

New Orleans Took Years to Establish, and It Started 300 Years Ago This Week

Richard Campanella, published in the *New Orleans Times-Picayune*, September 10, 2017

Cities are rarely birthed neatly. Many began gradually as spontaneous aggregations of humanity attracted to convenient geographies, such as portages or river confluences, only later attaining municipal administration and permanent infrastructure. Other cities got off to false starts or changed locations and names, not to mention governance, if they didn't peter out altogether.

Even those cities that began as articulated visions rarely launched according to plan, as capricious conditions and contingencies ended up driving history into unforeseen directions.

Such was the case for New Orleans, whose name and location were first scribed in a French company register 300 years ago this week—despite that it would take another six months to begin fieldwork and over five years before something resembling a city would emerge.

The enterprise was called the Company of the West, and its founder was a brilliant if reckless Scottish financier named John Law. A sophisticate with a forte in macroeconomics and provocative ideas on monetary policy, Law had allied himself with a powerful kindred spirit, Philippe II, the Duke of Orleans who served as Regent of France, acting on behalf of five-year-old King Louis XV.

Impressed with Law's financial acumen, Philippe in 1716 established the Banque Générale based on Law's theory that paper currency could be issued to represent deposits of real wealth—that is, gold, which was all too scarce. The idea seemed to work, though largely because the paper bills were overprinted. The apparent success of the Banque Générale delighted Philippe and emboldened Law to seek another lucrative testbed for his monetary theories—perhaps something along the lines of Great Britain's South Sea Company, which aimed to lock up trade opportunities in South America. Its stock sold rigorously, and Law, a native of Great Britain now working for the French Crown, cast his eyes across the Atlantic to France's New World colonies.



Detail from "Plan of New Orleans," published 1759 depicting conditions around 1722. Courtesy Library of Congress.

What caught his attention was an exotic-sounding but floundering possession some people called "Louisiana" and others "Mississippi." An investor named Antoine Crozat had since 1712 held a charter to develop that mysterious land, but sheer frustration drove him to relinquish it. Indeed,

ever since Robert LaSalle named and claimed Louisiana for France in 1682, and the LeMoyné brothers Iberville and Bienville founded a colony there in 1699, the distant possession had proven disappointing, yielding only a smattering of outposts from Mobile and Biloxi to Natchez and Natchitoches. “Bad country, bad people,” is how Antoine Cadillac described the Louisiana colony—and he was its governor.

But Law’s confidence in his own genius—or chicanery—led him to see boundless riches where others met failure. And riches were needed: France was deeply in debt at this time, due to King Louis XIV’s spending sprees using borrowed gold. His death in 1715 left Philippe in charge—and stuck with the bill, along with the French citizenry. He couldn’t borrow any more gold, nor could he issue promissory notes, and he hesitated to print any more paper money unbacked by gold.

Law’s bold idea was to issue paper money and back it with the promise of commercial wealth—in the form of a company that would extract great treasure from a vast wilderness.

A debonair city-slicker if ever there was one, Law knew his way around Europe’s palaces and casinos but knew nothing of establishing plantations and mines in the American subtropics. Yet that is exactly what he proposed for Louisiana: to grow tobacco and other export commodities, as well as extract valuable metals and raw materials, for shipment to France in exchange for the mother country’s support—in a word, mercantilism.

The colony’s financing would come from the sale of stock; its peopling would come from recruited or forced emigration of at least 6000 settlers; and its field labor would come from 3000 enslaved people kidnapped from the Senegambia region of West Africa. New Orleans’ future demography was thus literally written into its charter.

The ensuing profits would enrich all shareholders, not to mention Law and Philippe, while equity in the company would help pay off the national debt. Better yet, Louisiana-grown tobacco would wean France off its addiction to Chesapeake leaves, which only sent money to the hated English, while French subjects along the lower Mississippi River would help defend Louisiana from rival imperial powers. “The beguiling inclusiveness of Law’s plan,” wrote historian Lawrence N. Powell, “—its promise to retire the national debt, revive the French domestic and overseas economy, and establish an autarkic source of tobacco—is what drew [Philippe] to Law’s theories.”



John Law, detail courtesy Library of Congress

It all seemed perfect on paper—and those papers were signed three hundred years ago this week. On September 6, 1717, shortly after Crozat formally relinquished Louisiana, John Law’s Company of the West received a 25-year monopoly charter on the colony and promptly began issuing stock and recruiting settlers. A sophisticated marketing campaign followed, featuring fliers depicting Eden-like mountains and friendly natives and putting the words “Louisiana” and “Mississippi” on European lips. Stock sold wildly well, to the point that buyers and sellers rioted in the streets trying to invest in the Company of the West.

Prices rose; more shares were issued; investors gobbled them up; and the “Mississippi Bubble” inflated.



La rue Quincampoix à Paris, en mars 1720, après la panique déclenchée par les ennemis de Law qui réalisèrent brusquement leurs actions et leurs billets.
Gravure d'Antoine Humblot. (Bibliothèque nationale, Paris.)

Crowds rioting in the streets of Paris over their investments in the Company of the West.. Detail courtesy Bibliotheque Nationale.

Such a scheme could only be as good as the wealth eventually produced by the colony, and such a colony, so remote and wild, would only be as good as its headquarters. To that end, a clerk in the late summer of 1717 scribed the following words in the company’s register: “Resolved to establish, thirty leagues up the river, a burg which should be called La Nouvelle Orléans, where landing would be possible from either the river or Lake Pontchartrain.”

The date for that entry, noted French historian Marc de Villiers du Terrage writing in 1920, read only “9th”, but given that the company had received its charter on September 6 and that “La Nouvelle Orléans” would appear again in the register three weeks later, the resolution was likely penned on September 9, 1717—New Orleans’ conception.

Later that September, the Company appointed Bienville as Commander General of the Louisiana Company, and on October 1 appointed a man named Bonnaud to be the cashier “at the counter [office] which is to be established at La Nouvelle Orléans, on the St. Louis [Mississippi] River.”

Why “Nouvelle Orléans?” Surely to flatter the project’s royal sponsor Philippe, whose day job was the Duke of Orleans. Villiers du Terrage notes that four months prior, in a report from May 1717, Bienville and Jean Michelle Seigneur de L’Epinet had suggested founding a new post and naming it for the Duke. Perhaps the September 9th date marks the time by which the May report arrived at Paris and the suggestion made its way up the Company’s chain of command, earning a stamp of approval.

Why the specified location? “Thirty leagues up the river” at that time translated to 70 to 90 miles up the Mississippi—not too far off, given the maps and measurements of the day, from the 95-mile mark where the city would eventually be established. “Where landing would be possible from

either the river or Lake Pontchartrain” reflected the importance of an alternative route to the shoal-prone mouth of the Mississippi, and pointed to the Bayou St. John/Bayou Road portage through today’s Sixth and Seventh wards.

Why, after years of frustration and vacillation, did a vision to establish New Orleans come so clearly and swiftly, within a single month? John Law’s breezy confidence and imperious personality surely played a role, as did the inclination of any ambitious start-up company to impress potential investors with a flurry of tangible activity—essentially the establishment of offices and the hiring of staff.

Three hundred years ago this week, New Orleans got all that, plus a name and an address. It would take another six months to inscribe that vision into the delta canebrake, and over five years to give it form and momentum—during which time John Law’s “Mississippi Bubble” would notoriously implode (as would Britain’s “South Sea Bubble”), floodwaters would flow, a hurricane would strike, diseases would spread, slave ships would arrive, and New Orleans would nearly get relocated.

In sum, this would not be a city birthed neatly.

But more on that later in the upcoming tricentennial year. Stay tuned.



John Law,
from a plate in an 1824 biography
by John Philip Wood,
courtesy Library of Congress

Richard Campanella, a geographer with the Tulane School of Architecture and a Monroe Fellow with the New Orleans Center for the Gulf South, is the author of “Bienville’s Dilemma: A Historical Geography of New Orleans,” “Bourbon Street: A History” and other books. Reach him through <http://richcampanella.com> and @nolacampanella on Twitter.