Wrangell History Unlocked Presents:

# Strange Customs Part 2. Fools Rush In

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**Episode Description:** 

The Cassiar Gold Rush floods Fort Wrangel with miners, merchants, and people hoping to make it rich. Deputy Collector John Carr makes his stake on smuggling, extortion, and fraud. While he makes friends with the local merchants, he finds an enemy in a man called King Lear. As the gears of government turn, Army has surprises in store.

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# Introduction

On April 24, 1874, the ice cracked on the Stikine River.<sup>1</sup> Powerful currents beneath the surface snapped ice into thick sheets, sending it crashing down the river. The long, cold winter was over. The breakup was here.

But some prospectors didn't wait. Seized with gold rush fever, they trekked up while the Stikine River was still frozen, some to jump claims, others to stake claims and everyone to pick-ax into the frozen riverbanks.

All along the west coast, people with nothing to lose, willing to bet it all on the unlikely chance of striking it rich, boarded steamships for Fort Wrangel, the gateway to the Stikine River. They brought axes and shovels, hopes and dreams, horses and cattle,<sup>2</sup> and enough supplies to last through the summer.

In May 1874, the steamship California set course from Portland, Oregon for Fort Wrangel with 300 passengers. The Daily Colonist, of Victoria, British Columbia, described it:

DAILY COLONIST: Passengers were everywhere—above deck, below deck, between decks, fore, aft, in the cabins, on the cabins, and even in the rigging were stalwart young men all bound for Cassiar to test the quality and richness of those diggings. As the steamer moved off the crowd on the wharf exchanged cheers with those on the steamer and hearty wishes for success were uttered by all.<sup>3</sup>

Among them was a man named John Carr with an advantage no one else had. He was about to become the Deputy Collector of Customs for the U.S. Treasury in Fort Wrangel. He would be the only government official for miles around. It was a awesome honor, but John Carr lead a duplicitous

<sup>&</sup>lt;sup>1</sup> Stikine River Journal: Early Days on the Stikine River, by Patricia A. Neal, p. 31.

<sup>&</sup>lt;sup>2</sup> Stikine River Journal: Early Days on the Stikine River, by Patricia A. Neal, p. 61-62.

<sup>&</sup>lt;sup>3</sup> 1874.05.13 Daily Colonist.png

life. He was, in truth, a henchman from Portland, Oregon's ring of political corruption. Men like John Carr twisted arms, paid bribes, intimidated, and undermined the political process. John Carr's life was a litany of criminal offenses, including a murder during the California Gold Rush, from which he fled and was never arrested. He was a lawless man banking on a lawless land. Alaska had no trial courts, no civil government or lawmen of any kind. At the time, the U.S. Army in the northwest was far more concerned with fighting Modoc Indians in Oregon.

Collector of Customs was a plumb assignment. As a customs officer, John Carr would have powers beyond anyone else to inspect, collect, and confiscate on behalf of the United States Treasury. And if he ran into any trouble, he knew he could aways count on his friends back home in Portland's criminal ring to help him out. And if that failed, he could always look to their leader, Oregon's infamous U.S. Senator John Hipple Mitchell.

The steamship California cruised up the west coast, passing among the islands of British Columbia and southeast Alaska. The ship approached Fort Wrangel, at the northern tip of Wrangell Island, near the mouth of the Stikine River.

John Carr disembarked from the ship, and took a small boat ashore. He saw a Tlingit village, Kaachxana.áak'w, wrapped inside a natural harbor to the south, complete with many longhouses, totem poles, and canoes. Along the north end of the harbor, he spied the hastily built shantytown called Fort Wrangel, where prospectors lived inside sheds and hovels, and sometimes inside tents barely able to fight back the wind and rain.

In contrast, towering above the shantytown were twelve prominent, whitepainted wooden buildings, encircled by a tall fence. These were the buildings of the former Fort Wrangel, just a few years old. The fortress was big enough to house a detachment of soldiers, but was home to just one man: its owner, William King Lear. Or, as he was known, King Lear. John Carr likely met King Lear soon after arriving in Fort Wrangel, if only to be shown where he'd be living and working. King Lear leant the new Customs Collector use of one of his buildings. It was designed to be the Officer's Quarters, a fine, two-story building near the front of the fort, overlooking the water. A wraparound porch in front of the building meant John Carr could watch for ships coming in all directions. The use of the building was given to John Carr free of charge, a generous courtesy to the U.S. Treasury, on behalf of King Lear himself.

But that didn't mean King Lear expected nothing in return.

For King Lear, the Cassiar Gold Rush was the fulfillment of years of patient planning, waiting, and promoting. His investment in his buildings was about to pay off. People were finally coming to Fort Wrangel, and King Lear knew it was time to put his buildings to work.

King Lear and John Carr were both gold rush veterans. Each man knew exactly what it would take to capitalize on this gold rush. They both thought of themselves as the most powerful man in town. From the moment they met, whether they knew it or not, both men were already at war.

Today's story is about corruption, greed, fraud, and a fugitive from justice in the American west. 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 peak of the Cassiar Gold Rush, when a fugitive held power as the sole government official in Fort Wrangel.

I'm your host, Ronan Rooney. You're listening to Wrangell History Unlocked presents: Strange Customs, Part 2: Fools Rush In.

# **Chapter 5. Rise of the King**

## **Sutler to Owner**

When he first showed up in 1868, they called him Captain Lear. But this was a title of honor. He was a veteran, and his army days were long behind him. He'd been a merchant on the Fraser River near the present day city of Vancouver, British Columbia. After that played out, he went to Alaska, to set up a trading post outside the walls of the newly constructed Fort Wrangel.

Captain Lear teamed up with an ex-Confederate commodore named Captain Leon Smith, a hero in the South having captured a federal "cotton-clad" during the Civil War. Together, Captains Smith and Lear ran a general store and bowling alley. On Christmas Day 1869, fighting broke out between the men in the Army and the Tlingit village of Kaachxana.áak'w, following a day of heavy drinking hosted by the Army. A Tlingit man bit off the finger of a white woman, for which he and his brother were shot and killed. In retribution, based on the Tlingit system of justice, the brothers' father, Scutdoo, shot and killed a white man, Leon Smith. For two days, the Army bombed the village until Scutdoo surrendered. The Army included Captain Lear on the jury for the court-martial of Scutdoo, which ordered Scutdoo to death by hanging, the first execution in Alaska under the United States.

In the spring of 1870, a government report shredded the Army's conduct in the bombardment. It said the Army was the worst influence in Alaska. On June 1<sup>st</sup>, in consequence of the bombardment debacle, an excuse was found to reassign Jefferson C. Davis, and Fort Wrangel was abandoned and put up for sale. Captain Lear bought all twelve buildings for just \$600.

And that's how Captain Lear became King Lear. And if King Lear acted like he owned the place, it's because he had the receipts. The Army concerned itself with Sitka, and let King Lear run Fort Wrangel.

## All Quiet

For a time, Fort Wrangel was quiet. In the winter of 1870, an Army inspector stopped by, and observed only eight miners wintering in Fort Wrangel. The inspector observed that King Lear lived in the largest building, the two-story former hospital building, which he ran as a store<sup>4</sup> and where he served as postmaster.<sup>5</sup>

The only other merchant around was Charlie Brown, a holdover from the Stikine Gold Rush of 1861.

David Flannery, the deputy Collector of Customs in Fort Wrangel, was the only federal official for miles around. He did his job so diligently it seldom registered as news. King Lear provided David Flannery a free place to stay and work inside the fort. With so many buildings at his disposal, King Lear was able to grant generous favors.

Until as late as 1873, few outsiders visited.<sup>6</sup> But that would change. The July 29, 1873 Daily Colonist reported:

DAILY COLONIST: "Buck" Choquette, the Hudson Bay Company's agent at Stickeen, had been to the diggings, came out to Fort Wrangel and saw Mr. Lear. He had about \$200 worth of the dust, which he got at the mines, and pronounced the diggings rich and extensive... About \$500 worth more of the dust was brought down for Boscowitz Bros., of this city. Capt. Wm. Moore sent down \$200 in dust by Mr. Lear to his family in this city. Mr. Lear has about \$90 of the dust. It is dark, resembling Big Bend gold closely, and is in pieces ranging from a bit to \$3.50 in weight.<sup>7</sup>

<sup>&</sup>lt;sup>4</sup> 1871.03.15 Alaska. Letter from the Secretary of War in relation to the Territory, p. 29

<sup>&</sup>lt;sup>5</sup> 1869.10.08 Daily\_National\_Republican\_1869-10-08\_1.pdf

<sup>&</sup>lt;sup>6</sup> The Story of Alaska, CL Andrews, p. 139.

<sup>7 1873.08.29</sup> Daily Colonist.pdf

Buck Choquette, the legend who sparked Alaska's first gold rush, gave the news a gold stamp of approval.

# **Hype Machine**

King Lear put his hype machine into action. In March 1874, King Lear boarded a steamship to Victoria,<sup>8</sup> where he told reporters about his team of hired Russian hands, each man packing a 300 pound sled of supplies up to his trading post up the Stikine River.<sup>9</sup> King Lear made sure stories like this wound up in Victoria newspapers. He ran advertisements for his "large safe and commodious warehouse" and went by the motto, "will pay strict attention to the business."<sup>10</sup>

King Lear openly sold wine and liquor to eager prospectors.<sup>11</sup>

LEAR: W.K. Lear, dealer in Groceries and Provisions, Wines, Liquors, Clothing, Miners' Outfits, Fort Wrangel, Alaska Territory, and Buck's Bar, Stickeen River, British Columbia.<sup>12</sup>

In the same newspaper, a competitor ran an ad accusing Lear of omitting an important fact about his prices:

That from 15 to 20 per cent. duty has to be paid on goods purchased at Fort Wrangel on entering the British possessions. Goods bought from us will be sold much below the Wrangel price, and will enter the diggings Duty Free.<sup>13</sup>

<sup>8 1874.03.12</sup> Daily Colonist.png

<sup>9 1874.04.18</sup> The\_Washington\_Standard.pdf

<sup>&</sup>lt;sup>10</sup> 1874.02.22 Daily Colonist 1874-02-22 2.png

<sup>11 1874.02.22</sup> Daily Colonist 1874-02-22.png

<sup>12 1874.02.22</sup> Daily Colonist 1874-02-22.png

<sup>&</sup>lt;sup>13</sup> 1874.04.02 Daily Colonist (1874-04-02)

King Lear intended to make the gold rush pay. But King Lear wasn't the only game in town. The Cassiar Gold Rush brought not only new customers, but competition, as well. And the King would have none of it.

#### \*\*\* Commercial: Ernest Picht \*\*\*

You're listening to Wrangell History Unlocked Presents: Strange Customs, Part 2: Fools Rush In. We'll be back, after this commercial message.

ERNEST PICHT, NEW WESTMINSTER, B.C., IMPORTER AND DEALER IN SPRITS, WINES, Ales and Cigars. BRANDIES - French, H. & F. Martell, Pelvoisin and American, in bulk and cases. RUM–Jamaica and other brands; WHISKEY-Scotch, Irish, Bourbon and Monongahela, in bulk and cases; GIN-Holland, in bulk and cases; OLD TIME-Different brands; WINES-Port, Sherry, California Wines, various brands; CHAMPAGNE, PORTER AND ALES! Different brands; SYRUPS AND BITTERS-All kinds; ERNEST PICHT, New Westminster, B.C., BREWER AND MALTSTER AND DEALER IN Brewer Stock, DISTILLER, AND DEALER IN Double Refined Spirits. 40° Over-proof, Superior to any. -ALSO-Refined Alcohol, in Tins, 95°

over-proof.14

# Competition

The wave of gold miners to Fort Wrangel attracted a new crop of businessmen, looking to cash in. As Patricia A. Neal writes in Stikine River Journal: Early Days on the Stikine River:

Brandy was being sold at \$4 to \$5 per bottle. A saloon was started in a tent and the proprietor was selling drinks at

<sup>14 1863.05.05</sup> Victoria\_Daily\_Chronicle\_Tue\_May\_5\_1863\_.pdf

50 cents per drink. He expected to have a billiard table shipped up on the next steamer. And then, "Dancing Bill" from Fort Wrangel, accompanied by four others, headed up the river with an organ.<sup>15</sup>

King Lear put his foot down. Victoria's Daily Colonist wrote:

DAILY COLONIST: Many traders and merchants came here to open places of business, but were prevented by Lear, who claimed to own every foot of ground by purchase from the U.S. Government. However, there were a few who defied the KING'S MANDATE. Messrs. Brown, Stevens and Goldstein built themselves substantial houses, and have been doing a good business all the season, which appears to have been a source of great annoyance to Mr. Lear, who left no stone unturned to drive all competitors from the island, and complete his monopoly of trade.<sup>16</sup>

Among the new merchants numbered Samuel Goldstein and Henry Cutter, two men who formerly of Sitka. While Goldstein had been implicated in smuggling, Henry Cutter had been caught manufacturing 22 gallons of homemade<sup>17</sup> "pure spirits."<sup>18</sup> He was arrested, but Sitka's Collector of Customs noted the unintended consequence:

Since this course has been adopted, the making of liquor in this town has been discontinued, but what is a great deal worse, parties now make it at points so far removed from here that I cannot reach them...<sup>19</sup>

Where Sitka was a game of cat and mouse with the Army, Fort Wrangel was a safe distance away, making it a haven for criminal enterprise.

<sup>&</sup>lt;sup>15</sup> Stikine River Journal: Early Days on the Stikine River, by Patricia A. Neal, p. 32.

<sup>&</sup>lt;sup>16</sup> 1874.10.01 Daily Colonist

<sup>&</sup>lt;sup>17</sup> 1870.06.09 The\_Baltimore\_Sun\_Thu\_Jun\_9\_1870\_.pdf

<sup>&</sup>lt;sup>18</sup> 1870.06.09 The\_Baltimore\_Sun\_Thu\_Jun\_9\_1870\_.pdf

<sup>&</sup>lt;sup>19</sup> 1871 Alaska Seal Fishery Lease, p. 35-36.pdf

Merchants Hugh Waters and John Curry, from British Columbia, ran a store together, and always seemed to be found together. In 1870, Hugh Waters was implicated in a conspiracy to burn down a store for insurance fraud. Under cross-examination, it was alleged that Waters "is a hard drinker and suffers from its effects."<sup>20</sup>

One man who seemed to have King Lear's consent to do busienss was German-born Ernest Picht, who ran a saloon inside King Lear's former Hospital Building. In 1871, the Puget Sound Argus reported Ernest Picht received seeds in the mail from Germany to grow sugar beets.<sup>21</sup> Sugar beets aren't much to eat, but they produce the ample sugars required to make molasses, which is used to make liquor.

For King Lear, these merchants represented a threat to his authority and total control. When John Carr showed up, King Lear was suddenly no longer the only power player on the scene.

But something was about to happen that would raise the stakes even higher, for all of them. Far away, in Washington, D.C., President Ulysses Grant signed a bill into law, that finally gave the Army the authority to control the liquor trade in Alaska. The Army was ready to fight.

<sup>&</sup>lt;sup>20</sup> 1870.07.28 Daily Colonist.png

<sup>&</sup>lt;sup>21</sup> 1871.04.27 Puget Sound Argus.png

# **Chapter 6. Raising the Stakes**

Major General John Schofield took the new law passed by Congress, and issued this general order. It didn't exactly ban liquor in Alaska, but instead defined who would be in control of it.

Under direction of the Secretary of War the transshipment of spirituous liquors from Victoria Vancouver Island is authorized at Fort Wrangel, Alaska throughout the territory of the United States to British Columbia, under such regulations as may be established by the Treasury Department.<sup>22</sup>

And the Treasury Department's man in Fort Wrangel was John Carr. He'd gotten the job through his benefactor, Oregon's fresh, new senator, John Hipple Mitchell. As historian David Wharton described the system whereby political cronies landed powerful jobs:

The post of Collector of Customs came under the heading of political patronage. The men chosen were ordinary men, who had served their party and been rewarded... Some of the collectors appeared larger and shone more brightly than they would have elsewhere, because of the rough setting in which they were cast.<sup>23</sup>

In the frontier, the Collector of Customs often worked alone. In the earliest days of Alaska under the United States, the Collector of Customs represented a rare individual with actual government power.

A history of the Customs Service from Syracuse University describes it:

The reality is that with a small number of inspectors, thousands of miles of hard-to-protect borders, and unscrupulous entrepreneurs willing to fill almost any demand, the Customs Service has always been something of an underdog. These inherent conflicts, and the vast profits to be realized from contraband, have meant that

<sup>&</sup>lt;sup>22</sup> 1874.03.27 Morning Oregonian.pdf

<sup>&</sup>lt;sup>23</sup> They Don't Speak Russian in Sitka, by David Wharton. pp. 35-36.

the Customs Service has been required to wage an almost continuous battle against corruption.24

As historian Roland L. de Lorme wrote,

...A pitifully small contingent of customs officers attempted to work with an equally inadequate territorial government to enforce federal laws and commercial regulations and give Alaska at least a small measure of civil peace.... The collector of customs... could do little about smuggling activities because of the problems of weather and distance. Such difficulties made smuggling not only profitable but relatively safe, for, as one collector complained, there was "not a safer or larger field for smuggling than [Alaska], there being over 1000 miles of inland waters with a thousand islands and coves, [and] no facilities [were] furnished by the Department to stop it."<sup>25</sup>

#### Debauchery

The Cassiar Gold Rush brought men, which only made the problem worse. Robert Campbell, writing in Darkest Alaska:

Fort Wrangell served as the entrepot for these gold rushes. The sex trade expanded to service the thousands of prospecting men who trooped north and through Fort Wrangell on their way up the Stikine River into the interior...<sup>26</sup> In addition to its casual and tolerated violence, the sex trade carried other devastating consequences for the native Alaskans.<sup>27</sup>

Victoria's Daily Colonist accused King Lear of being part of the problem of prostitution. It wrote:

<sup>24</sup> https://trac.syr.edu/traccus/findings/aboutCUS/cusHistory.html

<sup>&</sup>lt;sup>25</sup> Liquor Smuggling in Alaska, 1867-1899. Roland L. de Lorme. The Pacific Northwest Quarterly. Vol. 66, No. 4 (Oct., 1975), pp. 146.

<sup>&</sup>lt;sup>26</sup> In Darkest Alaska, Robert Campbell, Ch. 4 Frontier Commerce.

<sup>&</sup>lt;sup>27</sup> In Darkest Alaska, Robert Campbell, Ch. 4 Frontier Commerce.

DAILY COLONIST: If you wish to rent one of these buildings from Mr. Lear for the purpose of carrying on a legitimate business, he will charge an exorbitant price, reserving the right to kick you out at the end of the month, or raise your rent to the maximum if he finds your profits exceed your expenditure. On the contrary, if you make it known to him that the building is to be used for "other purposes," he will rent it to you at a mere nominal figure. There is not a building in Wrangel today owned by Mr. Lear that cannot be rented for the purpose of keeping a "brothel" in preference to a legitimate business.<sup>28</sup>

The U.S. Army was well aware of these issues, and thought it had a responsible partner in John Carr. It would be a long time before they figured out how wrong they were.

#### **Back in Portland**

Meanwhile, back in Portland, things started heating up. John Carr's appointment came in the crosshairs of one of John Hipple Mitchell's political enemies, ex-Governor A.C. Gibbs. To a packed audience, Gibbs tore into John Carr, John Hipple Mitchell, and the corrupt ring:

GIBBS: Lastly, I notice the appointment of a man as... Deputy Collector, in Alaska, who has been for a number of years one of the wire-workers and corruptionists for the leader of the ring in this city. He now goes by the name of J.A. Carr. I am informed by a gentleman in this city that his real name is John McMoulson: that some of the time he has gone by the name of J.A. Lyons; that he killed a man by the name of Fernandez at or near Oroville, Cal., that he fled to Idaho, and from Idaho came here a fugitive from justice. He was indicted, and a reward of one thousand dollars was offered for his apprehension, [Sensation], but "Mc" never put in his appearance to claim the reward. This is the last appointment made by the ring. Whose turn next?<sup>29</sup>

<sup>28 1874.10.01</sup> Daily Colonist

<sup>&</sup>lt;sup>29</sup> 1874.05.29 Oregonian\_1874-05-29\_1.pdf

For the first time, John Carr was exposed. He was a thousand miles away in Alaska, but now the public knew his crimes. Incredibly, Gibbs' speech failed to draw blood. John Carr and John Hipple Mitchell continued in their offices, unhindered.

In fact, John Hipple Mitchell had reason to celebrate. A committee of his fellow United States senators cleared him of all wrongdoing. The Salt Lake Tribune wrote:

Morton, in presenting the report of the elections committee, in the case of Senator Mitchell, said it afforded him great pleasure to state that the committee were unanimous in the opinion that the charges contained nothing against Mitchell requiring the action of the Senate.<sup>30</sup>

His seat was safe. As John Hipple Mitchell settled into the Senate, John Carr settled in at Fort Wrangel. It was time for both of them to get to work.

<sup>&</sup>lt;sup>30</sup> 1874.06.14 Salt\_Lake\_Tribune\_1874-06-14\_1.pdf

# **Chapter 7. The Crime**

There were lots of reasons to smuggle goods. Some items, like alcohol, were simply illegal without a permit.

But many people attempted to smuggle items simply to avoid having to pay import taxes. If you imported Canadian goods into America, you had to pay the US government duty. And if you imported American goods into Canada, you'd better expect to be charged an import duty.

Fort Wrangel posed a unique, and interesting challenge. Fort Wrangel was an American port, but it received Canadian goods intended for use up the Stikine River inside Canada.

The American government allowed an exception for these types of goods. No duties were required on Canadian goods stopping over temporarily in Fort Wrangel, so long as the goods made it into Canada. If any of it stayed in Fort Wrangel, that counted as an import and required a fee.

John Carr made his first scheme inside this matrix of rules.

#### Liquor for Wilson

In July 1874, John Carr struck a deal with merchant William P. Wilson. John Carr had access to a secure warehouse containing liquor intended to be shipped on to Canada. For \$100, Carr let Wilson take some of the liquor home. Carr covered his tracks by filling out a false clearance of goods, indicating that the liquor had been sent on to Glenora Landing, Canada.<sup>31</sup>

Stanley Ray Remsberg, writing in "The Administration of Alaska," describes it like this:

<sup>&</sup>lt;sup>31</sup> 1875.03.27 Reports of Cases Decided in the Circuit and District Courts of the United States for the Ninth Circuit, Volume 3, p.319.

An inevitable by-product of the boom was a thriving trade in spirits and wine to satisfy the carefree, spend-thrift miners' thirst for drink... John A. Carr illegally diverted parts of the shipments into town, falsely marking the manifests to indicate that they had been shipped on to the mines. He also allowed his friends to bring up their own orders under fake manifests, marking them for transshipment to British soil; then for a price, he would release them for local use and falsify his records to show them as also having been sent up-river.<sup>32</sup>

John Carr was willfully violating Indian Country law, customs law, and public corruption laws. He would reportedly even confiscate liquor in his legal capacity as collector, then turn around it sell it to someone else.<sup>33</sup>

While Fort Wrangel's other merchants relied on homegrown distillers to make liquor, John Carr could simply ship up quality product from Portland. Liquor is difficult to manufacture, and when done wrong, it can be deadly. John Carr changed the dynamics of the illicit trade in liquor in Fort Wrangel. Suddenly, quality contraband was available, for a price.

#### A Deal With Lear

The Daily Colonist summarized King Lear's reaction:

DAILY COLONIST: Lear owns nearly all of Wrangel, and Carr seems to be making war on all that is Lear's.<sup>34</sup>

Both Lear and Carr banked on profiting off this gold rush, but they were stepping on each other's toes. To the people in Fort Wrangel, Carr was a new authority with a permissive attitude toward vice. Lear represented an old authority, jealously guarding his power.

According to the Colonist,

<sup>&</sup>lt;sup>32</sup> 1975 Remsberg Thesis.pdf

<sup>&</sup>lt;sup>33</sup> 1874.10.20 Puget\_Sound\_Daily\_Courier\_1874-10-20\_3.pdf

<sup>34 1874.10.01</sup> Daily Colonist

DAILY COLONIST: The facts are these: There was a proposition between the "King" and the Collector to divide the territory of the U.S. between them—one to be King, "Monarch of all he surveys;" the other to be Judge Advocate, Provost Marshal and Lord High Admiral of the Island of Wrangel and its Dependencies, etc. But in allotting off the portion that each should have for his share, it turned out unfortunately that "King" wanted a double dividing line down the S... securing two-thirds for himself.<sup>35</sup>

From his second story deck, King Lear could gaze out at all that he owned, all while keeping a jealous eye on John Carr.

#### **Extorting the Glenora**

John Carr's next scheme was so grand and brazen, that it is shocking it even happened. And yet, multiple reports back it up.

When the steamship Glenora came down the Stikine River near the end of the season, it was heavy with goods and people. John Carr reportedly refused to allow the ship to land anything, unless the captain paid him an extortion fee of around  $44,000^{36}$  — a little over 100,000 today. Captain Irving was shocked and protested. But given no alternative, he paid John Carr the money, and the ship landed. This extortion was John Carr's biggest haul of his unscrupulous career.

#### **Crackdown Coming**

Back in Portland, General Jefferson C. Davis sat down with Captain J.B. Campbell. Campbell had just been appointed the new head of the Army in Alaska, and would soon leave for Sitka to take command of General Davis's old post. Davis counseled the young captain on what to expect in Alaska. Campbell recalled:

<sup>&</sup>lt;sup>35</sup> 1874.10.01 Daily Colonist

<sup>&</sup>lt;sup>36</sup> p. 1903 Alaska Boundary Tribunal p. 182

CAMPBELL: He told me he knew from personal experience that the command was a difficult and arduous one at all times, and that would be especially so now on account of the mining excitements, and the large contraband trade that had sprung up. He especially called my attention to the alleged unlawful trade and violations of law at Fort Wrangel...

General Davis told Campbell to make arrests in Alaska, so long as he had the sworn testimony of two parties to back it up. As for what to do once a prisoner was in custody, General Davis shrugged it off. He admitted that, in Sitka, several prisoners had been in confinement for months, with no clear end in sight.

CAMPBELL: ...He said means would ultimately be found to bring offenders to justice, and that in the mean time he would only reiterate the orders of the War Department, which were that the commanding officer of Sitka should proceed against all offenders.<sup>37</sup>

Davis was ready to fight, but Campbell told him he feared the Army had no legal authority to arrest anyone, and that doing so would open Campbell up to the criminal charge of false arrest. But General Davis left that for Campbell to sort out.

CAMPBELL: You must "proceed against them" were the words, but no explanation was vouchsafed.<sup>38</sup>

Back in charge of the Army in Alaska, General Davis once again set into motion events and ignored the consequences.

On his voyage north, Captain Campbell passed briefly through Fort Wrangel.

<sup>&</sup>lt;sup>37</sup> 1879.01.31 Captain JB Campbell 45th Congress.pdf p. 4.

<sup>&</sup>lt;sup>38</sup> 1876.03.06 Message from the President of the United States communicating i

CAMPBELL: I ascertained that the law in reference to liquor was extensively and openly violated at Fort Wrangel...<sup>39</sup>

Campbell saw with his own eyes the trade that was happening in broad daylight.<sup>40</sup> When Captain J.B. Campbell arrived in Sitka, he relieved Captain George B. Rodney, who had been in command of the Army in Alaska through the tumultuous summer of 1874. As Captain Rodney prepared to leave Alaska for good, Captain Campbell assigned him a solemn responsibility on his way out: raid Fort Wrangel.

With that, Captain Rodney, and a detachment of soldiers, boarded a steamship for Fort Wrangel. They were about to bring down the hammer. Literally.

<sup>&</sup>lt;sup>39</sup> 1879.01.31 Captain JB Campbell 45th Congress.pdf p. 4.

<sup>&</sup>lt;sup>40</sup> 1975 Remsberg Thesis.pdf

# **Chapter 8. Rodney's Raid**

#### Rodney Raid (Aug 19)

The Daily Colonist described Rodney's Raid:

DAILY COLONIST: Wrangel, 5 p.m. Aug 19. Steamer California just arrived from Sitka. Shortly after her arrival four detachments of U.S. troops were landed and every store and house was searched for liquor. Wherever found it was instantly destroyed. In Sam Goldstein's a barrel of brandy was found, the clerk arrested and the store, which contained about \$6000 worth of goods, was closed and is now in charge of a U.S. officer. Wilson's saloon was closed; Curry & Waters' was also closed with several others. Barrels, cases, bottles, etc. were taken out and broken to pieces. The town was quite lively for a few hours.<sup>41</sup>

Rodney's Raid of Fort Wrangel was a smashing success.

This was a wakeup call. For some, the party was over. Samuel Goldstein and his clerk, William Lendquist, got spooked and left Fort Wrangel almost immediately. Goldstein boarded a steamship for Sitka, while his clerk and several miners decided to travel to Sitka by canoe.<sup>42</sup> But other merchants in Fort Wrangel hardly batted an eye before opening back up. As the Daily Colonist wrote:

DAILY COLONIST: The steamer California had scarcely left the harbor here on the 19th of August, with the U.S. troops on board, when the places closed by the commanding officer of the detachment were again all reopened by permission of Mr. Carr, collector of the port, to those who made "proper" application, with the exception of...Messrs. Waters & Curry, who would not recognize "the

<sup>&</sup>lt;sup>41</sup> 1874.08.25 Daily Colonist

<sup>42 1874.09.24</sup> Daily Colonist.png

mode" as being the "proper" way to re-open their places of business.<sup>43</sup>

Ironically, one of Captain Campbell's orders before the men left Sitka was to "seize the goods, chattels, &c., of those violating the law," and to "turn them over to the custody of the collector of customs at that place."<sup>44</sup> That meant the Army entrusted all the confiscated goods to John Carr, whose corruption and deceit remained undiscovered following the raid.

# Davis Orders (Aug 31)

Days later, Captain George Rodney arrived in Portland, and described the raid first-hand to General Davis. Rodney's report included names and places of business in Fort Wrangel selling liquor without a license.

Rodney's raid caught merchants in the act of illegally selling liquor in Indian Country, but Rodney did not catch merchants selling liquor to Indians. In fact, the merchants of 1874 all came for the gold rush, not the Indians. The merchants made their money mining the miners.

For General Davis, Rodney's report was exactly what he needed to hear. He couldn't delay, for fall was approaching, and with it the hoards of gold miners coming down the Stikine River before it froze up. Fort Wrangel's population would quickly swell, then dissipate, as gold miners boarded steamships south for the winter.

On August 31, 1874, General Davis wrote to Captain Campbell in Sitka, ordering him to arrest the merchants named in Rodney's report.<sup>45</sup> Davis specifically ordered Campbell to "co-operate with the deputy collector of internal revenue in breaking up the illicit traffic in liquors."<sup>46</sup> The Army still hadn't caught on to John Carr's tricks. Among the merchants named

<sup>43 1874.10.01</sup> Daily Colonist

<sup>&</sup>lt;sup>44</sup> 1879.01.31 Captain JB Campbell 45th Congress.pdf p. 4.

<sup>&</sup>lt;sup>45</sup> 1975 Remsberg Thesis.pdf

<sup>&</sup>lt;sup>46</sup> Waters v. Campbell.

selling liquor, one was noticably missing: King Lear. The Daily Colonist observed:

DAILY COLONIST: It is very well known that Mr. Lear has been doing a thriving business all the season in the liquor traffic; but on this very particular day not a drop was to be found in his stores. The "King's" premises, however, were not desecrated by the presence of Uncle Sam's "Boys in Blue," the word of his Majesty was accepted for that.<sup>47</sup>

King Lear may have avoided trouble by conveniently being out of town at the time. He was up the Stikine River, in Glenora Landing, B.C., in court. The Daily Colonist reported:

DAILY COLONIST: Justice's Court... Preferred a charge against W.K. Lear for removing certain goods liable to duty from the steamer Hope at Glenora Landing on the morning of June the 14th, to which charge Lear pleaded guilty and was fined \$10 and \$10 costs. The next was the same vs. W.K. Lear for attempting to pass a quantity of pickles by false declaration through the Custom House. Dismissed.<sup>48</sup>

Lear and his pickles got away unscathed.

#### **Goldstein Arrested (Sep 12)**

The merchants who reopened in Fort Wrangel after Rodney's raid may have thought the Army's raid was a one-time thing. After all, no one was arrested and the season was coming to an end. But Rodney raid's was just the beginning. With his orders in hand from General Davis, Captain J.B. Campbell in Sitka ordered the arrests of the Fort Wrangel merchants identified by Captain Rodney.

When Samuel Goldstein fled Fort Wrangel after Rodney's raid, he may have thought he'd be safer in Sitka. He was wrong. On September 12,

<sup>47 1874.10.01</sup> Daily Colonist

<sup>48 1874.09.24</sup> Daily Colonist 1874-09-24

soldiers in Sitka arrested Samuel Goldstein, and placed him in the guardhouse.<sup>49</sup> Goldstein's clerk, and the few others who decided to flee Fort Wrangel by paddling to Sitka, still hadn't arrived, and never would. When they failed to show, they were presumed dead. Their deaths were the first major consequence of Rodney's raid. But more would come.

# To Fort Wrangel (Sep 16)

Four days later,<sup>50</sup> Captain Campbell in Sitka sent twelve soldiers led by their young officer, Lieutenant A.B. Dyer, to Fort Wrangel. He gave them an order: shut it down. The liquor, the stills, the merchants, everything. Shut it all down. And take back the fort.<sup>51</sup>

#### \*\*\* Commercial break \*\*\*

You're listening to Wrangell History Unlocked Presents: Strange Customs, Part 2: Fools Rush In. We'll be back, after this commercial message.

David Green, on Government street, Announces that he can't be beat. Vests, coats and pants he will sell cheap, In all styles and sizes he has a heap. Depart at once his benefits to reap.

Go to Cassiar mines is the cry, Resolve at GREEN'S your clothes to buy; Every class can be suited there, Each article warranted not to tear. Now, go while you have the cash to spare.<sup>52</sup>

<sup>&</sup>lt;sup>49</sup> 1975 Remsberg Thesis.pdf

<sup>50 1874.11.18</sup> Daily Alta California.png

<sup>&</sup>lt;sup>51</sup> 1975 Remsberg Thesis.pdf

<sup>52 1873.10.24</sup> Daily Colonist.png

# **Chapter 9. Arrests**

At 22 years old, this was the biggest assignment Lieutenant A.B. Dyer had ever been handed.<sup>53</sup> He was less than a year out of West Point. Unlike his superior officers, Dyer was a boy during the Civil War, too young to have served in that conflict. Dyer was named after his father, a famous Union brigadier general, who had died just months before. Captain Campbell's order to shut down the liquor trade in Fort Wrangel was A.B. Dyer's chance to prove himself and live up to his father's legacy.

### Sep 17. Troops Arrive

On September 17, at 6pm, the steamer California pulled into Fort Wrangel.<sup>54</sup> Like a trojan horse, the Army's soldiers jumped out and flooded the town. The Daily Colonist remarked:

DAILY COLONIST: Steamer California just arrived from Sitka with a detachment of U.S. troops, to be permanently stationed here. Live times expected.<sup>55</sup>

Stanley Ray Remsberg describes it:

Although most smugglers promptly hid their stocks when they learned that soldiers were on the ship, Dyer acted upon Rodney's findings and promptly arrested Wilson, Cutter, Curry, and Waters, seized and inventoried their property, and destroyed all the liquor they could find.<sup>56</sup>

# **Fort Wrangel Reaction**

The Army's crashing arrival sent people scattering. Purser Vanderbilt took people aboard his steamship, whether they had money or not.<sup>57</sup>

<sup>&</sup>lt;sup>53</sup> 1975 Remsberg Thesis.pdf

<sup>54 1874.09.24</sup> Daily Colonist.png

<sup>55 1874.09.24</sup> Daily Colonist.png

<sup>&</sup>lt;sup>56</sup> 1975 Remsberg Thesis.pdf

<sup>57 1874.09.24</sup> Daily Colonist.png

The Daily Colonist remarked:

DAILY COLONIST: The Military are now making several arrests. No telling when this thing will stop, the place is under martial law. Anchor up, steamer away.<sup>58</sup>

No one seemed happy about the Army's arrival, except for King Lear. He welcomed Lieutenant Dyer and his men, and provided them use of his largest, most-prized structure: the former Hospital Building. This meant Ernest Picht, the saloon keeper, was kicked out.<sup>59</sup> A reporter for the Daily Colonist by the name of Box was there, and interviewed A.B. Dyer:

BOX: A.B. Dyer... is a nice, gentlemanly looking young fellow, just out from the play grounds of West Point. He has been the guest of Mr. Lear since his arrival here, and if he has not been lionized by other residents it is because they do not place a proper estimate on gold lace and gilt buttons.<sup>60</sup>

BOX: On the 19th of Sept. I called at Lieut. Dyer's quarters, and among other subjects I spoke of Mr. Picht being driven out of THIS house, where he had opened his saloon. The Lieutenant informed me that the WHOLE house being under seizure he could not permit a saloon to be opened in it! Otherwise, he had no authority to dispossess Mr. Picht.<sup>61</sup>

Dyer was telling the plain truth: he could only arrest those names given to him in Sitka. Ernest Picht, a saloon keeper, was simply not among the names identified in Rodney's raid the month before.

But that didn't mean Dyer couldn't gather evidence. Stanley Ray Remsberg:

<sup>58 1874.09.24</sup> Daily Colonist.png

<sup>59 1874.09.24</sup> Daily Colonist.png

<sup>60 1874.11.19</sup> Daily Colonist.pdf

<sup>61 1874.11.19</sup> Daily Colonist.pdf

Dyer also secured affidavits from six witnesses accusing them of illegally introducing liquor into Alaska, but despite his suspicions, he could find no evidence that they sold drink to the Indians.<sup>62</sup>

#### Sep 24. Wilson Snitches

One affidavit stood out. On September 24, William P. Wilson told A.B. Dyer about the liquor he received from John Carr in July. Wilson described how John Carr could simply fill out false clearance paperwork saying the liquor was shipped up the Stikine River to Canada.<sup>63</sup>

This was shocking news. The whole summer of 1874, there had been a massive leak in the U.S. government's dam around liquor in Alaska. And its name was John Carr. The Army and the Treasury were supposed to be working together to control the liquor trade. Instead, they were competing against each other. The reputation of the Army for introducing liquor into Alaska during this time now extended to the Treasury, as John Carr was exposed for doing exactly the same thing.

#### Sep 25. Arrest of John Carr

The very next day, the Army finally got its man. The Daily Colonist: DAILY COLONIST: The Caldron Boiling at Fort Wrangel—a U.S. Official Arrested. John A. Carr, deputy Collector of Customs here, was put under arrested at 3 p.m. today, and is now confined with other prisoners. Whose turn next?<sup>64</sup>

In Trouble – John A. Carr, Deputy Collector of Customs at Fort Wrangel, has been arrested by Lieut. Dyer, U.S.A., and was put in close custody in the guardhouse. He is charged with having taken \$4,000 for Capt. Irving for

<sup>62 1975</sup> Remsberg Thesis.pdf

<sup>&</sup>lt;sup>63</sup> 1875.03.27 Reports of Cases Decided in the Circuit and District Courts of the United States for the Ninth Circuit, Volume 3, p.319.

<sup>&</sup>lt;sup>64</sup> 1874.10.14 Daily British Colonist

some violation of the revenue law, and keeping the money himself instead of paying it over to the Government, and also with having sold liquor which he had, in his official capacity seized from parties who had taken it for sale contrary to the law. $^{65}$ 

As Captain J.B. Campbell recalled:

CAMPBELL: My lieutenant at Wrangel had detected the collector of customs of that place not only in the violation of the non-intercourse Indian laws, but in smuggling of foreign liquor into the Territory. He arrested him, and at once a flood of complaints poured in from all sources of extortion in office, fraud, bribery, and other offenses against this official.<sup>66</sup>

This was John Carr's first time behind bars, and it did not suit him. His long run from the law was finally over, for the moment.

He knew that once his powerful friends in Portland and the U.S. Senate heard about this, they'd jump into action to save him. But trapped, in this remote Alaskan outpost, he confronted the reality that information traveled slowly, and it would take time before anyone knew what had happened. As he waited, he plotted how he might get revenge.

The Army's return to Fort Wrangel flipped the table, sending the house of cards tumbling. King Lear was out of the fort, and the Army was back in. The stores were locked up, and its merchants in jail. John Carr went from being the most powerful man in Fort Wrangel to becoming its prisoner. And King Lear watched the cards fall, trying to score his biggest sale yet.

#### **Next Time**

Next time, on Strange Customs, Part 3: With Justice For All. A gruesome death threatens to rekindle a bloody conflict between the Army the Tlingit.

<sup>65 1874.10.20</sup> Puget\_Sound\_Daily\_Courier\_1874-10-20\_3.pdf

<sup>&</sup>lt;sup>66</sup> 1879.01.31 Captain JB Campbell 45th Congress.pdf p. 4.

Oregon's Senator John Hipple Mitchell tries to shut down the Army's case against John Carr by taking the issue all the way to the floor of the US Senate. And Judge Matthew Deady reminds the Army that they might have their man, but he has the final say.

# Credits

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Tune in next week, for Strange Customs, Part 3: With Justice For All.

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