the Custom House ring, organized by John H. Mitchell’s skill in the use of unclear material, and supported by Mr. Holladay’s money til it become strong enough to seize the control of the whole party.⁴⁶

The ring was ruthless. One month later, the Albany Democrat republished an allegation of vote buying:

He says that when he was approached by the Senator Mitchell’s creature he was told that if he would vote for Hiram Smith he would receive five dollars... This is the way in which Multnomah county was carried for Hiram Smith... Let it be understood by

⁴⁴ Morning Oregonian, Portland, Oregon, 08 Mar 1869, Mon • Page 2

⁴⁵ 1872.03.25 Oregonian_1872-03-25_3.pdf

⁴⁶ 1873.09.19 Albany_Democrat_Fri__Sep_19__1873_.pdf

the venal tools of Senator Mitchell, that there is no shield or shelter for such miscreants behind the cloak of party... Meanwhile we shall expect the Collector of Customs, whose inmost soul must shudder at the bare recital of this infamous scheme, to institute a rigid inquiry into the guilt of such of the Custom House chain-gang as may be implicated in this "card" business.⁴⁷

Alaska Influence

Sometimes the papers called it the Mitchell Ring, because these were John Hipple Mitchell's minions, carrying out his bidding. The ring's power and influence reached so far north, that the Puget Sound Dispatch called it by another name:

The Alaska Ring... A number of speculators whose headquarters are in San Francisco, succeeded in getting the coal-fields of Alaska included within the provisions of the act. They have formed companies and dispatched agents to take possession of large tracts of the most valuable coal lands in the Territory, the existence of which is only known to a few men, and now, in order to perfect their grabs, they expect Congress to pass a bill to extend the surveys over them. Commissioner Drummond has addressed a letter to Senator Mitchell in opposition to the scheme. And there [are] rumors, also, of a combination to control and monopolize the resources of that Territory...⁴⁸

Alaska was a gem in Senator Mitchell's crown, a faraway land he'd never seen, but firmly within the sphere of his influence. All the threads of power to Alaska ran through Portland, from the Army, the Treasury, and Courts, to the steamships, outfitters, and business interests, Portland was the hub of Alaska.

Word arrived in Portland's Custom House about the open position in Fort Wrangel like a prize had landed. Deputy Collector was a government job, with a salary, status, and actual power. And the only qualification for the

⁴⁷ 1873.10.17 Albany_Democrat_Fri__Oct_17__1873_.pdf

⁴⁸ 1874.03.05 Puget_Sound_dispatch_1874-03-05_3.pdf

job was to know the right person. The National US Customs Museum Foundation describes it like this:

For almost 100 years after America's founding, appointments and promotions within the federal government's Civil Service were made according to the "Spoils System." Civil Service positions were doled out according to political loyalty and favoritism, enabling well-connected individuals to rise to positions of incredible power based on nothing more than who they knew. As perhaps the most important agency in the Civil Service, appointments within the US Customs Service operated on this system of favoritism for prominent families and political supporters.⁴⁹

The spoils system allowed John Hipple Mitchell to reward one of his most loyal henchmen, a man who had proven himself up to any task. And he was a man who had experience in gold rush towns.⁵⁰

On May 4, 1874, the Oregonian reported:

John A. Carr, of this city, has been appointed Collector of Customs for Fort Wrangel, Alaska.⁵¹

Farewell

A few days later, John Carr, previously known as John Lyons and before that as John Malson, left behind his family and boarded a steamship to Alaska.⁵² It was yet another fresh start.

John Carr wasn't alone in hoping to strike it rich, either. He was surrounded on board the ship by throngs of eager fortune-seekers caught up in the Cassiar Gold Rush. But his path to wealth wouldn't be in the mines. He would mine the miners. As a bonafide agent of the U.S.

⁴⁹ <https://customsmuseum.org/history/>

⁵⁰ Oregonian_1875-04-16_2

⁵¹ 1874.05.04 Oregonian_1874-05-04_2.pdf

⁵² 1874.05.09 Oregonian_1874-05-09_3.pdf

Treasury, John Carr held the power to inspect goods, seize contraband, and collect money.

As the only representative of Uncle Sam for miles around, he may have expected unchecked power, and the ability to bend others to his will. And if he ran into any trouble, he always had his friends back in Portland and the Senate to help him out. This was the ring's golden opportunity.

But John Carr was about to find out that Fort Wrangel had a King.

Next Time

Next time, on Strange Customs, it's Part 2: Fools Rush In. A stampede on the Stikine River brings hundreds of fortune seekers to Fort Wrangel. As John Carr finds out, he's not the only one planning to make his fortune mining the miners. And the U.S. Army has enough, and looks for the right moment to strike.

Credits

Learn more and read a transcript at wrangellhistoryunlocked.com/strangecustoms. Email us at wrangellpod@gmail.com

Music and sound effects by epidemicsound.com.

Thanks to everyone who reviewed drafts of this episode: Alice Rooney, Peter Stanton, Bonnie Demerjian, Peter Metcalfe, and Vivian Faith Prescott (PhD, MFA, MA).

Tune in next week, for Strange Customs, Part 2: Fools Rush In.

I'm your host, Ronan Rooney. Thanks for listening.