

The following communications from Robert Desty was received by the committee and ordered on file as part of the testimony in the case:

SAN FRANCISCO, *February 28, 1876.*

To the HON. COMMITTEE OF WAYS AND MEANS,
In the Congress of the United States:

GENTLEMEN: I perceive an investigation into the affairs of Alaska has been ordered, and I believe the matter has been submitted to a committee, and by the public press I see that parties who have complaints to make against the conduct of the Alaska Commercial Company are invited to come and detail their grievances.

This is not the way to arrive at the truth, since parties who know most are least able to travel so far as Washington, at great expense, for the political purpose of unmasking corruption. If Congress is sincere and this is not another whitewashing affair such as the Professor Elliot investigation, let them appoint, through their committee, a commission in this city to gather proofs, for their consideration. The charges are not so much mismanagement of their affairs as a commercial company; this is a sophistry. They are:

1. Their lease or contract was obtained by fraud and corruption, to be proved by evidence from the books of the company, if accessible, and the oaths of the senators and representatives who lent their influence to accept the bid of the company, when ten other bids were more favorable to the nation and to the natives themselves, as the terms of the various bids, the best of which I possess clearly shows. Among those who should be examined and who I have reason to believe are implicated, are Mr. Morton, Mr. Boutwell, Mr. Chapel, of Connecticut, and the delegation to Congress from this State at that time. How to extract the truth from them is a question which your wisdom must grapple with. All I can say, I know they could disclose all if they chose.

2. Fraud and corruption on the part of the United States officials, in complicity with the original firm of Hutchinson & Hirsh, in taking possession of Alaska, appropriating property to their use which should have reverted to the United States, bring-

ing up with their first advent in the country at the taking possession, a whole cargo of liquors to Sitka, and smuggling it into the commissary department at Sitka, and generally using their official influence and powers to smuggle it for the use and profit of the original company. Witness, Mr. Levy, of Sitka, now, I believe, temporarily in San Francisco.

3. The continued use of Government vessels in the interest of the company, and the fact that Government agents, while acting as such in the Territory, advertise themselves publicly, as likewise the agents of the company; witnesses, the agents themselves. The records will show their names; also copies of public notices set up by them in Alaska, telling the natives to trade with none but agents of the company, who are their sovereignty, under the pains and penalties of the law. These copies can be got in San Francisco, I believe.

3. Robbery and pillage of private property by Captain Smith, of their schooner Eustace, and only partial restitution when brought up before the court of justice; witnesses, C. J. Jansen, of this city, one of the parties despoiled, who forced them to disgorge his share; also Captain Bean, of Alaska, not so accessible; also all the natives who owned shares of the property despoiled.

Incident, when the Alexander, of the company, was arriving with the robbed property, a vessel was sent out to meet her, (a revenue-cutter, I believe,) and off the heads, the stolen property was unloaded and transported to Mariuleo, and there landed and transported around the bay to the cellar of the house of the company, so that when the court officers went to search the vessel at the wharf nothing of the stolen property was found on her, and Mr. Jansen was foiled, though subsequently, by finding out the above facts, forced them to make restitution in cash.

4. Robbery, violence, and pillage by the company of property and rights of Taylor & Bendel, rival bidders for the seal-islands, afterward on compromise of a law-suit, but not till publicly exposed in a pamphlet which I possess, at a cost of \$180,000 to the company.

5. Falsely registering the steamer Fideliter, a foreign-built ship, which runs to this day on our waters upon this false registration, and which I have informed the collector of this port of, pointing to indubitable record-proofs of the fact in view, proving the further complicity of Government officials in the fraud of the company. Corruption in the Treasury Department in releasing the forfeiture (done by Mr. Boutwell) on a previous seizure, where she was condemned for said fraudulent registry. (See 1 Sawyer's Reports.)

5. Flooding Alaska with liquors put up in bottles to simulate "Florida water," and using this agent as a means of controlling the natives to their purposes. Causing them in their inebriation to commit even murder. Proof, the murder of one Harrison; witness, Benjamin Levy, his partner, now in Alaska, whose statement written out is now in my possession; their immediate agent who used the Indians for this purpose being known in the Territory as "Black Bill," and recognized as a ruffian by all who know him.

6. Maintaining in Alaska, concealed in the mountains, a large distillery with a capacity to flood the country with liquor, thereby avoiding the necessity of transporting it thither; witness, Benjamin Levy, who has seen it and knows where to find it; witness, Major Campell, at Sitka, who has a sworn affidavit in his possession attesting to the fact; General Miller's complicity with the company while he was collector of this port; but how to draw it out is likewise a question for your wisdom rather than my suggestion.

His knowledge and complicity led to his accession as president of the company, for which he readily resigned the honorable and lucrative appointment which he held.

The entire transaction, from its incipency in the fertile brain of Hutchinson at Washington down to the present date, has exhibited the anomaly of the Government of the United States as partner with a commercial company, without surrendering its sovereignty as it should do in the affairs of the partnership, but on the contrary using its arms, particularly its Navy and notoriously its cabinet officials, to ward off opposition to its trade, and being implicated in the acts of violence, robbery, and bloodshed, which is the policy of the company in its effort to create a monopoly, aiding and abetting in defrauding itself, and without compensation to itself as a Government, the profits being divided as private gain, extorted by the power which they wield as Government officials.

* That the report of Professor Elliot is false in fact, I refer you to any of the officers of the (Portsmouth, I believe) vessel which took him up to the islands.

That this is a question which merits an honest, true, thorough and searching investigation, will be apparent, and the very fact that the company clamor for investigation should put the Government, or rather the legislative branch of the Government, on its guard, and cause them to see that the investigation does not take the direction dictated by the company or its officers, some of whom reside permanently at Washington for the express purpose of guarding against a surprise.

They are like the thief who aims to keep himself always ready to be searched, depending on having the search directed by himself.

Gentlemen, I am not a trader, never was, and never likely to be, have no interest in Alaska, but for many years I have been a close student of its affairs, and have contributed some to writing up its resources, which I believe to be greatly underrated by the company; and desiring to see an honest administration of the affairs of Government, I took the liberty thus to address you, with the assurance that I shall ever remain,

Yours to command,

R. DESTY,
611 Clay street.

P. S.—Senator Jones, of Nevada, has documents relating to Alaska, furnished by me, to which I respectfully refer you.

Yours, &c.,

R. D.

To the Committee of Ways and Means, United States Congress:

GENTLEMEN: Some time since I forwarded to you a collection of documents and a written statement of the affairs of the Alaska Commercial Company. Since that time I have taken especial pains to investigate as far as I was able the matters involved therein, and I have become convinced that most of the charges against the company are not founded on facts which can be proved; but, on the contrary, they are emanations from a source opposed to this company, with the avowed purpose of breaking up the business of the company for their own gain and advantage. I therefore desire to retract all charges, so far as I am personally concerned, and withdraw from all connection with the statements and charges alluded to, as I have no personal knowledge on the subject and wrote from hearsay-information exclusively.

I remain, respectfully, your obedient servant,

R. DESTY,
611 Clay street.

SAN FRANCISCO, May 1, 1876.

Statement of Robert Desty, Esq.

Having written nearly all the newspaper articles which have appeared in the San Francisco papers during the last seven years against the Alaska Commercial Company, and being the author, in print, of most of the charges which have been published against that company in the form of memorials, circulars, pamphlets, &c., I deem it incumbent on me to make the following statement, as an act of justice to the company as well as to myself.

My excuse for making this statement at this time is that I have found upon investigation recently made that I have been imposed upon and deceived into publishing these statements and charges against the company, which have no foundation in fact. Being a poor man, and a writer, I wrote upon this subject such things as I was required to write by those who employed me, and being a radical in politics, of the French school, I was the more easily deceived, and more readily accepted the statements which charged oppression and wrongful acts upon the part of this powerful company as true, and wrote them up with all the vigor and zeal I possessed, induced by my natural desire to protect the weak against the strong, as I then believed it was my duty. Many circumstances have transpired within these years which I now see ought to have awakened my suspicion as to the falsity and exaggeration of the statements made to me, and which I shaped for publication, which no doubt would have awakened suspicion in a less confiding and enthusiastic mind. When I perceived the effect of all these publications, I determined to investigate these charges more closely for myself, and no longer adopt the hearsay statements of others, as I had heretofore done; and the result satisfies me beyond a doubt that I have done great wrong to individuals who never injured me, and whom I am not even acquainted with by sight; and being about to quit the United States for my native land, I am anxious to efface that wrong, as far as lies in my power, before my departure.

It is well known that there has existed in this city for several years a combination of individuals, mostly fur-dealers, who singly and together under various names have made common cause against the Alaska Commercial Company. For a time they took the name of "The Alaska Traders' Protective Association," C. J. Janson, president; lately they have assumed the name, "The Anti-Monopoly Association of the Pacific Coast," Charles Lerge, secretary.

This combination, as I have been informed and believe, consists of seven or eight persons, viz: C. J. Janson, J. & D. Shirpser, Louis Goldstone, Simon Koshland, Taylor & Bendel, and A. Houcharenko. I was invited to become a member, but, being informed that it was a secret and proscriptive society, I declined to do so, and not being

acquainted with the obligations necessarily to be taken, I deemed it prudent not to affiliate with them.

It was in the interest of this combination, as I now discover, that I was employed to write, and the alleged facts and charges which I have from time to time written and published against the company were furnished by one and another of these parties, and others, in written memoranda furnished by the pen of Houcharenko, and which I elaborated into the articles which appeared in print. I wrote nearly all of the articles which appeared against the company in the Alaska Herald, a paper published in San Francisco for several years by A. Houcharenko, and supported by the above combination and their sympathisers, it having no circulation sufficient to even partially sustain it. I wrote what I was told to write, and Houcharenko promised to pay me for my services, but failed to do so; I am therefore under no obligation to keep secret any of his actions, of his own original promptings, or as representing the combination working against the Alaska Commercial Company.

The pamphlet published in the interests of Taylor & Bendel, called the "History of the Wrongs of Alaska," was mostly composed of statements and charges made by me in the Alaska Herald and other sources—the articles written by me and published in the Alaska Herald and other San Francisco papers, and in the New York and Chicago papers. The memorials copied therein were for the most part written by me, and this pamphlet entitled "Extraordinary Developments in regard to the Alaska Commercial Company," signed "Veritas," dated November 11, 1871, also embodies the reasoning contained in a constitutional argument furnished by me to Mr. C. J. Jansen, who paid me \$40 for writing it, and who gave me the data or facts upon which it was grounded. The "suppressed petition," so called, which is copied into the pamphlet, was originally published by Houcharenko in the Alaska Herald, and was a fabrication by Houcharenko, himself. He dictated it to me as a translation from the Russian, and I [corrected it for him and put it into shape fit for publication, he being incapable of doing so himself, and affixed a list of names to it which he furnished me from a slip of paper, which names he informed me were those of residents of Alaska who intended to sign the petition, but which came down in this shape, as they were unacquainted with the mode and form of getting up petitions. This petition purports to come from the Aleuts of Saint George Island, and charges the Alaska Commercial Company with all manner of oppression and wrong-doing. In forging this petition Houcharenko was unfortunate enough to attach the names of five Aleuts who were actually dead before the date of the petition, which I subsequently learned, and which information was the first intimation to me that aroused my suspicion of the forgery. This error occurred by his taking the names from a list of the men of Saint George Island made out three or four years previous, and in the mean time five of them had died without his being informed of the fact.

Houcharenko, like myself, never was in Alaska. The company had no difficulty in conclusively proving the petition a forgery, and when it was so proved a forgery, Houcharenko did not deny the fabrication; and when I charged him with its falsity and the bad faith of the transaction, he tried to smooth it over as a work of policy or necessity. I had no hand in this infamous transaction other than to correct his manuscript, of what he called a translation from the Russian, and put it in form fit for publication.

I wrote at the instance of the members of this combination, as expressed through Houcharenko, who professed to be their mouth-piece, many articles for the papers, notable among which were articles published under the heading "The Alaska Swindle," and which were extensively copied throughout the country. Of all I have ever written I never wrote a line from facts within my own knowledge, but always from hearsay information. I know of no fact against the company.

The object and purpose of all these various publications on the part of this combination was to raise a public clamor against the Alaska Commercial Company, and by charging fraud and oppression continually, make the company so odious to the public that Congress would take action toward the abrogation of its contract of lease for the Seal Islands. From such congressional action certain members of this combination, if not all of them, expected to profit, in what particular manner I do not pretend to say. This object and purpose was avowed and declared to me, and was that which inspired all my writings and communications so published from time to time.

The pamphlet entitled "A History of the Wrongs of Alaska," as well as all the leading pamphlets on the subject, were sent to all the principal newspaper offices in the United States and to many leading men throughout the country, at the expense, as I verily believe, of the members of this combination, as neither Houcharenko nor myself could have paid for their publication and transmission, and was done in pursuance of the design above mentioned; but as little attention, comparatively, was paid to them, the expectations of the combination were not realized until they found official recognition by General O. O. Howard, who attached the said pamphlet to his official report on Alaska. In this way it was placed before Congress and printed at Government expense as an executive document, and at once formed the basis of a congressional investigation.

This was a success for the combination which caused great exultation, and hearing

of their comments upon the same under their excitement of victory, I began to investigate for myself.

I now am aware that a conspiracy to destroy the business of the Alaska Commercial Company by persistent libel exists, and has existed for six years, and that I have been deceived into the performance of a prominent part in the scheme, unwittingly and without the motive which has actuated those who have employed me. I have found that there is no reliable evidence to sustain a single charge that I have been induced to make against the company, but, on the contrary, there is abundant evidence to disprove all these charges.

I now desire to retract all I have written against the company, and this I do freely and voluntarily, without fear or compulsion of any sort, but as an act of simple justice.

ROBT. DESTY,
611 *Clay street.*

SAN FRANCISCO, *May 1, 1876.*

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