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ECONOMIC DEVELOPMENT OF MINNESOTA, 1849 to 1874.

A Thesis

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In partial fulfillment of the requirements for the degree of

Master of Arts.

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Chapter I
General Survey of Minnesota History
to 1849.

A brief sketch of early Minnesota history will serve to give the background for a clear view of the economic development that took place after the territory was organized.

The country now known as Minnesota was first seen by white men in the persons of two Frenchmen, Groseilliers and Radisson, in 1655.¹ In 1679 Du Luth entered Minnesota by way of Lake Superior, and in 1680 La Salle and Father Hennepin went up the Mississippi in canoes as far as Phalen's Creek, St. Paul. The Falls of St. Anthony were so named at this time by Father Hennepin, in honor of his patron saint.² It was thus that the French period began, a period which continued until 1762 for all that part of Minnesota lying south and west of the Mississippi river and a line roughly drawn from its headwaters to the Lake of the Woods, and until 1763 for that territory lying north and east of this

1. That is, if their own statement can be taken as true. Folwell, Minnesota, p.13. Also see, "Who Were the First White Men?", Rev. T.S. Williamson, Minn. Hist. Soc. Coll., Vol. I, pp. 295-302. Baker, History of Transportation in Minnesota, Minn. Hist. Soc. Coll., Vol. IX, p.41, places the date at 1659.
2. Folwell, Minnesota, p.19. See Minn. Hist. Soc. Coll., Vol. I, pp. 302-348 as to Hennepin, Du Luth, Le Sueur, and D'Iberville.

boundary. These two sections of Minnesota are known as Minnesota West and Minnesota East. The former was part of the great territory of Louisiana, came under Spanish rule by the cession of 1762, and was bought by the United States from Napoleon in 1803, after Spain had retroceded the section to France in 1801. The French period of one hundred and seven years (1655-1762) failed to see any permanent settlements in Minnesota. The Frenchmen were primarily traders and discouraged agriculture and the erection of permanent homes. In addition, they had interests elsewhere in America more important than those of the Northwest.

Minnesota East became English territory in 1763 and English methods dominated the whole of the region, Minnesota West as well as that primarily under English rule. In 1766 Jonathan Carver, a native of Connecticut, who was grub-staked by Major Robert Rogers of Mackinac, entered Minnesota by way of the Fox, Wisconsin and Mississippi rivers and explored the Minnesota river for two hundred miles, afterwards writing a book descriptive of his travels.³ Under the Quebec Act of 1774 the English Parlia-

3. Regarding Carver, see Minn. Hist. Soc. Coll., Vol. I, pp. 349-367.

ment placed Minnesota East under the government of Quebec. But this was of little practical effect in Minnesota. The English dominion continued from 1763 to 1796, thirteen years after American independence was recognized in the treaty of Paris. The English rather expected to recoup at least part of their losses of territory from the weak American Union at no very distant day. With the cession of her northwest claims by Virginia in 1784, the evacuation of the northwestern forts and the withdrawal of English garrisons in the years 1794 - 1796, and the Louisiana purchase of 1803, Minnesota in its entirety became part of the United States. English influence nevertheless continued until 1816 through the operations of the Northwest and the Hudson's Bay companies, and even after this time it was strong on the Red River of the North in the northwestern part of the state. The American settlement at Pembina was in close touch with and greatly influenced by the more prosperous and larger Selkirk colony on the opposite side of the boundary. Outside of the Selkirk colony, which was founded in 1812 by Scotchmen, the English did little to effect actual settlement. Their interest was

mainly that of traders. At Grand Portage at the mouth of Pigeon river there was a fur depot, and in 1794 the Sandy Lake post of the Northwest company was established. Through the Fond Du Lac gateway on the Saint Louis river and the Sandy Lake post a large fur trade was carried on with the interior of Minnesota. "For many years," says Dr. Folwell, "Sandy Lake was the most important point in Minnesota, the chief factor there the big man of the Chipewey country."⁴

The American period begins in 1796 for Minnesota East and 1803 for Minnesota West. In 1805 Lieutenant Pike led a military expedition of discovery to the headwaters of the Mississippi. Though he did not discover the source of the river, his work, carefully done and thoroughly reported, was of much value as the entering wedge of American influence.⁵ The value of this work was slow in making itself felt, however. It was not until 1810 that Pike's journal was published, and the national authorities shortly after were fully occupied in prosecuting the war of 1812.

In 1809 John Jacob Astor's American Fur Company

4. Minnesota, p. 41.

5. Extracts from Lieutenant Pike's journal may be found in Minn. Hist. Soc. Coll., Vol. I, pp. 368 - 416.

was organized, obtaining from Congress in 1816 a law restricting all fur trade on American soil to citizens of the United States. This put the Northwest company out of business on this side of the boundary; it was constrained to sell its interests within the United States to Astor's company; and American influence proceeded to take the place of British.

It was not until 1819 that the national government established the military post at Fort Snelling. In 1821 a rude sawmill was erected near where the present milling district of Minneapolis now stands, and from logs cut on the Rum River lumber for the building of the fort was sawed. The fort was completed in 1822. A year later a flour mill, using the old-style mill stones or buhrs, was established near the sawmill and the first flour ground in Minnesota was made from wheat grown by the soldiers.⁶ The first steamboat reached Fort Snelling in 1823,⁷ and with the advent of this agency of transportation the settlement of Minnesota by Americans may be said to have been begun.

The period from 1819 to 1849 saw not only the be-

6. E.A. Bromley, *The Old Government Mills at the Falls of Saint Anthony*, *Winn. Hist. Soc. Coll.*, Vol. X, Part II, pp. 635 - 643.

G.D. Rogers, *History of Flour Manufacture in Minnesota*, *Ibid.*, Part I, pp. 37 - 38.

7. *Ibid.* Vol. II, pp. 116, 102-142; Vol. VIII, pp. 375-386, as to steamboat arrivals in Minnesota in early times.

ginnings of settlement and the first steps in the development of flour manufacture, but also the inception of lumbering. In 1837 Franklin Steele came to St. Croix Falls, and by the spring of 1838 lumbering operations had begun near the present city of Stillwater.⁸

The thirty years following 1819 saw some gain in the number of persons inhabiting Minnesota, but no great influx of settlers. The American Fur Company, with its chief factor at Mendota, exercised a large influence, not only economic but political and judicial, over the whole country. In 1834 Henry H. Sibley came to Mendota, and from that time to his death in 1891 was a central figure in Minnesota history.⁹ The fur trade was carried on by such men as Sibley, Joseph Renville of Lac qui Parle, Joseph R. Brown of Lake Traverse, Norman W. Kittson of Pembina, and, later, Henry M. Rice of Saint Paul and Sauk Rapids. Explorations were continued under Governor Cass and H. R. Schoolcraft to Cass Lake in 1826, under Major Long to the valleys of the Minnesota and Red Rivers in 1823, by Schoolcraft to the source of the Mississippi at Lake Itasca in 1832, and by Joseph Nicollet to the Leech

8. W.H.C. Folsom, History of Lumbering in the St. Croix Valley, Minn. Hist. Soc. Coll., Vol. IX, pp. 291-324. Folsom was a contemporary and eye-witness of the development of St. Croix lumbering.

9. Sibley was appointed a justice of the peace in 1836, and from that time to 1848 exercised control over a wide and powerful jurisdiction. It was well for the district that he was a broad-gauged man with great common-sense, as well as with a deep knowledge of the natures of the men with whom he had to deal.

Lake country in 1836. The first white settlers in Minnesota were stragglers from the Scotch settlement at Selkirk, who took up land south of the boundary from 1812 to 1820.¹⁰ The first collection of people was at Mendota, which by 1837 had twenty-five inhabitants, employes and hangers on, in addition to Sibley's household, made up mostly of French. The first American settlement was at Marine, on the Saint Croix river, early in 1839.¹¹ Saint Paul's chapel was established in 1841 and by 1845 Saint Paul was a French village of some thirty families, mostly traders, with a floating population of voyageurs and workmen. Between 1845 and 1849 Americans began to arrive. In 1846 a post office was established in the village. In 1847 the townsite of St. Anthony was laid out, a sawmill built, and in 1848 the sawing of lumber was actively begun. On March 3, 1849, Congress passed the law organizing Minnesota as a territory; on May 27th, Governor Ramsey proclaimed the territory as duly organized; and on June 11th he divided the district into three judicial jurisdictions.¹² The sheriff of St. Croix county (up to this time part of Wisconsin) was at

10. See article by Mrs. Elizabeth Ayers, a contemporary, on the first settlements on the Red River of the North. In Minn. Hist. Soc. Coll., Vol. VI, pp. 421-428.

11. Folwell, Minnesota, p. 81.

12. These proclamations may be found in the files of the Minnesota Pioneer, at the State Capitol, as well as in the Council and House Journals for the legislative session of 1849.

the same time directed to make a census of the population.¹³

13. For further information on the first steps of organization, see Minn. Hist. Soc. Coll., Vol.1, pp. 53-68. Here are found the memorials to Congress, and Sibley's letter about affairs at Washington. Also see Folwell, Minnesota, pp. 88-90.

Chapter II

Economic Conditions in 1849.

Population. - The census taken in June, 1849, was the first authentic information as to the population of Minnesota territory. It showed a total of 4,780 persons, located as follows:

<u>Places</u>	<u>Males</u>	<u>Females</u>	<u>Total</u>
Stillwater	455	154	609
Lake St. Croix	129	82	211
Marine Mills	142	31	173
St. Paul	540	300	840
Little Canada and St. Anthony	352	219	571
Crow Wing and Long Prairie	235	115	350
Osakis Rapids	92	41	133
Falls of St. Croix	15	1	16
Snake River	58	24	82
La Pointe County	12	10	22
Crow Wing	103	71	174
Big Stone Lake and Lac qui Parle	33	35	68
Little Rock	20	15	35
Prairieville	9	13	22
Oak Grove	14	9	23
Black Dog Village	7	11	18
Crow Wing, East Side	35	35	70
Mendota	72	50	122
Crow Village	9	7	16
Red Wing Village	20	13	33
Wabashaw and Root River	78	36	114
Fort Snelling	26	12	38
Soldiers and women and children in forts	267	50	317
Pembina	295	342	637
Missouri River	49	37	86
Totals	3,067	1,713	4,780

1. Council Journal, Minnesota, 1849, pp. 183-184.

Governor Ramsey stated that the returns were meagre and hastily prepared.² This was probably true. But nevertheless some allowance was undoubtedly made for those persons who were passed by in the enumeration. 317 soldiers at Fort Snelling, 637 dwellers at Pembina, all the attachés of the trading posts, and 66 persons on the Missouri river were counted in.³ The population of St. Paul was given at 840. The village had 142 buildings, by actual count, on June 13th, 1849. All except a dozen were less than six months old.⁴ The points along the Mississippi from La Crosse to Point Douglas were mainly Indian villages. Stillwater was described as a "nest of buildings promiscuously huddled together";⁵ Mendota had two stores and three or four houses, two of which were occupied by half-breeds;⁶ and St. Anthony possessed a dozen buildings and a sawmill. Of St. Anthony it was said in the early summer of 1849, "A year ago there was only one house here; now there are about a dozen new framed buildings, including a store and a hotel, nearly completed. During the summer it is expected that a large number of houses will be erected. Lots are sold

2. First message to the territorial legislature, Council Journal, 1st session, p. 9.

3. Cf. Folwell, Minnesota, p. 90.

4. Seymour, Sketches of Minnesota, 1849, p. 100.

5. Ibid., pp. 90-91.

6. Ibid., p. 100.

by the proprietor with a clause in the deed prohibiting the retail of ardent spirits on the premises." ⁷ At Pembina, returned as 637, there was a trading post and a few white settlers who had come from Selkirk. But the majority of the inhabitants were Indians and half-breeds, and there is no doubt that these were all counted in making up the returns for the settlement. Out of a total of 637, there were 47 more females than males, and Pembina was the only comparatively large place where the females were in excess. Most of the women were the Indian wives and mixed-breed daughters of the half-breeds who formed the bulk of the male population.⁸

7. Ibid., p.125. Seymour traveled in Minnesota in the spring and summer of 1849, was an eye-witness of the conditions he described. He published his book, Sketches of Minnesota, in 1850. The map inserted as a frontispiece is a good one for the time and shows the location of the forts and settlements.

8. A contemporary described conditions at Pembina as follows: "The people of Pembina are generally half-breeds, a cross of the Indian and French. Here is a lively instance of the well-known affinity of the French men for the Indian women. This association of the two races favors the side of civilization more than barbarism." "They live in houses; they use carts and raise grain: yet the circumstances of their location or a lingering of the Indian instincts, leads them to find their chief subsistence in the chase. Their arms are guns; their dress is half way between that of the whites and the Indians. They wear wild looking fur caps, blanket coats, pants secured around the waist by a belt, and deer-skin moccasins. Their complexion is swarthy, their hair and eyes black. Their language is an impure French, though all probably talk Indian besides.

In the spring they put a small patch of ground in seed and pack off to the buffalo plains for the chase. Having taken the buffalo, they select the best portions of the flesh, dry it, pulverize and stuff into skins sewed up in the shape of a pillow case. This preparation is called pemmican. They also dry the tongues and the hump cut from the top of the shoulders. In the winter they hunt for furs. These are their articles of export. As soon as the roads are dry in the spring, a caravan start off to St. Paul with these articles for the purpose of trade."

Editorial, Minnesota Pioneer, Jan. 23, 1850. For Selkirk

Land Sales and Settlement. -Before 1848 there were no legal titles to lands in Minnesota. The right to land was based upon squatter rights, obtained by being the first to stake out a desirable quarter section, claiming it and proclaiming that claim to the world by settling on the land.⁹ Where the Indian title had been extinguished, which was only true of land east of the Mississippi in 1849, pre-emption claims could be made, which gave the claimant the first right to buy the land from the government when survey was completed and the land put up for sale.

This does not mean that there were not real estate sales before government survey. But the sales were in essence sales of squatter rights, enforced by custom or convention of usage within the locality, rather than of legal title. The first sale in Saint Paul was in 1838, of Pierre Parrant's claim to the land between what is now Jackson and Minnesota streets and from twelfth street to the river. The price was ten dollars. Other sales of similar character occurred before 1848.¹⁰

The first government surveys were made early in the year 1848 and at the time a land office was established at

conditions see Seymour, Sketches of Minnesota, 1849, pp.226-229. For further information as to principal towns in Minnesota, 1849, see Bond, Minnesota and its Resources, pp. 109-160. Published in 1853.

9. Seymour, Sketches of Minnesota, 1849, p. 98.

10. Fairchild, Early History of Real Estate in St. Paul, Minn. Hist. Soc. Coll., Vol. X, pp. 417-423. Also Seymour, Sketches of Minnesota, 1849, p. 199.

St. Croix Falls, St. Croix county, Wisconsin. June 30th, 1849, it was removed to Stillwater, a land office for Wisconsin being also established at Willow River, now Hudson.¹¹ On August 14th, 1848, occurred the first government land sale at Saint Croix and at this time 3,326 acres were sold at the minimum price of \$1.25 an acre.¹² The second public sale of lands did not take place until 1851.¹³ Settlement was confined almost entirely to the little villages enumerated in the census return. The time was too early for much in the way of farming operations. Village lots, town-sites, timber claims and water powers were the kinds of real estate bought and sold. The establishment of the land office did not preclude pre-emption claims, for it was a long time before Minnesota began to be thoroughly surveyed.¹⁴

Early Transportation and Trade. - The situation of transportation in 1849 was varied. Goods and passengers were carried by steamboat, on wagon roads and stage lines, by the carts peculiar to the Red River valley, by dog trains, on horseback, and in canoes and batteaux. As far as possible, the dozen stores in St. Paul stocked up with

11. See letter by General Sibley, contemporary, Minn. Hist. Soc. Coll., Vol.I, p. 65.
12. H.L.Moss, a contemporary, Last Days of Wisconsin Territory and Early Days of Minnesota Territory, Minn. Hist. Soc. Coll., Vol.VIII, p. 76. As to amount sold, Gov. Ramsey's message, January 7th, 1851, Council Journal, 2nd Session, p. 18, House Journal, 2nd Session, p. 22 .
13. Gov. Ramsey's message, 1852. Council Jour., 3rd Sess., p.23. House Journal, p. 31.
14. A.L.Larpenteur, Recollections of St.Paul, 1843-1896, gives a good account of the first land sale and of how the St.Paul men kept speculators from bidding. In Minn. Hist. Soc. Coll., Vol.IX, p.378. Also see Vol.X, Part I, pp.423-424.

good enough in the fall to last over the winter. The supplies came from Galena, Dubuque and Saint Louis, entirely by steamboat. The steamers going to and from St. Paul called at Stillwater. It was not until January, 1850, that the Prairie du Chien road from St. Paul to Galena was opened.¹⁵ Goods of light weight and high value were transported by wagon on this road in winter, after it came into use. But in 1849 St. Paul and Stillwater were isolated from the South in the cold seasons. A weekly mail carried by horseback or dog sled was the sole avenue of communication.¹⁶ The other main transportation routes were two in number: from Saint Paul to Sauk Rapids or Crow Wing, and from Saint Paul via Sauk Rapids to Pembina. On the former, goods were hauled by team and wagon over a fairly good road, in summer. In winter, horse drawn sleds were used and when the river froze over it was used in preference to the highway.¹⁷ On the latter, the standard mode of conveyance was by the Red River cart in summer and by dog-sledge in winter. In 1843 N. W. Kittson established the trading post at Pembina, blazing out the trail from St. Paul. For twenty years thereafter

15. Minnesota Pioneer, Jan. 2, 1850.

16. Ibid., Jan. 23, 1850.

17. Seysour, Sketches of Minnesota, 1849, pp. 148-150. Seysour made the trip to Sauk Rapids in early summer, 1849, in a buggy wagon. He said the road was "quite a thoroughfare at all seasons of the year". With three teams a citizen of St. Paul did teaming enough to Sauk Rapids from the fall of 1849 to Feb., 1850, to exceed the sum of \$1100 for freights. Minnesota Pioneer, Feb. 15, 1850.

the Red River cart was in regular use between the two points. "It was a two-wheeled concern, of very rude but strong workmanship, made entirely of wood and leather, without a particle of iron, and would carry from six to seven hundred pounds. This cart cost about \$15. To the cart an ox was glared by broad bands of buffalo hide. Sometimes there were two oxen driven tandem. No grease was used, and the creaking axles were heard far away. From Pembina to St. Paul was about 448 miles. They generally consumed some thirty or forty days in the trip and would arrive in St. Paul early in July."¹⁸ Baker states that in 1844 there were six carts in the trade. In July, 1849, a caravan of over a hundred carts arrived in St. Paul and in September another and smaller procession of them came in.¹⁹ The dog sledges used in winter were made of a plain, light board, turned up in front, with sides running up about a foot made of green buffalo hides. These formed a kind of open shoe in which the supplies were carried.²⁰ The dogs used by the Ojibways in the Red Lake country were small, with sharp ears, and closely

18. Baker, History of Transportation in Minnesota, Minn. Hist. Soc. Coll., Vol. IX, p. 20. Bryce, in his History of the Hudson's Bay Company, states that for passenger travel, Indian ponies were usually attached to the carts, making some fifty or sixty miles a day at a slow trot. p. 370. Coffin, The Seat of Empire, p. 77, published in 1870, gives a similar description of the carts. A.C. Laut, Story of the Trapper, p. 198, gives a picture of one of the carts.
19. Minnesota Pioneer, July 26, 1849, and September 13, 1849. In his first message September 3, 1849, Governor Ramsey said that several hundred of the carts visited St. Paul annually. Council Journal, 1849. p. 16.
20. Ibid., March 6, 1850.

resembled Esquimaux dogs. The traders generally drove a large breed of English cur-dogs. The latter were worth from five to twelve dollars each.²¹ In the St. Paul country, in winter, where roads were available, a one-horse sled called a "train" was used. This had runners made of two-inch plank and was precisely like the trains seen at Montreal, having come westward with the French.²² The average rate of travel by dog-sledge was from thirty to forty miles a day. In March, 1850, the trip was made from Pembina in eighteen days.

The roads in regular use in Minnesota in 1849 were from St. Paul to St. Anthony, thence on the east side of the Mississippi to Sauk Rapids, thence via Otter Tail Lakes to the Red River valley and north to Pembina; from St. Paul to Mendota; from St. Paul to Stillwater; and from St. Paul to Willow River, Wisconsin. The road to Prairie du Chien was laid out in the winter of 1849-1850.²³ There was a daily stage line between St. Anthony and St. Paul,²⁴ and every other day a four-horse stage went from Saint Paul to Stillwater, returning the next. The distance of nineteen miles was made in about four hours.²⁵ These

21. Ibid., May 5, 1849, Based on information received personally from Mr. Ayre, who was a missionary to the Ojibways at the time.

22. Ibid., Feb. 27, 1850. The French, of all peoples, were slow to change their customs.

23. Supra, p. 16.

24. Seymour, Sketches of Minnesota, 1849, p. 128.

25. Ibid., pp. 177-178. Minnesota Pioneer, advertisement, May 5, 1849.

stage lines had both been inaugurated in 1849, and ran in the summer months only. (7)

After the arrival of the first steamboat at Fort Snelling in 1823 the river traffic was somewhat slow in developing. Up to 1836, fifteen boats had arrived at that point. By 1839 nine steamboats were making regular trips from Saint Louis. In 1847 and 1848 the Galena and Minnesota Packet Company was organized and it was the establishment of this company that inaugurated a systematic and regular river transportation to St. Paul and Stillwater. In the early forties, steamboat arrivals at St. Paul were from forty to sixty annually.²⁶ It was reported that Minnesota had one hundred and fifty-four steamboat arrivals during 1848.²⁷ But this pro-

26. Baker, History of Transportation in Minnesota, Minn. Hist. Soc. Coll. Vol. IX, pp. 16-17. Seymout, Sketches of Minnesota, 1849, stated: "A regular weekly steam-packet runs between Galena and St. Peter's. There are also two or three regular packets running between St. Louis and St. Peter's, besides transient boats. Travelers from the east will find daily stages running from Milwaukee or Chicago to Galena. After the present season cars will run to Elgin, forty miles west of Chicago. The fare from Buffalo, New York, to Chicago, by the Michigan Central Railroad is \$10; time, forty hours. Thence to Galena by stage, the present fare is \$8, which will probably be reduced another season. From Galena to St. Peter's the fare varies from \$5 to \$6 cabin; \$2.50 deck; freight, per hundred, 25 cents. Horses and cattle, per head \$4. Families with considerable freight are taken at a much lower rate." p. 275.

27. Milwaukee Sentinel, quoted in Minnesota Pioneer, June 7, 1849.

bably included both St. Paul and Stillwater. St. Paul had less than one hundred arrivals in 1849. Four steamboats arrived weekly,²⁸ and they were usually heavily loaded: "stuffed as full as Noah's ark, with every sort of thing ever invented, dead or living."²⁹

Though merchandising in itself, to supply local needs, received a considerable impetus during 1849, nevertheless the fur trade and the merchandising connected with it continued to be the most important commercial activity.³⁰ The important posts at Lake Traverse, Lac qui Parle, Traverse des Sioux, Sauk Rapids and Pembina were tributary to the main post at Mendota. St. Paul was the outfitting point and headquarters of the independent traders.³¹ The trade with the Northwest was developing rapidly. Buffalo robes, furs of all varieties, dressed skins, moccasins, buffalo tongues, and pemmican were brought down from the north and exchanged for goods. Not only did the people of Pembina bring their products to St. Paul, but the Hudson's Bay Company

28. Minnesota Pioneer, Aug. 16, 1849.

29. Ibid., June 28, 1849.

30. Two drug stores were established in St. Paul in 1849 and the hardware business increased greatly because of the rapid construction of buildings.

31. "Mr. H. Jackson purchased land of Mr. Gervais and established the first store during the summer of 1842. The second store was opened in 1843 by Mr. J. W. Simpson, on land bought of Mr. Gervais. The third store was established by Mr. L. Robert. These were the only trading establishments in this part of the country, except at St. Peter's, until quite recently." Seymour, Sketches of Minnesota, 1849, pp. 98-99.

also obtained some of its supplies via this route.³² Besides the tributary and outfitting trade, the independent traders at St. Paul and the fur company's post at Mendota enjoyed a direct trade of good proportions with the Indians who individually and severally brought their spoils and products into these centers. Galena was the main depot from which the Minnesota merchants obtained their stores.³³ "If all the produce, goods and merchandise, which have been landed at St. Paul since the opening of navigation in the spring were here now, there would not be buildings enough in our town to contain half of them. Every kind of business here has exceeded the most sanguine calculations; and trade is likely to open in the coming spring, upon a much larger scale than we have yet witnessed. The business from here must be operating very beneficially to the interests of the city of Galena."³⁴

Though it was developing rapidly, trade other than the fur trade was just beginning. The lumber business of the St. Croix and at St. Anthony we reserve for consideration under that head. Otherwise, commerce was in its infancy. St. Paul and Stillwater were the chief

32. Ibid., p. 226. Larpenteur, Recollections of St. Paul. Minn. Hist. Soc. Coll. Vol. IX, p. 395. As to the trade with the Northwest, See below p.

33. Minnesota Pioneer, May 19, 1849. Galena Jeffersonian, Sept. 1849, quoted in Minnesota Pioneer for Sept. 27, 1849.

34. Ibid., Sept. 13, 1849.

centers. At the former place there were a dozen stores;³⁵ at Stillwater there were a half dozen establishments.³⁶ The difficulties of transportation for places not on navigable water were great. There was a small grocery store opposite St. Croix Falls which even received its supplies by batteaux poled up the rapids of the river. The store's business was almost wholly confined to furnishing supplies to lumbermen.³⁷

The fisheries of the upper end of Lake Superior were of some consequence. It is not known just how many fish were taken. They were largely for local use. But there were sufficient caught at Fond du Lac to have it said, "large quantities are annually taken".³⁸ A correspondent of the *National Intelligencer*, writing from La Pointe, Lake Superior, under date of August 20, 1849, said that 3000 barrels of fish would be put up during the season of 1849.³⁹ Large quantities of white fish were taken, also, from Red Lake by the Ojibway Indians. Gill nets were used. The fish were prepared by drying them fresh, strung on poles, in the smoke of the cabins. They formed an important article of winter food.⁴⁰

35. Elfelt, *Early Trade and Traders in St. Paul. Minn. Hist. Soc. Coll.*, Vol. IX, pp. 163-166.
 36. Seymour, *Sketches of Minnesota, 1849*, p. 180.
 37. *Ibid.*, p. 210.
 38. *Ibid.*, pp. 232-233, and note, p. 233.
 39. *Ibid.*
 40. *Minnesota Pioneer*, May 5, 1849. Information by Mr. Ayre, the missionary.

Cranberries were an article of export trade by no means negligible. About three thousand barrels were shipped from St. Paul and Mendota during the season of 1849, and 1500 barrels from Stillwater. Those shipped from St. Paul were gathered from cranberry marshes twelve and sixteen miles north and northwest from that city. The Minnesota fruit was of a particularly high quality and worth \$4 per barrel in St. Paul.⁴¹ It brought close to \$5 per barrel in St. Louis.⁴² The cranberries gathered by the Indians were considered superior to those gathered by the whites, because the former waded in the water and picked by hand, while the latter used rakes. Rev. Mr. Boutwell of north of Stillwater considered the cultivation of cranberries, but up to 1849 he made no practical test of its feasibility.⁴³

Railroads. - The situation of Minnesota in 1849 in regard to railroads is soon told: there were none. In the first three messages which Governor Ramsey sent to the Legislature, railroads are not mentioned.⁴⁴ The Michigan Central Railroad had been built from Buffalo to

41. Minnesota Pioneer, Dec. 13, 1849. Information in correspondence dated Oct. 4, 1849.

42. Ibid., Jan. 2, 1850.

43. Seymour, Sketches of Minnesota, p. 183. For other information and partial statistics of the cranberry trade, see *ibid.*, p. 157 and note; Minnesota Chronicle, Sept. 19 and Sept. 27, 1849.

44. Messages of Sept. 3, 1849, Jan. 7, 1851, and Jan. 14, 1853.

Chicago, but west of Chicago railroad construction was in its very first stages. Provision of wagon roads, improvement of river navigation, and the establishment of a telegraph line to the East were the transportation problems that were uppermost in Minnesota in 1849.

Lumbering. - The first saw-mill as we have seen,⁴⁵ was erected in 1821 on the present site of Minneapolis by soldiers of Fort Snelling. The logs were cut on the Rum River. In 1849 this saw-mill was not in operation. A traveler viewing the shore opposite St. Anthony in 1849 said, "a house and mills were erected here for the use of the garrison nearly thirty years ago. They were formerly protected by a sergeant's guard, but have not been occupied recently."⁴⁶ It is probable that this saw-mill cut no lumber after 1840 and was in little use for several years prior to that date.

Lumbering by private individuals was begun in Minnesota on the Saint Croix river in the latter part of the year 1837. When Franklin Steele made his claim at Saint Croix Falls he found Joseph R. Brown "on the west

45. Supra., p. 5.

46. Seymour, Sketches of Minnesota, 1849., p. 125.

side cutting timber and trading with the Indians⁴⁷.
 Brown's were the first pine logs cut in the St. Croix valley and they were used mostly in building a mill.⁴⁷
 During the winter of 1837-38 Steele had a crew of men cutting logs on Snake river. In the spring of 1838 the St. Croix Falls Lumbering Company was formed and in the course of that year a mill and dam were erected at the rapids of the river.⁴⁸ On May 13th. 1839, the Marine Lumber Company founded its settlement at Marine and shortly after commenced the erection of a saw-mill which was completed by August 13th. of the same year.⁴⁹ This mill, according to Mr. Folsom, was the first that actually manufactured lumber for sale in the St. Croix valley. In the latter part of 1843, McKusick, Greeley, McKean and Leach began the erection of a sawmill at Stillwater, which was completed and began cutting on April 1, 1844. This was the only mill at Stillwater before 1852.⁵⁰ In 1845, Nobles Brothers, Kent, Mahoney, Nerthrup and Walker built a mill at Osceola, Wis., which began operations that year. It used a fifty foot flutter wheel to develop the water power, the big wheel making the establishment a con-

47. Words of Franklin Steele, in Vol. IX, Minn. Hist. Soc. Coll., p. 293. Article by Folsom, a contemporary, "Lumbering in the St. Croix Valley".

48. Ibid., p. 294. See also Seymour, Sketches of Minnesota, p. 199. Writing in 1849 he said that the mill was erected "about ten years ago".

49. Folsom, Minn. Hist. Soc. Coll., Vol. IX, p. 298.

50. Ibid., pp. 301-302.

spicuous object on the river. The other mills used over-shot wheels fitted with buckets. At Lakeland two mills were built in 1848, and about the same time the mills at Arcola were erected. Late in 1847 an exploration of the timber supply above St. Anthony was carried on by agents of Franklin Steele and a dam was built at the Falls. By September 1, 1848, the first sawmill at St. Anthony had begun the active manufacture of lumber.⁵¹ The mill property at Marine was considered to be worth \$50,000 in 1849,⁵² nearly the same sum had been expended in developing the power and building the mill at St. Anthony,⁵³ and the annual lumber transactions of Stillwater were over \$100,000 in value.⁵⁴

These were the mills operating in 1849. With the power derived from a ten foot head of water at the dam at St. Croix Falls "one rotary saw for sawing logs, and five vertical saws, are kept running night and day, besides several rotary saws for sawing lath. These mills, like the others on the St. Croix, are provided with railroads, inclined planes, etc., for elevating logs, removing lumber, refuse stuff, etc. The slabs are sawed

51. Stanchfield, an old-time lumberman, Lumbering on the Upper Mississippi, Minn. Hist. Soc. Coll., Vol. IX, pp. 339-340.

52. Minnesota Pioneer, Aug. 16, 1849.

53. Ibid., Aug. 9, 1849.

54. Ibid., May 5, 1849.

into lath. A gang of three rotary saws, which saw three pieces of lath at once, furnish constant employment for some seven or eight men. Several men are constantly employed in constructing rafts of the sawed lumber. About thirty men are required to form a full set of hands. These are relieved at midnight by another set who work until mid-day. Thus about sixty hands are required to keep the mills in constant operation.⁵⁵ The lowest average rate of wages received by laborers at any of the mills on the St. Croix was \$20 per month and board.⁵⁶

The business of logging in 1849 required the use of efficient and economical methods to make it profitable. Ten laborers made a full complement of hands: "two choppers who cut down the trees; one barker who strips off the bark from one end of the tree that it may slide on the ground; he also cuts off the branches; one sled-tender, who helps to load, and also aids in cutting off the limbs; one teamster, with an ox-team for hauling the trees to the river; one swamper, or road breaker, who is constantly employed in keeping the roads open; two sawyers who saw off the logs on the bank of the river; one

55. Seymour, *Sketches of Minnesota*, 1849, pp. 199-200.

56. *Ibid.*, p. 181.

cook, and one extra hand. In this way the business goes on like clock-work, each being confined to his own department.⁵⁷ Twenty six dollars per month with board was paid to experienced hands and \$20 per month to those with little experience. From each tree an average of three logs sixteen feet in length was obtained.

The early lumbermen admitted that much of their timber was cut from government lands. But this trespassing was not considered worthy of censure, for it was believed that in this way much timber was saved from destruction and material otherwise useless was appropriated to a beneficial use, in building up the cities of the St. Croix and Mississippi valleys

In 1849 Folsom of St. Croix Falls prepared a statement of the amount of logging on the St. Croix and its tributaries, which stated specifically the amounts cut on each stream. This statement was given to Seymour when the latter made his visit in the same year. The total number of logs cut was 37,500, averaging by the St. Louis scale 490 feet to the log and yielding in round numbers eighteen million feet of lumber. The St.

57. Ibid., pp. 199-203.

Croix scale fell somewhat short of the St. Louis scale in the measurement of logs. Of this quantity it was estimated that at the lowest figures some six or seven million feet of logs were rafted down-river in 1849.

Mr. McKusick of Stillwater estimated the lumber manufacture on the St. Croix for 1849 as follows, the estimate being made in that year:

<u>Location of Mills</u>	<u>Lumber produced, board feet.</u>
St. Croix Falls, Wis., six saws,	4,000,000
Osceola, Wis., two saws	1,800,000
Marine Mills, Minn., two saws	1,500,000
Arcola, Minn., one saw	700,000
Stillwater, Minn., two saws	1,800,000
	<hr/>
Total	9,800,000

It was considered that this was a conservative estimate, "as Mr. McKusick appeared more inclined to underrate than otherwise".⁵⁸

At St. Anthony during the same year, according to Stanchfield's figures, 3,500,000 feet of lumber was sawed.⁵⁹

58. Ibid.

59. Minn. Hist. Soc. Coll., Vol. IX, p. 361.

As St. Anthony and the St. Croix points were the only lumber producing places of any significance, it can be fairly stated that the amount of lumber sawed in Minnesota in 1849 was 13,500,000 feet. Various figures as to the value of the lumber are given. Stanchfield gives \$6 per thousand feet as the average value at the sawmills.⁶⁰ Seymour believed that the St. Croix lumber should be valued at \$9 per thousand feet in computing total value of output.⁶¹ In St. Paul, pine lumber delivered cost from \$13 to \$15 per thousand.⁶² In the summer of 1849 the mill at St. Anthony was unable to supply the local demand satisfactorily and lumber was taken from the mill yard in its green state as fast as it could be sawed, at \$12 per thousand feet for clear stuff and \$10 for the lower grades.⁶³ Thus a price of \$9 per thousand feet would seem to be a fair and conservative valuation for 1849. On the basis of 13,500,000 feet the lumber produced in 1849 was worth \$119,700. Besides this, there was manufactured at St. Croix points seven million feet of lath, worth \$1.88 per thousand feet, according to Seymour, a total of \$13,160. From these figures, which

60. Ibid., p. 362/.

61. Sketches of Minnesota, 1849, p. 201.

62. Minnesota Pioneer, May 19, 1849.

63. Seymour, Sketches of Minnesota, 1849, p. 134.

do not include the lath made at St. Anthony, it is a reasonable estimate that the lumber output of Minnesota in 1849 was worth \$155,000. In addition, logs to the amount of seven million feet were rafted down the St. Croix, the value of which in Minnesota was placed at \$4 per thousand feet, making them worth \$28,000. \$163,000 as the value of the total product of all lumbering operations in Minnesota in 1849 would seem to be a fairly accurate figure. A contemporary estimate placed the total value for the St. Croix valley alone at \$125,000.⁶⁴

The output of the St. Croix mills was partly used locally and partly shipped down river in the form of lumber-rafts. The product of the St. Anthony mill was entirely used by that village and St. Paul. "The saws went into operation last autumn, and have had no rest since, night or day, except Sundays, and the demand for lumber at the Falls and at St. Paul has not nearly been supplied."⁶⁵

In all the places there was a good demand for carpenters. All of the house trimmings, such as window sash, blinds, hardware, etc., were brought up the river from below by steamboat. Most of the window

64. Ibid., p. 201.

65. Minnesota Pioneer, Aug. 9, 1849.

sash came from Galena.⁶⁶ A demand for brick began to grow in St. Paul and early in 1849 a Mr. Bawley began making them there. By late summer, he had a stock of 400,000 on hand.⁶⁷

Agriculture.-- In 1849 agriculture in Minnesota was just beginning. Scarcely a bushel of grain was exported. There may have been a little wheat sent to Galena and St. Louis from whence it came back as flour; but even this^{is} doubtful. What was raised went to supply the local needs of the lumbermen and the traders. In addition, quantities of miscellaneous provisions had to be imported from the river-towns below. There were few farmers in the territory. Almost all the land bordering on the road from St. Paul to Stillwater was as yet unclaimed.⁶⁸ At Little Canada, in Ramsey county, there was a handful of farmers and in 1844 the first grist-mill in Minnesota, after the government mill opposite St. Anthony, was erected by Benjamin Gervais.⁶⁹ The main settlement of farmers was on what was known as the "delta", that land lying south of Stillwater within the enclosure

66. Minnesota Pioneer, May 26, 1849, and Aug. 30, 1849.

67. Ibid., Aug. 30, 1849.

68. Seymour, Sketches of Minnesota, 1849, p. 179.

69. Rogers, History of Flour Manufacture in Minnesota, Minn. Hist. Soc. Coll., Vol. X, Part I, p. 38.

formed by the meeting of the St. Croix and Mississippi rivers. The population of this locality was returned as 311 in the census of 1849, there being 129 males and 82 females, and 46 names entered in the list as heads of families or single men.⁷⁰ It is doubtful that there were over thirty-five farms altogether, in the locality, which were being actively cultivated. In addition to these two main settlements of farmers, there were a few scattered farms near the main centers of population, the gardens of the villagers, the cultivated patches adjoining Fort Snelling, the farms cultivated by traders' families at the posts to furnish their own subsistence, and the lands cultivated by the Indians. These comprised the tilled areas. Cultivation was for home use and local consumption. There was not enough produced to meet the home demand, flour and pork being the staple importations via the river.⁷¹ From the northwest came pemmican, buffalo meat and venison. In 1845-6 the first privately owned flour mill in Minnesota was built by L. Bolles within the farming settlement on the delta.⁷² A run of mill stones was sometimes used in the McKusick sawmill at

70. Council Journal, 1849, Appendix, pp. 167-168.

71. Minnesota Pioneer, Nov. 8, 1849.

72. Ibid., March 13, 1850. Rogers, History of Flour Manufacture in Minnesota, Minn. Hist. Soc. Coll., Vol. X, Part I, p. 38.

Stillwater.

Of agricultural methods it may be said that they were as undeveloped as agriculture itself. In his History of Agriculture in Minnesota, James J. Hill has little to say of them.⁷³ The iron plow was in use, grain was sown by hand, it was cut with the cradle or the sickle, and threshed by hand with the flail or by means of oxen.

There were not many cattle in the country. In May, 1849, the editor of the Minnesota Pioneer complained of the fact that it was exceedingly difficult to get a cut of roast beef. Later in the year this condition improved with the importation of cattle. Some of the cattle came in overland,⁷⁴ but most of them were carried by the steamboats and in barges towed alongside or astern.⁷⁵

Prices of agricultural products varied with the location. On Red Lake, in the north, the Ojibways in 1848 raised 3,500 bushels of corn for which they received \$1.50 per bushel in trade from the fur traders. They also raised 1,500 bushels of potatoes, the price not being given.⁷⁶ In the winter of 1848-49, corn sold at St. Paul

73. Minn. Hist. Soc. Coll., Vol. VIII, pp. 275-290.

74. Minnesota Pioneer, June 14, 1849. 50 cattle arrived in St. Paul, on June 10th., overland from Iowa. Said Editor Goodhue "We are glad to see cattle coming in; for although we seldom get any beef in St. Paul, some of us still retain a relish for it."

75. Ibid., July 26, 1849.

76. Ibid., May 5, 1849.

for \$1 per bushel.⁷⁷ In the fall of 1849 prices were rising. On November 15th. corn sold readily at \$1.25 and oats at 50 cents.⁷⁸ These prices for grain continued until January when they fell off slightly, oats being 45 to 50 cents per bushel.⁷⁹

The prices of food products at St. Paul during 1849 were based not only upon the amount produced in Minnesota but also on the price at Galena and other points and the cost of transportation. At St. Paul in November, 1849, flour was selling freely at \$5.50 to \$6 per barrel; beef, at retail, at 6 and 7 cents per pound; pork at eight and nine cents. Wild hay for stock feeding was quoted at \$6 per ton.⁸⁰ Sausages were 10 cents a pound in December, and at this time also Galena flour was just coming into general use at St. Paul.⁸¹ In February the Sioux returned from one of their periodic hunts with a supply of venison, which sold at five to six cents a pound.⁸² Fat beef was plenty at the same price. Hams sold at 12½ cents per pound, chickens at 37½ to 50 cents each, eggs 37½ cents a dozen, beef 8 to 10 cents a

77. Ibid., Aug. 2, 1849.

78. Ibid., Nov. 15, 1849.

79. Ibid., Jan 30, 1850.

80. Ibid., Nov. 28, 1849.

81. Ibid., Dec. 12, 1849.

82. Ibid., Feb. 6, 1850.

pound, potatoes 80 cents a bushel, and flour \$5.50 to \$6 per barrel late in February, 1850.⁸³ In January a half-breed came through with a dog-team from Lake Superior in twelve days, with a supply of fish. He sold white fish at 25 cents each and trout at 37 cents.⁸⁴ At St. Anthony in the winter of 1848-49 corn sold at \$1 per bushel, oats at 50 cents, pork \$6 per hundred, butter 37½ cents per pound, and eggs 25 cents per dozen.⁸⁵ At Fort Gaines at the same time oats was selling at \$1 per bushel, and corn at \$2.⁸⁶ During the winter of 1849-50 prices at St. Anthony were similar to those at St. Paul. The cost of transportation between the two places was not sufficient to affect prices greatly. At Pembina in the fall of 1849, good garden vegetables were plentiful, good beef was procurable at 5 cents per pound, oats cost \$1 per bushel.⁸⁷ The following winter was severe, but fish had been caught in large quantities. At Selkirk Settlement in the winter of 1849-50, wheat was worth 90 cents a bushel, flour \$7 to \$9 per barrel, fresh fish \$2 per hundred, pemmican \$4 per hundred, buffalo tongues 8 to 10 cents each,

83. Ibid., Feb. 27, 1850.

84. Ibid., Jan. 30, 1850.

85. Seymour, Sketches of Minnesota, 1849, p. 126.

86. Ibid., p. 164.

87. Minnesota Pioneer, Sept. 27, 1849. Reported by Col. Woods of Fort Snelling.

buffalo robes \$1.50 to \$3.60, beef 3½ to 4½ cents per pound. There was little pork for sale.⁸⁸

In St. Paul board was obtainable in May, 1849, for as low as three dollars per week.⁸⁹ It varied in price and quality from \$3 to \$5 per week.

Minnesota was not yet an agricultural community. The conditions within the territory were well summed up by Governor Ramsey when he compared Minnesota with Wisconsin. Wisconsin's population was engaged chiefly in agriculture. The people of Minnesota were "finding employment and wealth in lumbering; in commercial intercourse with the distant North; in supplying the numerous annuity-receiving Indians congregating within our borders; and in the cultivation of the soil, to furnish a profitable and durable home market."⁹⁰

Banking. - In 1849 there were no banks in Minnesota. The banking needs of the community were not great or varied; there was little of that wide-spread demand for and use of capital, and rapid interchange and exchange of credits, that characterize modern business methods.

88. Ibid., March 6, 1850. Information furnished by mail courier who had just arrived in St. Paul.

89. Ibid., May 31, 1849.

90. Message of Sept. 3, 1849; Council Journal, 1849, p. 12.

This is not to say that there was not some demand for banking facilities: there was. Travellers from the East, missionaries, traders, sometimes were compelled to obtain money in the territory on the basis of eastern credits. Loans were needed, too, to tide over a bad winter or provide capital until the proceeds of trade were available. The need for such services was met in early days, not by banks, but by that institution of all prevailing influence: the Fur Company. Sibley's headquarters at Mendota were not only the headquarters of the fur trade, but also of the financial transactions of the surrounding country. "Not only did the Fur Company obviate the necessity of local banking institutions by transferring funds through exchange transactions, by carrying running accounts on the books of the company against which orders could be drawn, and by extending financial accommodations through loans, but it also acted as a general fiscal or financial agent, both for the local inhabitants and for those in the East and other parts of the country who had business to transact in this region." 91 It is doubtful that the individual traders who settled in St.

91. Eliason, *The Beginning of Banking in Minnesota*, Minn. Hist. Soc. Coll., Vol. XII, pp. 677-678. A careful study of banking conditions down to 1857.

Paul from 1843 to 1849 ever performed banking services in so general a way as did the Fur Company at Mendota. They did not have the wide-spread financial connections. But they did extend credit, gave financial accommodations through loans, and sometimes even kept running accounts on their books which could be drawn against.

This furnishing of banking facilities by the fur-traders was a natural outgrowth of their methods of doing business, which were in turn a result of the conditions under which they were compelled to operate, particularly the scarcity of specie and currency and the lack of means of communication in the territory. Much of the actual trading had to be done on credit. The merchant received his goods on credit and he in turn made advances to the Indian trappers and hunters as his judgment indicated, based on an intimate knowledge of personal character, habits, honesty and skill. The credit system was widespread.⁹² Settlement of account was only possible once or twice a year because of the lack of facilities for transportation and communication. The trapper spent the better part of the year, during the cold

92. Sibley's Reminiscences, 1856, Minn. Hist. Soc. Coll., Vol. I, pp. 465-466.

months, in the forest and on the prairie, out of touch with the centers of civilization. Add to these circumstances the paternal attitude which the fur traders were wont to take as the forerunners of commercialism in a new country, and it is evident that the discharge of banking services was a natural function for them to assume.

This fact makes clear one of the causes for the large profits of the early traders. It was not only as a result of shrewd dealing, keen insight and much business sense; it was not only as a payment for mastering the difficulties of transportation; it was not only as an enormous speculative profit, a payment for taking great risks, that the profits of the early traders were large. But it was also because they were meeting the need for credit and banking facilities and a portion of their profits was a return for the furnishing of these benefits. They facilitated exchange at a time when it was hazardous and difficult.

Taxation and Public Finance . - Taxation and public finance for Minnesota do not properly begin before

the organization of the territory and, indeed, before the first session of the legislature, which met on September 3rd, 1849. Before that time the portion of Minnesota in which there was some settlement was part of Wisconsin territory. The land did not begin to be surveyed until 1848, settlement had just commenced, and there was little to tax. What little taxation there was on the property in the mills along the St. Croix and in the hamlets at Stillwater and St. Paul was small in amount and uncertain in levy and collection.

Between the admission of Wisconsin as a state on May 29, 1848, and the passage of the act organizing Minnesota as a territory on March 3rd., 1849, the settlements were in a twilight zone, with no government save what they maintained themselves by common consent, custom and convention.

In his first message Governor Ramsey cited the necessity of creating a territorial treasury, by taxation or otherwise. He urged, however, that the legislature proceed slowly and mature a simple and carefully planned system of finance. "Pay as you go" was his cardinal

principle for public expenditures. His only specific recommendation was that the sale of liquor offered a particularly fitting subject for taxation, to regulate the traffic as much as to secure revenue.⁹³ The legislature provided that all taxes assessed in St. Croix county under its original jurisdiction were to be collected by the proper officer and paid into the treasury of the county, to be used for discharging all existing debts. If any funds remained after such payment of existing debts, they were to be divided among the several counties of Minnesota according to the amount of property possessed.⁹⁴ The duty of laying a tax of one fourth of one per cent upon the assessed values, for school purposes, was laid upon county commissioners. In addition to this, 15 % of liquor license money and 15% of fines for criminal offenses were set aside for the use of the schools.⁹⁵ Assessors duties were defined and, most important of all for territorial purposes, a tax of one mill on all real and personal property was levied to be paid in to the territorial treasurer by the counties, for the use of the territory.⁹⁶

93. Council Journal, 1849. p. 13.
94. Laws of 1849, Chap. V, Sec. 15.
95. Ibid., Chap. VII, Sec. 2.
96. Ibid., Chap. I.

Chapter III.

Population

The census returns for 1850, 1860 and 1870 serve to show reliably the growth of Minnesota's population up through 1873. They also serve as a basis for a final table and chart showing annual growth. The state censuses of 1865 and 1875, while not so reliable as the national, serve to give an intermediate index to population growth and a clue to variations in the rate of growth.

The national census of 1850 returned Minnesota's population as 6,077, made up of 3,635 male whites, 2,343 female whites, and 39 free colored. Population was distributed among the nine counties as follows:

Benton	418
Dakotah	584
Itasca	97
Mankata	158
Pembina	1,134

Ramsey	2,227	
Wabashaw	243	
Wahnahta	160	
Washington	1,056	(1)

The population of the sub-divisions within the counties was as follows:²

Mankahta County

Fort Gaines	143
Gull Lake	15

Ramsey County

Little Canada precinct	194
Saint Anthony	118
St. Anthony village	538
Saint Paul	226
St. Paul village	1,112
Snake River	39

Wahnahta County

Long Prairie	160
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1. Census of 1850, p. 993. The spelling is identical with that in the census volume
2. Ibid., p. 994.

Washington County

Marion (must be Marine)	114
Saint Croix (Falls of)	68
Saint Croix	253
Stillwater	621

In 1860 the population had become 172,023, made up of 91,704 males, 77,691 females, 259 free colored and 2,369 Indians enumerated.⁵ Population was distributed by counties as follows:

Aitken	2
Anoka	2,106
Becker	38
Benton	627
Blue Earth	4,803
Breckinridge	79
Brown	2,339
Buchanan	26
Carlton	51
Carver	5,106
Cass	150

3. Census of 1860, volume on population, pp. 251-253.

Chisago	1,743
Cottonwood	12
Crow Wing	269
Dakota	9,093
Dodge	3,797
Douglas	195
Faribault	1,335
Fillmore	13,543
Freeborn	3,367
Goodhue	8,977
Hennepin	12,849
Houston	6,645
Isanto	284
Itasca	51
Jackson	181
Kandiyohi	76
Kennebec	30
Lake	248
Le Sueur	5,318
Manomin	136
Martin	151

McLeod	1,286
Meeker	928
Mille Lac	73
Monongalia	350
Morrison	618
Mower	3,217
Murray	29
Nicollet	3,773
Noble	35
Olmstead	9,524
Otter Tail	240
Pembina	1,612
Pierce	11
Pine	92
Pipestone	23
Polk	240
Ramsey	12,150
Renville	245
Rice	7,543
St. Louis	406
Scott	4,595

Sherburne	723
Sibley	3,609
Stearns	4,505
Steele	2,863
Todd	430
Toombs	40
Wabashaw	7,328
Waseca	2,601
Washington	6,123
Winona	9,208
Wright	3,729 ⁴

In the returns for the distribution of population by subdivisions incorporated cities and villages were not differentiated from townships. The following list comprises the most important places that were either actually villages or townships containing villages:

<u>Village or Township</u>	<u>County</u>	<u>Population</u>
Mankato	Blue Earth	1,559
New Ulm	Brown	635

4. Ibid., p. 254.

Carver	Carver	724
Hasting's City	Dakota	1,653
Mendota	Dakota	454
Chatfield	Fillmore	1,327
Albert Lea	Freeborn	262
Red Wing	Goodhue	1,251
Minneapolis	Hennepin	2,564
Saint Anthony	Hennepin	3,258
Glencoe	McLeod	237
Austin	Mower	462
Rochester	Olmsted	1,424
St. Paul's	Ramsey	10,401
Faribault	Rice	1,508
Northfield	Rice	867
DuLuth	St. Louis	80
Shakopee	Scott	1,138
Henderson	Sibley	878
Owatonna	Steele	609
Marine	Washington	451
Stillwater	Washington	2,380
Winona	Winona	2,464

5

The state census of 1865 and the federal census of 1870 enumerated the population of Minnesota as 250,099 and 439,706 respectively. The distribution by counties was as follows:

<u>County</u>	<u>Population, 1865</u>	<u>Population, 1870</u>
Aitkin		178
Anoka	2,260	3,940
Becker		308
Beltrami		80
Benton	505	1,558
Big Stone		24
Blue Earth	9,201	17,302
Brown	2,211	6,396
Carlton	28	286
Carver	8,704	11,586
Cass	37	380
Chippewa		1,467
Chisago	2,175	4,358
Clay		92
Cottonwood		534
Crow Wing	178	200

Dakota	12,476	16,312
Dodge	6,222	8,598
Douglas		4,239
Faribault	4,735	9,940
Fillmore	17,524	24,827
Fresborn	5,688	10,578
Goodhue	14,830	22,618
Grant		340
Hennepin	17,076	31,566
Houston	9,788	14,936
Isanti	453	2,035
Jackson	234	1,825
Kanabec	31	93
Kandiyohi		1,760
Lac qui Parle		145
Lake	154	135
Le Sueur	7,834	11,607
Martin	1,430	3,867
McLeod	2,457	5,643
Manomin	117	
Meeker	1,229	6,090

Mille Lac	331	1,109
Monongalia		3,161
Morrison	796	1,681
Murray		309
Nicollet	5,019	8,362
Nobles		117
Olmsted	15,176	19,795
Otter Tail		1,962
Pembina		64
Pine	64	648
Pope		2,691
Ramsey	15,107	23,085
Redwood	95	1,829
Renville		3,219
Rice	10,977	16,083
Rock		158
St. Louis	294	4,561
Scott	8,621	11,042
Sherburne	819	2,050
Sibley	4,726	6,725
Stearns	7,367	14,206

Steele	4,932	8,271
Stevens		174
Todd	117	2,036
Traversee		13
Wabashaw	11,363	15,859
Wadena		6
Waseca	4,174	7,854
Washington	6,780	11,809
Watonwan	249	2,426
Wilkin		295
Winona	15,277	23,319
Wright	5,028 ⁶	9,457 ⁷

In transmitting the census returns of 1865, the secretary of state for Minnesota considered the number actually enumerated, 250,099, as too small. His reasons for this were first, that there were deficiencies in those counties from which returns were received, due to inadequacy of the personnel making the enumeration and the small wages received; second, some counties which were known to have a population were not returned. These counties

6. Minn. Ex. Docs., 1865, p. 444. Report of Secretary of State.
7. Census of 1870, volume on Population and Social Statistics, p. 40.

were Aiken (his spelling), Becker, Breckenridge, Buchanan, Cottonwood, Douglas, Itasca, Kandiyohi, Monongalia, Murray, Nobles, Ottertail, Pembina, Pierce, Pipestone, Polk, Renville and Toombs. In 1860, he said, these counties contained 3,651 persons. It was believed that the total should be taken as follows:

Total population as actually enumerated	250,099
Estimate for deficiencies in reported counties	12,501
Estimate for unreported counties	2,000
	<hr/>
Giving a total of	264,600 ⁸

It would seem safer, however, to use the figure 250,099. We do not know how careful or scientific a man secretary of state Blakely was. While no doubt persons in the outlying districts were missed there is always present a tendency, existing even to this day and probably stronger in the earlier days of intense rivalry and lack of rigid control, to pad the returns of the villages and cities. Governor Miller himself, in his message, used the more conservative figure in speaking of Minnesota's total population.⁹ Finally, while

8. Minn. Ex. Doc., 1865, Report of Secretary of State, pp. 416-417.

9. Message of Jan. 8, 1866. Minn. Ex. Docs., 1865, p. 19.

there undoubtedly is some error in the figure, 250,099, it is believed to be less than if the larger figure were given credence as accurate.

The populations of incorporated cities and villages for 1870 were as follows:

<u>City or Village</u>	<u>County</u>	<u>Population</u>
Sauk Rapids	Benton	412
Watab	Benton	22
Crystal Lake	Blue Earth	360
Garden City	Blue Earth	368
Mankato	Blue Earth	3,482
Winnebago Agency	Blue Earth	195
South Bend	Blue Earth	301
Hastings	Dakota	3,458
Rice Lake	Dodge	51
Kasson	Dodge	515
Mantorville	Dodge	622
Wasioja	Dodge	324
Winnebago City	Faribault	326
Lanesborough	Fillmore	655

Preston	Fillmore	600
Rushford	Fillmore	1,245
Red Wing	Goodhue	4,260
Minneapolis	Hennepin	13,066
Saint Anthony	Hennepin	5,013
Brownsville	Houston	625
Caledonia	Houston	470
Hokah	Houston	525
La Crescent	Houston	380
Hamilton	Houston	50
Brunswick	Kanabec	93
Collingwood	Meeker	30
Forest City	Meeker	181
Greenleaf	Meeker	54
Kingston	Meeker	56
Litchfield	Meeker	353
Austin	Mower	2,039
Saint Peter	Nicollet	2,124
High Forest	Olmsted	249
Rochester	Olmsted	3,953
Saint Paul	Ramsay	20,030

Faribault	Rice	3,045
Morristown	Rice	317
Shieldsville	Rice	110
Belle Plaine	Scott	487
Shakopee City	Scott	1,349
Henderson	Sibley	706
Saint Cloud	Stearns	2,161
Owatonna	Steele	2,070
Duluth	St. Louis	3,131
Pepin	Wabashaw	336
Read's Landing	Wabashaw	782
Minneaska	Wabashaw	217
Plainview	Wabashaw	637
Waseca	Waseca	551
Stillwater	Washington	4,124
Homer	Winona	91
Saint Charles	Winona	1,151
Winona	Winona	7,192

10

The state census of 1875 gave the population as 597,407, distributed by counties as follows:

10. Census of 1870, Population and Social Statistics, pp. 176-182.

Aitkin	205
Anoka	5,709
Becker	2,256
Benton	1,974
Big Stone	305
Blue Earth	20,942
Brown	9,815
Carlton	495
Carver	13,033
Cass	239
Chippewa	2,977
Chicago	6,046
Clay	1,451
Cook	215
Cottonwood	2,870
Crow Wing	1,031
Dakota	17,360
Dodge	10,045
Douglas	6,319
Faribault	11, 131
Fillmore	28,337

Freeborn	13,189
Goodhue	28,500
Grant	1,191
Hennepin	48,725
Houston	16,566
Isanti	3,901
Jackson	3,506
Kanabec	311
Kandiyohi	8,083
Lac qui Parle	1,428
Lake	161
Le Sueur	13,237
Lincoln	415
Lyon	3,643
McLeod	8,651
Martin	3,738
Meeker	8,626
Mille Lacs	1,300
Morrison	2,722
Mower	113,682
Murray	1,329

Nicollet	11,525
Nobles	2,750
Olmsted	20,946
Ottertail	9,174
Pembina	202
Pine	795
Polk	937
Pope	4,078
Ramsey	36,333
Redwood	2,982
Renville	6,876
Rice	20,622
Rock	1,261
Saint Louis	5,517
Scott	12,394
Sherburne	5,018
Sibley	8,884
Stearns	17,797
Steele	10,739
Stevens	786
Swift	2,269

Todd	3,818
Traverse	100
Wabasha	17,296
Wadena	210
Waseca	9,994
Washington	14,751
Watonwan	4,024
Wilkin	528
Winona	27,385
Wright	13,775
Yellow Medicine	2,484

11

The national census of 1880 returned the population of the state as 780,775.¹²

On the basis of the rates of growth for each decade as indicated by the federal censuses, the following table would show the population of the state for each year, through 1875:

1849	-	4,780	1852	-	39,265
1850	-	6,077	1853	-	55,859
1851	-	22,671	1854	-	72,453

11. Minn. Ex. Docs., 1875, Report of Secretary of State, Doc. No. 3, pp. 96-97. Also report of commissioner of statistics, No. 13, p. 110.
12. Census of 1880, Population, p. 66.

1855	-	89,057	1864	-	279,095
1856	-	105,641	1865	-	305,863
1857	-	122,235	1866	-	332,631
1858	-	138,829	1867	-	359,399
1859	-	155,423	1868	-	386,167
1860	-	172,023	1869	-	412,935
1861	-	198,721	1870	-	439,706
1862	-	225,559	1871	-	473,802
1863	-	252,327	1872	-	507,898
			1875	- - -	541,994

But these figures do not correctly indicate the population for each year, because they are based on the ten-year increases and do not give due credit to variations in the rate of growth over periods shorter than a decade. The table must be corrected in accordance with figures showing changes over briefer periods of time than ten years. The first census after 1850 was taken in 1855. It returned the population of the territory as 53,600.¹⁵ In January, 1855, Governor Gorman estimated the population of the state at 30,000.¹⁴ This figure was probably ample.

13. Gov. Gorman's Message, Jan. 9, 1856, Council Journal, 7th. Sess., p. 257, House Journal, 7th. Sess., p. 342, noticing the taking of the census without giving the figures. Williams, Hist. of St. Paul, Pub. 1870, p. 359, gives the figures.
14. Message, Jan. 18, 1855, Council Journal, 6th. Sess., p. 31. House Journal, 6th. Sess., p. 29. Commissioner of Statistics Wheelock who evidently had no information as to a census being taken in 1855, estimated the population for 1855 as 50,000. (Second Annual Report for years 1860-1861, p.98). It is a curious fact that he should have lacked knowledge of the enumeration.

A census was again taken in 1857, just previous to the admission of the territory as a state, which returned the total population as 150,037.¹⁵ If 5,000 is deducted from Governor Gorman's estimate of January, 1855, it should give a close approximation to the population of the territory in June, 1854. The use of 25,000 for 1854, 53,600 for 1855, and 157,037 for 1857 in correcting the above annual table will make due allowance for the great influx of immigration which began to come into Minnesota with the opening of navigation in 1855 and increased with the financial revulsion of 1857.¹⁶ The state census of 1865 came at a time to give due effect to the influence of the Civil War upon immigration into the state in the years 1860-65. Similarly, the state census of 1875 takes into account the effects of the financial stringency of 1873. Therefore, by revising the above annual table on the basis of the territorial figures just cited and using the state census figures for 1865 and 1875, it will be approximately correct and take into account the main causes which affected the rate of population growth and caused it to vary from year to year within decades. As thus corrected, the table

15. Second Annual Report, Com. of Statistics, 1862, p. 98.
Seventh Annual Report, Com. of Statistics, Minn. Ex. Docs., 1875, No. 13.
16. First Annual Report, Com. of Statistics Wheelock, 1860, p. 147.

stands as follows:

1849	4,780 ¹⁷
1850	6,077
1851	10,808
1852	15,539
1853	20,270
1854	25,000
1855	53,600
1856	101,818
1857	150,037
1858	157,365
1859	164,693
1860	172,023
1861	187,638
1862	203,253
1863	318,868
1864	234,483
1865	250,099
1866	288,020
1867	325,941
1868	363,862

17. Council Journal, Minn., 1849, pp. 183-184, Supra p. 10.

1869	401,785
1870	439,706
1871	471,246
1872	502,786
1873	534,326 ¹⁸
1874	565,866
1875	597,407.

The chart inserted at the close of this chapter serves to show at a glance the increase of population annually, as well as to afford a comparison between the table founded only on federal census figures and the corrected table.

The rates and percentages of growth for the period are as follows:

<u>Period</u>	<u>Amount of growth</u>	<u>Per cent of increase</u>	<u>Annual Rate</u>
1850-1860	165,946	2730.72	16,595
1860-1870	267,683	155.61	26,768
by five year periods			
1850 - 1855	47,523	782.01	9,505
1855 - 1860	112,423	320.93	23,685
1860 - 1865	78,076	45.38	15,615

18. Governor Austin, in a careful estimate based upon the school returns and other official data, said that the population of Minnesota was 531,330 in January, 1873. Annual Message, Ex. Docs, 1872. p. 37.

1865 - 1870	189,607	75.81	37,922
1870 - 1875	157,701	35.86	31,540

between 1855 and 1860:

1855 - 1857	96,437	179.92	48,219
1857 - 1860	21,986	14.65	7,329

The comparative mortality of Minnesota for 1850,
1860 and 1870 was as follows:¹⁹

<u>Year</u>	<u>Population</u>	<u>Deaths</u>	<u>Deaths per thousand living.</u>
1850	6,077	29	4.7
1860	172,023	1,109	6.4
1870	459,706	3,526	8.0

In 1850, out of a total of 2,336 persons whose occupations were ascertained, all of whom were males, the following occupations claimed the larger share:²⁰

19. For 1850 and 1860, see Census Report, 1860, Mortality and Miscellaneous Statistics. For 1870, Census Report, 1870, Vital Statistics, pp. XX and 3.

20. Census of 1850, pp. 1004-1005.

Laborers	599
Farmers	340
Hunters	207
Carpenters and joiners	188
Soldiers	163
Lumbermen	126
Merchants	87
Clerks	58
United States officers	56
Traders	52
Black and white smiths	49
Masons and plasterers	37
Lawyers	23
Teamsters	21
Voyageurs	20
Missionaries	19
Musicians	18

In 1860 the enumeration included both male and female occupations. Out of a total of 53,426 persons whose occupations were enumerated, the following were

in the more important activities:²¹

Farmers	27,921
Laborers	5,515
Fishermen	3,921
Servants	2,438
Carpenters	1,575
Merchants	826
Lumbermen	716
Teachers	647
Clerks	625
Blacksmiths	593
Shoemakers	418
Lawyers	407
Masons (stone and brick)	369
Teamsters	335
Clergymen	311
Millers	276
Physicians	250
Innkeepers	225
Tailors	212
Painters	186

21. Census of 1860, Population, p. 263.

Students	183
Printers	171
Cabinet-makers	165
Public officers	156
Wheelwrights	154
Refectory keepers	147
Butchers	146
Civil and Mech. engineers	139
Traders	137
Millwrights	132

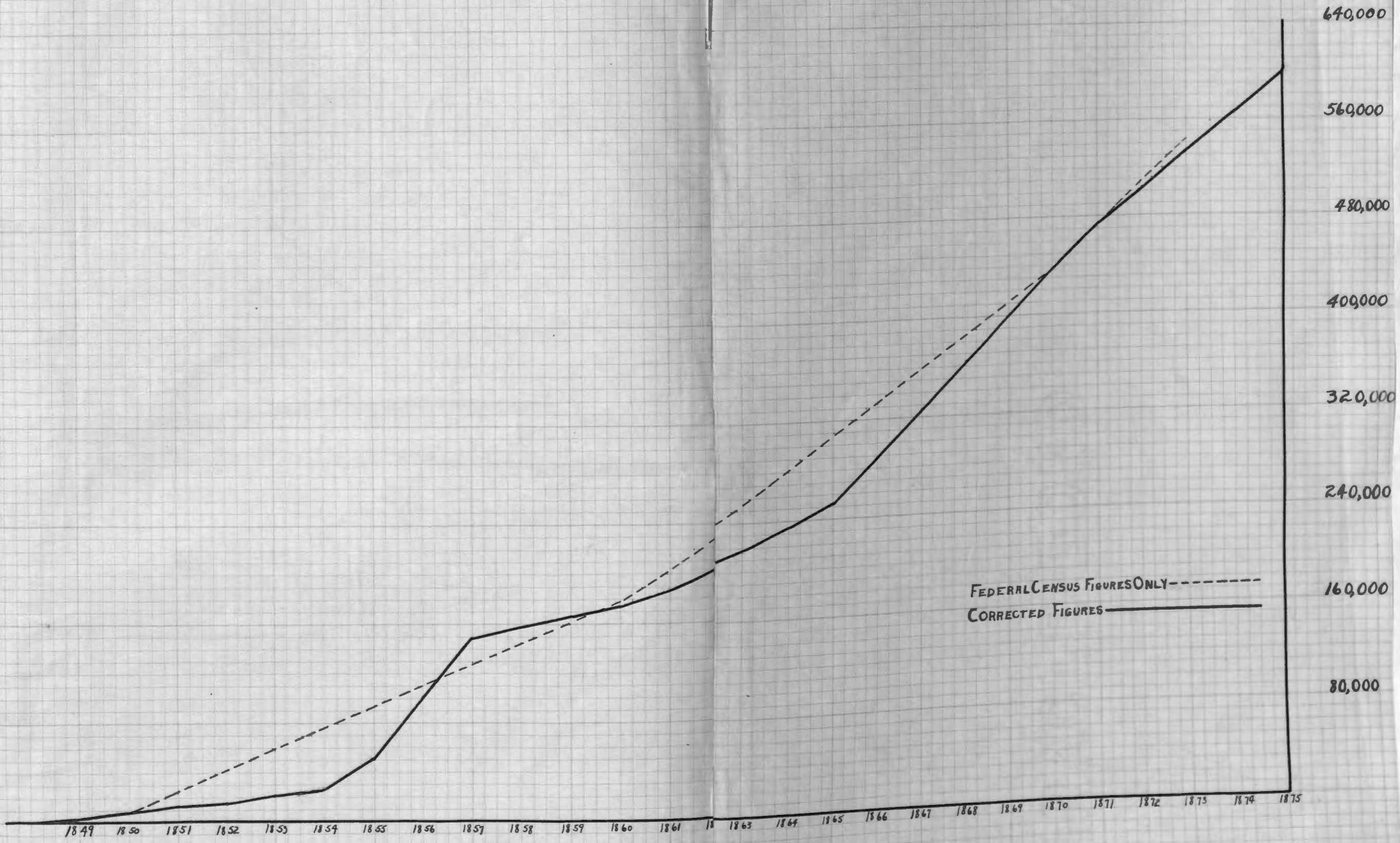
The census of 1870 classified the occupations into a few main divisions, enumerating each occupation separately also. 132,657 persons were enumerated as having occupations. Agriculture was still in the lead.²²

Agriculture	75,157
Farmers and planters	54,625
Agricultural laborers	20,277

22. Census of 1870, Population and Social Statistics, p. 741.

Professional and personal services	28,330
Laborers	13,037
Domestic servants	8,556
Teachers	1,754
Hotel and restaurant keepers and employes	1,144
Clergymen	620
Lawyers	449
Physicians and surgeons	402
Officials and employes of government	398
Livery stable keepers and hostlers	313
Boarding and lodging house keepers	271
Soldiers (U.S.A)	211
 Manufactures and Mining	 18,588
Carpenters and joiners	4,164
Lumbermen, raftsmen, etc.	1,458
Blacksmiths	1,255
Brick and stone masons, stone cutters	1,119
Boot and Shoe makers	846

Tailors, tailoresses	731
Saw mill operators	684
Milliners, dress and mantua makers	620
Cotton and woolen mill operatives	601
Millers	599
Painters and varnishers	578
Car, carriage and wagon makers	414
Coopers	368
Butchers	352
Cabinet-makers and upholsterers	331
Trade and Transportation	10,582
Trade:	
Traders and Dealers	3,323
Clerks, salesmen, and accountants in stores	2,050
Banking and brokerage	242
Hucksters, peddlers and commercial travelers	177
Transportation:	
Officials and employes R.R. Co's.	2,582
Carmen, draymen, teamsters	1,032
Sailors, steamboatmen, watermen	269



Chapter IV
Land Sales and Settlement

J. A. Wheelock in his first annual report as commissioner of statistics for Minnesota published in 1860 for the year ending January 1st. 1860, made a summary of the transactions of the land offices in Minnesota down to that time.

<u>Year</u>	<u>Number acres sold</u>	<u>Cash receipts</u>
1848	15,381.38	\$9,943.51
1849	16,785.91	2,554.72
1850	36,709.10	4,698.76
1851	34,915.53	17,553.61
1852	32,893.28	5,051.80
1853	76,074.26	47,327.47
1854	314,714.76	368,099.35
1855	1,132,672.49	1,132,843.17
1856	2,334,298.18	598,427.24
1857	1,468,434.40	143,681.39 $\frac{1}{2}$
1858	482,856.44	26,937.72 $\frac{1}{2}$
1859	<u>190,342.57</u>	<u>9,309.47</u>
Total	6,136,111.30	\$2,356,435.17 ¹

1. Wheelock's Report, 1860, p. 144.

Of the total acreage disposed of up to this time, 4,116,586.89 acres were entered with bounty land warrants; with Sioux half-breed scrip, 184,419.68 acres; and with cash 1,885,148.15 acres. The figures of the table show concretely the effect of the panic of 1857 upon land sales. Of this it was said: "Attention is particularly directed to the sudden and enormous increase in the entries of public lands in the years 1854, 1855, and 1856, expanding from 76,074 acres in 1853 with the torrent of population and speculation to 314,714 acres in 1854, and to 2,334,291.18 acres in 1856, and suddenly contracting again with the revulsion of 1857, till in 1859 the sales were only 190,000 acres in all, or less than one-twelfth of those in 1856. The entire course of speculative activity and monetary exhaustion, the antecedent and consequent phenomena of the crisis of 1857 as it operated in Minnesota, the prodigious inflation, the abrupt collapse, are minutely registered in the sensitive scale of land speculation represented by the above table."² The following figures were added to show the effect of the crisis in tabular form:

2. Ibid.

	<u>Whole no. of acres entered</u>	<u>Cash paid to land offices</u>	<u>Whole amount of cash invested</u>
From 1848 to 1853 inc.	212,579	\$87,129.87	\$250,185.
From 1854 to 1857 " .	5,250,153	2,233,051.15	5,696,720.
From 1858 to 1859 " .	<u>673,199</u>	<u>36,247.19</u>	<u>681,593.</u>
	6,136,111	\$2,356,429.81	\$6,608,498. ⁵

After 1859 the messages of the governors of the state very seldom touch upon the sales of public lands in such a way as to give the figures for United States sales. In 1863 the federal government through its land offices disposed of 463,296 acres to individuals; 1864, 665,750 acres; 1865, 804,982 acres; 1866, 731,937 acres; 1869, 843,537 acres.⁴ In 1870, 955,107 acres were so disposed of.⁵ In 1873 the land offices reported total acres disposed of as 815,641.⁶

Up to August 1st. 1873, 34,659,751 acres of the lands of Minnesota had been surveyed. This amount, out of a total acreage, including waters, of 51,701,760 acres. In the surveys all lakes of forty acres and upwards were meandered, the statement of total acres surveyed

3. Ibid., For progressive statistics of the U.S. land offices in Minnesota, with short history of each, see ibid., p. 163, Table XV.
4. Report of Commissioner of Statistics of Minnesota, 1869. Minn. Ex. Docs. 1869, p. 907.
5. Ibid., 1870, p. 1011. Vol. II.
6. Ibid., 1873, p. 509. Vol. I, The figures are lacking in the statistical reports for those years omitted.

including only land and lakes of less than forty acres area. The unsurveyed portions were all in the northern part of the state, comprising portions of Becker, Polk, Pembina, Beltrami, Cass, Itasca, St. Louis and Lake counties. Up to 1874 the disposition made by the United States of the surveyed acreage was as follows:⁷

	<u>Acres</u>	<u>Per cent of total surveyed</u>
Entered under homestead laws	4,414,259	12.73
Sold	2,879,586	8.30
Entered with military warrants	5,961,459	17.20
Entered with scrip	1,148,405	3.31
Swamp lands patented to the state	973,240	2.80
Agricultural college lands	94,439	0.26
Internal improvement lands	500,000	1.44
Saline lands, certified to the state	26,435	0.07
Capitol building lands	6,400	0.01
University grants	82,966	0.23
Timber culture act	7,831	0.02
Certified to the state of rail- road grants	5,017,155	14.47
Certified to Northern Pacific railroad	631,241	1.82
School lands (1/18 of all sur- veyed)	<u>1,925,540</u>	<u>5.55</u>
Surveyed acreage absolutely disposed of to indiv- iduals or grantees	23,668,956	68.22
Leaving a balance not fin- ally disposed of, of	10,990,795 acres	

7. Ibid., 1873, p. 503. Vol. I

A summary of this table was made by the commissioner of statistics, showing

	<u>Acres</u>
Entries by or sales to individuals	14,403,709
Granted to the state for schools and improve- ments	3,616,851
Granted to the state for railroads	5,017,155
Granted to the Northern Pacific railroad	<u>631,241</u>
	<u>5,648,396</u>
Acres finally disposed of	23,668,956

The sales made from the United states land offices were in almost all cases at the minimum price of \$1.25 per acre. Governor Ramsey used \$8 an acre as a minimum price for the highest grade of school lands in his calculations. He believed that 300,000 acres of these lands would reach that value by 1870.⁸ The valuation for purposes of taxation of Rice county real estate was \$3.39 per acre for 1860. Olmsted county at the same time was assessed at \$3.35 per acre, and Winona \$2.48. In Ramsey county the taxable lands outside of St. Paul were

8. Message of Jan. 9, 1861. Minn. Ex. Docs., 1860, p. 18.

valued at \$12.52 per acre. Washington county's lands were returned at \$4.38 per acre.⁹ These figures are not accurate as an index of land values at the time, but they serve to show that values of good farming lands ranged from about \$4 to \$20 an acre. In 1862 Governor Ramsey valued the 52,000 acres of occupied school lands at \$7 an acre. This on the basis of rentals received.¹⁰ During 1862 the 38,000 acres of school lands sold brought an average of \$6.00 to \$7 per acre.¹¹ By January, 1864, some 90,000 acres had been sold at an average price of \$6.10 per acre.¹² The sales of school lands for 1864 brought an average price of close to \$7 an acre.¹³ The state auditor, in his report for 1873, summed up in a table the prices received for school lands since the first sale was held in 1862:¹⁴

<u>Year</u>	<u>Average Price per acre</u>
1862	\$ 6.35
1863	5.82
1864	6.925
1865	5.978

9. Proceedings State Board of Equalization, November 1860. Minn. Ex. Docs., 1860, pp. 13-19.

10. Message of Jan. 9, 1862. Minn. Ex. Docs., 1861, p. 14.

11. Message of Governor Ramsey, Jan. 7, 1863. Minn. Ex. Docs., 1862, p. 18.

12. Governor Swift's message, January 11, 1864. Minn. Ex. Docs., 1863, p. 13.

13. Governor Miller's Message, Jan. 4, 1865, Minn. Ex. Docs., 1865, p. 14.

14. Minn. Ex. Docs., 1873, Vol. II, p. 759.

1866	6.235
1867	6.045
1868	6.044
1869	5.973
1870	6.06
1871	6.549
1872	6.015
1873	6.091

In 1873 the approximate prices at which state school lands were sold in various counties are shown by the following table, arrived at by dividing the purchase price by the acres sold, as given in the state auditor's table for each county:¹⁵

<u>County</u>	<u>Price per acre</u>
Anoka	\$ 5.00
Brown	9.00
Cottonwood	6.50
Chicago	6.75
Chippewa	8.00
Dakota	5.00

15. Ibid., p. 757.

Douglas	6.50
Dodge	5.00
Faribault	5.50
Freeborn	5.25
Fillmore	5.00
Goodhue	5.50
Houston	5.50
Hennepin	8.50
Kandiyohi	7.25
Mower	5.00
McLeod	5.50
Meeker	5.00
Nicollet	5.57
Otter Tail	5.00
Pine	9.75
Ramsey	6.00
Rice	5.00
Renville	6.25
Scott	5.00
Sherburne	5.50
Sibley	5.50

Stearns	5.50
Steele	5.00
Waseca	5.00
Washington	6.50
Wabasha	5.00
Winona	5.00
Wright	6.00

In those days as now real estate values varied widely, depending not only upon location, fertility, possession of special advantages such as timber or water-power sites, but also varying from year to year with the outside prices for produce, immigration, transportation rates, and the financial condition of the nation at large.

Prices of real estate within the cities and villages fluctuated greatly with all the various sensitive forces affecting townsites and lot values. In the wild era of speculation before 1857 lots in towns existing often only on paper sometimes brought high prices. Towns boomed and died. For the cities destined to succeed, St. Paul, St. Anthony, Minneapolis, Stillwater, St. Cloud

Winona, Mankato, the time from 1849 to 1873 shows a fairly steady, large rise in values over the whole period. The differences were so great, however, that the following generalization must suffice for the period: in the first two or three years of the '50s, things were quiet, a few settlers steadily coming in; from 1854 to the summer of 1857 values often doubled, trebled and even quadrupled during a year, speculation was on the qui vive, townsites sprang up over night, the rules of honest dealing were not lived up to very strictly, and everything was booming; from 1857 to 1865 the panic and the war kept things comparatively quiet, values being on a sound, quietly increasing basis; from 1865 to 1873 there was a period of rapid increase, railroad building opening up new lands and towns; but speculation was on the basis of much sounder values than from 1854 to 1857, on the basis of an immigration and an increase in production and facilities for marketing that were real.¹⁶

16. Of the number of real estate sales in St. Paul up to 1857 Fairchild says: "The records of Ramsey County show one sale of real estate in 1844; none in 1845; one in 1846; eleven in 1847, when only 50 people were here; 35 in 1848; 175 in 1849, with 940 people here; 196 in 1850, with a population of 1,394 by the census; 786 in 1851; 939 in 1852; 1,165 in 1853; 1,872 in 1854; 3,560 in 1855 with a population of 4,716, there being thus more than half as many sales as there were people; 3,798 sales in 1856, with 6,000 people; and 790 sales in 1857, the population then being 9,937." Early History of Real Estate in St. Paul, Minn. Hist. Soc. Coll., Vol. X, Part I, p. 432. He also says that the paying of three per cent a month for money in those times was profitable, because of the rapid advance in real estate values. p. 420. Ibid. For land conditions in Goodhue county during the period see Hubbard, Early days in Goodhue County, Minn. Hist. Soc. Coll., Vol. XII, p. 155.

The influx of immigration and the lands settled are best illustrated by the county population tables of the census reports. In 1850 the country within a radius of twenty-miles of St. Paul was the centre of settlement, Washington, Ramsey, Dakota, and Benton counties having the great majority of white persons.¹⁷ By 1860, the eastern two tiers of counties in Minnesota south of St. Paul, the counties immediately bordering the Minnesota as far as Mankato, and several counties adjacent to Hennepin and Ramsey on the north and west, had received the bulk of the settlement. The counties of greatest population, in the order of their size were:

Fillmore	13,542
Hennepin	12,849
Ramsey	12,150
Olmsted	9,524
Winona	9,208
Dakota	9,095
Goodhus	8,977
Rice	7,543
Wabashaw	7,228

17. Supra, p. 48. Pembina was almost wholly made up of half-breed hunters.

Houston	6,645
Washington	6,123
LeSueur	5,318
Carver	5,106
Blue Earth	4,803
Scott	4,595
Stearns	4,505
Dodge	3,797
Nicollet	3,773
Wright	3,729
Sibley	3,609
Freeborn	3,367
Mower	3,217
Steele	2,853

18

From 1860 to 1865 settlement continued along the lines here indicated, extending about two tiers of counties farther west in the country below the Minnesota river, not more than one county west of Wright and Stearns, and scarcely no territory north of Stearns county. The southeastern, south central, and central portions of the

18. From Census of 1860, Supra, pp. 49-51.

state received the greatest number of settlers. The following counties ranked highest:

Fillmore	17,524
Hennepin	17,076
Winona	15,277
Olmsted	15,176
Ramsey	15,107
Goodhue	14,850
Dakota	12,476
Wabashaw	11,363
Rice	10,977
Houston	9,788
Blue Earth	9,201
Carver	8,704
Scott	8,621
LeSueur	7,834
Stearns	7,367
Washington	6,780
Dodge	6,222
Freeborn	5,688
Mower	5,150

Wright	5,028
Nicollet	5,019
Steele	4,932
Sibley	4,786
Faribault	4,735
Waseca	4,174

19

McLeod increased from 1,286 to 2,457; Martin from 161 to 1,430. Meeker county was as far west as settlement went in central Minnesota and Martin county was on the outskirts of settlement in the southern part.

By 1870 most of southern and central Minnesota had been settled as far as the second tier of counties from the west. Rock, Lac qui Parle, Traverse had as yet very few people. Wilkin possessed 295, but above that there were few. North of the north line of Morrison county the land was still sparsely settled or not at all. The leading counties in 1870 were:

Hennepin	31,566
Fillmore	24,887
Ramsey	23,085

Goodhue	22,618
Winona	22,319
Olmsted	19,793
Blue Earth	17,302
Dakota	16,312
Rice	16,083
Wabashaw	15,859
Houston	14,936
Stearns	14,206
Washington	11,809
Le Sueur	11,607
Carver	11,536
Scott	11,042
Freeborn	10,578
Mower	10,447
Faribault	9,940
Wright	9,457
Dodge	8,538
Nicollet	8,362
Steele	8,271
Waseca	7,854

Sibley	6,725
Brown	6,396
Meeker	6,090
McLeod	5,643
St. Louis	4,561
Chisago	4,538
Douglas	4,239
Anoka	3,940
Martin	3,867
Renville	3,319
Monongalia	3,161
Pope	2,691
Watsonwan	2,426
Sherburne	2,050
Todd	2,036
Isanti	2,036
Otter Tail	1,968

20

Immigration into the southwestern part of the state below the big bend of the Minnesota river, was greatly accelerated in the years 1870 to 1874. That section

20. Census of 1870, Supra, pp. 53-54

was the frontier before 1870, but with the building of the St. Paul and Sioux City railroad its fertile prairie proved a strong attraction to settlers. Western and west central Minnesota likewise received a considerable access of settlers with the extension of the Northern Pacific railroad to Breckenridge in 1871 and the building of the St. Paul and Pacific line as far as Stevens and Traverse counties in 1870.²¹

21. See below, pp. 170 and 164.

Chapter V

Early Transportation and Trade

For twenty years after 1849 the steamboat continued to be an influential factor in transportation. But with the coming of the railroad it was compelled to give up its place of first importance in the face of better service rendered for less money. The steamboat could not compete with the railroad.

The bonanza days of steamboating on the Mississippi were the years from 1849 to 1860. The steamboat arrivals at St. Paul down to and including 1874 were as follows:

<u>Year</u>	<u>Number</u>
1844	41
1845	48
1846	24
1847	47
1848	63
1849	95
1850	104

1851	119
1852	171
1853	200
1854	256
1855	560
1856	857
1857	1,025
1858	1,068
1859	808
1860	775
1861	937
1862	1,015
1863	743
1864	631
1865	629
1866	777
1867	683
1868	835
1869	792
1870	760
1871	553

1872	346
1873	Figures lacking
1874	218 ¹

Captain Russel Blakeley gave a somewhat different table for steamboat arrivals from 1852 to and including 1862. His list was as follows:

1852	171
1853	235
1854	310
1855	536
1856	759
1857	965
1858	1,090
1859	802
1860	776
1861	772
1862	846 ²

1. 6th. Annual Report, Com. of Statistics of Minnesota, Minn. Ex. Docs., 1874, No. 10, p. 98. Figures furnished by George W. Moore, Deputy Collector of Customs, St. Paul, 1874. Minnesota Pioneer, Dec. 25, 1851, gives list of arrivals including 1851, giving the same figures except using 85 for 1849 instead of 95.
2. Advent of Commerce in Minnesota, Minn. Hist. Soc. Coll., Vol. VIII, p. 413. C. C. Andrews, History of St. Paul, p. 70 and p. 396, uses the same figures. Merrick, Old Times of the Upper Mississippi, uses the same figures with the exception of 977 instead of 772 for 1861. Appendix B, p. 295.

It is probable that the list published by the commissioner of statistics is the more reliable. For though Captain Blakeley was a contemporary and actively engaged in steamboating on the Mississippi in the bonanza period, the table published by the commissioner of statistics was official and based upon the customs records. It purports to give the total number of arrivals in St. Paul, and beginning with 1850 includes arrivals from the Minnesota river.

Before 1862 the boats were owned mainly by Galena, Dubuque and St. Louis parties, the Galena boats being the favorites in St. Paul. There were two classes of boat-owners in Galena: (1) those engaged solely in transportation; (2) those owning steamboats and operating them as adjuncts to their mercantile business. From 1848 to about 1862 the history of business in St. Paul was closely linked with the history of Galena. The merchants of the latter place were aggressive and energetic; it was from them that St. Paul merchants obtained most of their supplies. This situation continued until the coming of railroads. The river steam-boat was the go-between.

The first boats in regular service were about ninety feet long with a beam of from fifteen to twenty feet. 100 passengers was a common load, and sometimes 500 passengers were carried.³ There are records of arrivals at St. Paul with as high as 800 passengers in a single boat-load.⁴ Besides passengers, freight and cattle were carried on the lower deck. On one trip in 1851, the "Dr. Franklin" took up forty-two cows and twenty calves, besides its package freight and passengers.⁵ Shortly after, boats of larger size were placed in the Mississippi trade, the "Ben Campbell" of 1852, which caused a great amount of comment and admiration when it arrived in St. Paul, being 200 feet in length by 29 feet in breadth,⁶ and the "West Newton", a particularly fast boat, 150 feet in length. These steamboats were of from 200 to 300 tons burden. They were, however, often loaded beyond that amount.⁷ In 1857, five new boats of from 230 to 250 feet in length and 350 to 400 tons measurement were put in service. These marked the apex in size and capacity, for after that year the business was less profitable than formerly. "No better boats," said Captain Blakaley, "were ever built

3. Minnesota Pioneer, April 25, 1850. Also May 22, 1851.

4. Williams. History of St. Paul, Pub. 1876, p. 357.

5. Minnesota Pioneer, July 17, 1851.

6. Ibid., June 17, 1852.

7. Ibid., June 10, 1852.

for the upper river."⁸ Their cabin accommodations and staterooms were comfortable if not luxurious, and their meal service excellent. The life of the boats in the river service was not very long, about five years being the average.⁹ Wood was used for fuel, which was obtained from supplies collected along the river. The larger boats used side paddle wheels, driven by engines directly connected to them. These engines were (and are) of the long stroke, slow acting type, the average cylinder dimensions being 18 to 24 inches in diameter by six foot stroke.

The average passenger fare paid by persons arriving at St. Paul was \$4 and the average amount received for freight discharged was \$7.50 per ton.¹⁰ The cabin rate for passengers from Galena to St. Paul, it taking forty hours to make the trip, was usually \$5. The rate was sometimes as low as \$3 and as high as \$6 for mid-season travel. The rate between St. Paul and St. Louis was from \$8 to \$12 ordinarily.¹¹ In the fall, when the close of navigation was near at hand, very high rates were often exacted. \$12 to \$20 was charged for cabin

8. Advent of Commerce in Minnesota, Minn. Hist. Soc. Coll., Vol. VIII, p. 404.

9. Minnesota Pioneer, June 3, 1852.

10. Ibid., Aug. 25, 1853

11. Ibid., April 8, 1852 and June 10, 1852.

passage to Galena and a correspondingly high rate to St. Louis.¹² The freight rates per hundred pounds from Galena or St. Louis to St. Paul were from twenty to fifty cents.¹³ Near the close of navigation, however, very high prices were obtained for risking the trip through to St. Paul.¹⁴ For towing lumber rafts the boats were paid by the hour, ten dollars per hour being the rate paid.¹⁵ In the earlier days there was keen rivalry between the packet lines and sometimes prices were out very low.¹⁶ But by the season of 1855 they ceased such intense competition and were able to share the business fairly and maintain rates to a certain extent. The great demand for transportation facilities aided this. However, there were always "wild" boats on the river whose competition had to be considered. There was always an element of competition in the business and the only occasions when a real monopoly was possible were near the close of navigation or when the water was very low and a fortunate captain possessed the only craft that was able to cross the sand bars. The close relations between merchants and steamboat owners also tended to keep rates down.

12. Ibid., Nov. 21, 1854.

13. Ibid., June 10, 1852.

14. Ibid., Nov. 11, 1852.

15. Ibid., July 15, 1852.

16. Ibid., Feb. 19, 1852.

The seasons of 1854, 1855, and 1856 were the most profitable for steamboat owners of any in the history of transportation on the Upper Mississippi. "As an evidence of the amount of travel and business on the river during the season of 1855, it was stated that the packet company (The Galena and St. Paul Co.) declared dividends (net profits) of \$100,000 on the season's business. The 'War Eagle', which cost \$20,000 cleared \$44,000 alone; and the 'City Belle', costing \$11,000 cleared \$30,000 profits." 17

With the coming of the railroad conditions were modified. In 1854 the Chicago and Rock Island railway reached Rock Island. This largely increased the traffic on the upper Mississippi, for goods and passengers could now go straight through from the East to St. Paul without being compelled to traverse part of the way overland by team or stage.¹⁸ Before this time, Galena was the principal gateway, the journey from Chicago being made at first entirely by stage, then by railroad and stage as the iron highway was completed by successive amounts toward the northwestern corner of Illinois. It

17. Williams, History of St. Paul, Pub. 1876, p. 360.

18. Ibid., p. 353.

was sometime before the effect was fully felt, but this coming of the railroad to the Mississippi was the entering wedge of Galena's downfall as a commercial base for the northwest. In 1855 the Illinois Central railroad was completed to the river at Dunleith and in 1856 the Galena, Dunleith and Minnesota Packet Company ran a fleet of nine boats to St. Paul.¹⁹ In 1857 the Milwaukee and Prairie du Chien railroad reached the latter point and traffic began to come through that gateway. Additional boats were placed in service, a double daily service from Galena to St. Paul was afforded, and there was a regular line of nine boats between St. Paul and St. Louis. Certain boats were set aside for exclusive passenger and light package freight business, while others were primarily in heavy freight business. In all, ninety-nine boats were in operation on the upper Mississippi, more plying to and from St. Paul than at any time before or since.²⁰ In 1858 sixty-two boats were in this service, the large number of arrivals being due to the fact that the season of navigation was thirty-eight days longer than in 1857. Also, the journey of some of the boats

19. Blakeley, *Advent of Commerce in Minnesota*, Minn. Hist. Soc. Coll., Vol. VIII, p. 402.

20. *Ibid.*, pp. 404-405. Capt. Blakeley has inserted in his narrative a number of interesting views of wellknown river boats of this period.

was considerably shorter (to LaCrosse and Prairie du Chien) than before this time. 1859 opened with three railroads to the upper Mississippi, the Milwaukee and LaCrosse at LaCrosse, the Milwaukee and Prairie du Chien at the latter place, and the Illinois Central at Dunleith. Neither of these was ^{at} Galena, which was located a short distance from the Mississippi, on the Fever river. The genesis of Galena's decay was at [^] hand and the decline of steamboating began. The hauls were shorter, the profits less. And though an active steamboat business was carried on between the railroad gateways and towns on the upper Mississippi, it was only a question of a short time until rail connection through to St. Paul would be available and the steamboat as an influential carrying factor eliminated. The railroad through to St. Paul, via Winona and Owatonna, was completed in the late summer of 1866. In 1859 the whole number of boats in the trade was 54 and the arrivals in St. Paul a few more than 800.²¹ By 1865 Galena had ceased to be the outfitting point for the trade of St. Paul and the north and was eliminated as a commercial factor.

21. Ibid., p. 407. As to railroad construction in 1866 see below, p. 158.

In 1868 some of the stockholders of the old Galena Packet Company retired and Captain W. F. Davidson obtained ownership of a part of the stock. By 1864 he had obtained a controlling interest in all the steamboat business on the Mississippi above St. Louis.²² After a time difficulties with minority stockholders arose and a long legal battle took place. In the meantime, the management and repair of the boats languished. This gave the seeds of decay opportunity to take firm root, gave railroad competition a chance to become strong, and merchants and travelers became accustomed to doing without steamboat service and to use the railroads. Blaksley, captain of the well-known "Nominee" in the early '50s when that boat was in its prime, summed it up by saying, "This (the legal battle) took so long that the boats and barges were worn out before he (Davidson) again got possession (to say nothing of the cost of litigation). The business was ruined; his health was broken; and the remnants of what had been a grand industry, building up the commerce of the Northwest, were destroyed."²³

Steamboating on the Minnesota river com-

22. Holmes, *Minnesota in Three Centuries*, Vol. IV, pp. 331-332

23. *Advent of Commerce in Minnesota*, Minn. Hist. Soc. Coll., Vol. VIII, p. 415.

menced in 1850, though previous to that time all boats touching at Fort Snelling or Mendota had to ascend the stream a short distance. In that year the "Anthony Wayne," a Mississippi steamboat, ascended as far as Chaska with a party of excursionists. A short time later the "Nominee" went up three miles farther, the "Wayne" ascended again as far as Traverse des Sioux, about nine miles up the river from the present village of La Sueur,²⁴ and finally the "Yankee" ventured beyond the bend of the river as far as the present village of Judson.²⁵ In 1851 the Indian Treaty which was to cede the Minnesota valley and the "Big Woods" country to the United States,²⁶ was negotiated at Traverse des Sioux during June and July. Three trips only were made up the river to this point and return.²⁷ During the fall and winter of 1851-52, the settlement of the Minnesota valley began in earnest, following the treaty. Townsites were laid out, and the demand for transportation facilities increased.²⁸

24. For location of Traverse des Sioux: Minn. Pioneer, March 18, 1852.

25. Minn. Pioneer, April 15, 1852. Hughes, Steamboating on the Minnesota River, Minn. Hist. Soc. Coll., Vol. X, Part I, pp. 134-136. Neill, Hist. of Minn., 3rd Ed., pp. 534, 541.

26. Gov. Ramsey's Message, Jan. 15, 1852. Council Journal, 1852, p. 24. House Journal, pp. 32-33.

27. Minn. Pioneer, Nov. 27, 1851.

28. Hughes, op. Cit., p. 138. Minn. Pioneer, July 23, 1852. For description of the Minnesota Valley about this time and the townsites laid out, see Oliphant, Minnesota and the Far West, Published 1856, p. 248 and pp. 257-266. Regarding the treaty, see LeDuc, Minn. Yearbook, 1852.

Navigation of the Minnesota on a comparatively large scale began in 1852 and lasted through 1871. The St. Paul and Sioux City railroad reached Mankato in 1869 and the Winona and St. Peter railroad reached New Ulm in 1871.

The first two steamboats owned entirely in St. Paul operated on the Minnesota river. They were the "Blackhawk", bought by Louis Robert for \$6,000 in 1852,²⁹ and the "Tiger", bought by William R. Marshall in 1853.³⁰ The former craft was propelled by a stern wheel, and was 130 feet long, 21 feet in breadth, drew 17 inches of water and possessed thirty staterooms.³¹ The traffic consisted of goods, provisions and settlers' supplies up the river, while grain and wood were carried in the opposite direction. In the fifties much pine lumber was carried up the river.³² Cabin passenger rates to Mankato were \$2.50 each way, the distance being 150 miles.³³ It usually took about thirty to thirty-six hours to make the journey from St. Paul to Mankato and considerably less in the opposite direction.

29. Minn. Pioneer, July 8, 1852.

30. Ibid., July 28, 1853.

31. Hughes, Steamboating on the Minnesota River, Minn. Hist. Soc. Coll., Vol. X, Part I, p. 138.

32. Minn. Pioneer, July 29, 1852.

33. Ibid., July 28, 1853.

Traffic on the Minnesota river frequently had to contend with stages of low water and in some years during the dry seasons steamboats ceased running altogether.

The arrivals from 1850 to 1873 were as follows, the figures being arrivals at St. Paul unless otherwise noted:

1850	4
1851	3
1852	13
1853	49
1854	30
1855	109
1856	207
1857	292
1858	394
1859	300
1860	250
1861	318
1862	413
1863	177
1864	166
1865	195

1866	100
1867	100; 105 barges
1868	80; 100 barges
1869	50 trips below Mankato; 80 trips above.
1870	50 trips below Mankato, 100 trips above.
1871	20 trips below Mankato, 50 trips above.
1872	1 trip
1873	2 trips (34)

It will be seen that the years 1866 to 1865, inclusive, were the years when there was a fairly large amount of steamboat navigation on the Minnesota river. Flat boats, and keel-boats, known as barges, were important factors in the traffic, especially for carrying wheat and lumber. The first ones, 74 feet long by 12 feet wide, were built in 1853.³⁵

On the St. Croix river, transportation needs were met by the boats whose terminus was St. Paul. The St. Croix cities and villages, especially Stillwater, were waystations for many of the boats arriving at St. Paul.

34. Hughes, Steamboating on the Minnesota River, Minn. Hist. Soc. Coll., Vol. X, Part I, pp. 158-160.

35. Minn. Pioneer, Mar. 31, 1853.

Besides the Mississippi and Minnesota river traffic, there was steamboat service on the Mississippi river above St. Anthony and on the Red River of the north. There were also a few trips made on the Red Lake river by Red River steamboats. In 1850 the steamboat "Governor Ramsey" began operations on the Mississippi above St. Anthony. The boat was a small one, with cabin accommodations for about twenty persons. The fare to Sauk Rapids and return was \$5. The important traffic was freight, particularly Indian and garrison supplies.³⁶ Navigation continued until the railroad to St. Cloud began to be built, the road reaching Anoka in 1863, Elk River in 1864 and Watab in 1866.³⁷ There were many difficulties in the way of navigating this portion of the river, the particular ones being low water, snags and rocks in the river bed. Consequently the steamboat service was never very highly developed and wagon transportation above St. Anthony carried a large share of the traffic, both passenger and freight.

On the Red River of the North the "Anson Northrup" began navigation in 1859.³⁸ The boat was after-

36. Minn. Pioneer, Sept. 18, 1851. Also April 8 and May 13, 1852.

37. See chapter on railroads, following this.

38. Lamphere, History of Wheat Raising in the Red River Valley, Minn. Hist. Soc. Coll., Vol. IX, Part I, p. 10. J. W. Taylor, Report on Northwest British America and its Relations to the State of Minnesota, March 2, 1860, House Journal, 1859-60. Supplement, p. 40.

wards named the "Pioneer". It was of 60 tons burden and was launched at Shayenne. It seems to have dropped out of service in 1861. In the latter year the "International" was built and came under the ownership of the Hudson's Bay Company. For a period of ten years this boat, of 200 tons burden, was the principal vessel in service on the Red River. It did a large business in transporting goods for the Hudson's Bay Company.³⁹ It continued in service until the coming of the railroad, and was commanded by N. W. Kittson, the well-known fur-trader. In 1871 Hill and Griggs of St. Paul placed the steamer "Selkirk" in service.⁴⁰ In 1872 the boats all came under the management of Kittson. The steamboat monopoly thus formed at times charged outrageous prices for transportation.⁴¹ The river was seldom navigable south of Moorhead, but when the Northern Pacific railroad reached that point in 1871 the steamboat business from there north assumed large proportions. Navigation was at times difficult on account of the low water. It would begin in the spring between Moorhead and Fort Garry, a distance of 520 miles, and as the water became lower points farther north

39. 3rd. Annual Report, Commissioner of Statistics of Minnesota, 1871, p. 174.

40. Blakeley, Opening of the Red River to Commerce, Minn. Hist. Soc. Coll., Vol. VIII, p. 62.

41. Ibid., pp. 63-64.

became the southern termini.⁴² Throughout the period stage lines and the Red River carts existed along with steamboating and carried considerable traffic.⁴³ There were never more than about four or five steamboats in operation on the river.⁴⁴ The traffic was of the following proportions in 1873:

<u>Name of Boat</u>	<u>Customs Measurement</u>	<u>Round trips</u>
International	115 tons	20
Selkirk, about	100 "	19
Dakota, about	85 "	14
6 barges, about	150 "	---
	450	55
Total		45

The season opened on April 28th. and closed October 28th. A fourth steamboat, the "Alpha", was added in 1873, and the following was the extent of navigation:

<u>Name of Boat</u>	<u>Customs Measurement</u>	<u>Round Trips</u>
International	115 tons	6
Selkirk	100 tons	15
Dakota	85	14½
6 barges	150	---
Alpha	110	1
Total	560	36½

42. 4th. Annual Report, Com. of Statistics, Minn. Ex. Docs., 1872, pp. 728-729

43. Coffin, The Seat of Empire, Pub. 1870, p. 77.

44. Blakeley, Opening of the Red River to Commerce, Minn. Hist. Soc. Coll., Vol. VII, p. 65. Also see Bell, Early Steamboating on the Minnesota and Red Rivers, Minn. Hist. Soc. Coll., Vol. X, p. 93

45. 4th. Annual Report, Com. of Statistics of Minnesota, Minn. Ex. Docs., 1872, p. 729.

During the season of 1874 the amount of navigation was as follows:

<u>Name of boat</u>	<u>Customs Measurement</u>	<u>Round Trips</u>
International	115 tons	13
Belkirk	100 "	13
Dakota	85 "	16
Alpha	110 "	13
Cheyenne	80 "	11
Seven barges	650 "	--
	<hr/>	<hr/>
Total	1140 "	65 47

This season opened on May 3th. and closed November 9th. The time consumed in navigating from Moorhead to Fort Garry was about seven days. The total freight carried by the Red River Transportation Company was 8,913 tons in 1874, and the number of passengers 2,767. In 1872 the tonnage carried was 4,000 and the number of passengers was 1,600, one thousand going into Canada, mostly immigrants, and 600 going up the river, principally business men.⁴⁸

In his report to Governor Ramsey on conditions in the Northwest in 1860, J. W. Taylor commented on the

46. 5th. Annual Report, Commissioner of Statistics of Minnesota, Minn. Ex. Docs., 1872, p. 729.
 47. 6th. Annual Report, Commissioner of Statistics of Minnesota, Minn. Ex. Docs., 1874, Vol. I, No. 10, p. 102.
 48. Ibid., and 4th. Ann. Report, Ex. Docs., 1872, p. 729.

navigableness of the Red Lake River, saying that it was navigable as far as the rapids. These were situated some distance above what is now Crookston.⁴⁹ The first steamboat up this river was the "Dakota" in the month of October, 1872. This boat was built in Breckenridge during the winter of 1871-72. At the time this first steamboat trip was made the river was navigable a "considerable distance" above Crookston, this village being about one hundred miles above the mouth of the river. Shortly after railroad communication reached Crookston in the latter part of 1872, the "Selkirk" owned by the Red River Transportation Company, began to make regular trips to that point. This service continued and was of importance until the railroad was pushed to points farther north on the Red River.⁵⁰

After the establishment of stage lines in Minnesota in 1849⁵¹ they were rapidly developed in scope and service and played a significant part in transportation until the coming of railroads. The stage line from St. Paul to St. Anthony continued until the opening of the railroad in 1862. There were four stages each way daily

49. Date, March 2, 1860. Hourse Journal, 1859-60, Appendix "B", pp. 7 and 17.

50. 4th. Annual Report, Commissioner of Statistics of Minnesota, Minn. Ex. Docs., 1872, p. 729.

51. Supra, p. 16.

in 1851,⁵² and in that year Concord stages were placed in service. There was great rivalry between the two lines to St. Anthony in 1852, '53, and '54. The rival lines were known as the "Red" and the "Yellow", from the color of their vehicles. This rivalry ended in a combination. The fare, at first 75 cents each way, was reduced to 25 cents and finally to 10 cents, until the combination was effected. The journey between the two towns consumed a little less than an hour.⁵³ The stage line to Stillwater continued until the completion of the railroad to that point in 1872. In 1851 the winter stage route to Galena via the east side of the river was established.⁵⁴ The journey from St. Paul took about a week and cost in the neighborhood of \$20.⁵⁵ The merchandise freight rates by stage from St. Paul to La Crosse were \$2 per hundred pounds.⁵⁶ In 1853 the famous, or rather infamous because of its wretched service, Walker line to Dubuque was inaugurated via the west side of the Mississippi.⁵⁷ Beginning in 1854 a tri-weekly mail was carried to Dubuque over this route. This line was run by Walker until 1858-9, when Burbank and Company obtained the mail contract and

52. Minnesota Pioneer, Oct. 16, 1851.

53. Williams, History of St. Paul, pp. 296-297.

54. Minnesota Pioneer, Oct. 16, 1851. Jan. 22, 1852.

55. Ibid., March 11, 1852.

56. Ibid., Jan. 13, 1853.

57. Williams, History of St. Paul, p. 256, gives an account of the hardships of travel over this line.

Roads.

Qul 1849 (Gilliam 16)

→ (1) St. P. to St. A.
 along east to Sauk Rapids
 thence via Otter Tail dake to Red River

→ (2) St. P. to Mendota

→ (3) " to Stillwater

→ (4) " to Willow River (studsm?) div.

→ (5) To Prairie - said not until 1849-50 -
 stages begun 1849-

Roads in Minn.

July 18, 1850 ^{law} authorized out. road - Mendota -
 Northfield - Furbault - Lanes ¹
 to Spirit Lake Iowa.

(of led road) also Mendota - Wabasha, along west bank.

Gilliam (580)
 1850 - \$40000 for roads in Minn. (p. 6)

1856 - stages operating (p. 226) ¹

1860 - stage 100 days to Selkirk (p. 64)

Gilliam - news:
 Jan. 1850, road St. Paul - Prairie - Galena
 others: St. P. - Sauk R. or Crawling (runner)
 > 100 carts 1849 -

Stages 1849ff.

Roads

St. P. - to St. A. - till 1860

St. P. to Still w. - till 1872

1851 - winter line to Galena

1853 - " " " Dubuque
 till 1867 -

1854-56; stages to Superior -
 till 1869 - or 70.

1852-3, stage to Shakopee

1856 - St. A. to Crawling
 main method in winter

operated the stages until about the year 1867. From four to six days was the time consumed on the journey. In 1854-5 the stage line to Lake Superior was established, being taken over by the Minnesota Stage Company in 1858 and operated until 1869 or 1870. In 1852-53, with the opening of the Minnesota valley to settlement, a stage line to Shakopee was established. In 1856, Allen and Chase inaugurated their regular service from St. Anthony to Crow Wing. These various lines became centralized under the control of the Minnesota Stage Company in 1859 and from 1860 to 1868 this firm, made up of J. C. Burbank, R. Blakeley, and J. L. Merriam, controlled the stage business of the state. This company obtained most of the mail contracts, the aggregate routes covering 1,300 miles, besides 300 miles by "pony" routes. The business became large. It was the main transportation service between the settled localities in winter. In 1865 the company worked over 700 horses and employed over 200 men.⁵⁸

In 1851 the express business in Minnesota was commenced by J. C. Burbank, who himself was the messenger.⁵⁹

58. Ibid., pp. 295-303. An excellent, detailed account. Baker, History of Transportation in Minnesota, Minn. Hist. Soc. Coll., Vol. IX, pp. 18-20.

59. Blakeley, Advent of Commerce in Minnesota, Minn. Hist. Soc. Coll., Vol. VIII, p. 388.

He operated on the steamboat lines to Galena, in connection with the American Express Company. This personal messenger service continued until 1854, when the Northwestern Express Company, consisting of Burbank and Whitney, was organized. Regular messengers and agents began to be employed. The business grew. Captain Blakeley took Whitney's place in 1856, the firm began to engage in the operation of stages on its own account, and from that date to 1863 it conducted an increasing express business on steamboat and stage lines. In 1863 the American Express Company bought out the express lines in the territory south of St. Paul, the Northwestern Company retaining its interests north of that place until the railroads and their allied express companies finally took over the business.⁶⁰

The dog sledge continued to be used in winter travel from the far northwest until that country was reached by regular stage lines and the railroad. Considerable freighting was even done by this agency in the months of snow travel, the drivers accompanying the sledges on snow shoes.⁶¹ In 1852, Kittson and Rolette came to the

60. Williams, History of St. Paul, 1876, pp. 298-303.

61. Baker, History of Transportation in Minnesota, Minn. Hist. Soc. Coll., Vol. IX, p. 21.

legislature at St. Paul from Pembina in a cariole hauled by dogs, the bells with which it was fitted jingling along the way. The conveyance attracted a good deal of attention when it arrived in St. Paul.⁶²

The Red River carts were in use in transporting supplies from Pembina until about 1872. Their arrivals in St. Paul for several of the earlier years were as follows:

<u>Year</u>	<u>Number</u>
1844	6
1851	102
1857	500
1859	600
1863	275 ⁶³

When the St. Paul and Pacific railroad reached St. Cloud in 1867, that city was the terminus of the Red River caravans for a year or two. With the increase of stage lines and the growth of railroads the Red River cart finally disappeared as a factor in transportation.

In 1869, on the Red River highway, it was said that twenty-five hundred carts passed down and up during the year.⁶⁴

62. Minnesota Pioneer, Jan. 3, 1852. Also Jan 29, 1852.

63. Williams, History of St. Paul, p. 306. Also Minn. in Three Centuries, Vol.IV, p. 311.

64. Coffin, The Seat of Empire, 1870, pp. 80-81.

The trade of Minnesota from 1850 to 1873 was largely centralized at St. Paul. St. Anthony and Minneapolis were competitors, but they were mainly a manufacturing rather than a trading community.⁶⁵ This centralization resulted because of the fact that St. Paul was the head of steamboat navigation on the Mississippi and thus was the locality where goods were compelled to be unloaded and the method of transit changed. This situation was furthered when the railroads were built, for they made St. Paul their focal point. The city obtained an early start from the fur trade, which its transportation advantages maintained. On the other hand, lumber and flour manufacture were expensive at St. Paul, and Stillwater and Minneapolis naturally took the lead in this branch of business.

Until 1856 trade took the form of the importation of goods, foodstuffs and trappers and settlers supplies. The exports were chiefly furs, cranberries and lumber. The returns from these and the government annuities to the Indians, were the sources of money. Though some wheat was shipped out previously,⁶⁶ it was not

65. Ibid., p. 21.

66. Blakeley, *Advent of Commerce in Minnesota*, Minn. Hist. Soc. Coll., Vol. VIII, p. 395, says "Burris and Hartzel of Point Douglas shipped 2,000 bushels of wheat this year, the first shipment recorded." The year was 1854.

until 1857 that wheat began to be exported in quantities.⁶⁷ That year may be said to mark the change in Minnesota's trade, from goods and food coming in and money and lumber going out, to large exports of foodstuffs and lumber in exchange for goods and money.

The fur trade has continued to the present day. But it had lost its relatively great importance by 1860. The figures for the early years show the following valuations of furs handled in St. Paul:

1844	\$ 1,400
1845	3,000
1846	5,000
1850	15,000
1853	40,000
1856	97,253
1857	182,491
1858	161,022
1859	150,000
1860	186,000
1861	198,000
1862	202,000
1863	250,000. ⁶⁸

67. J.J.Hill, History of Agriculture in Minnesota, Minn. Hist. Soc. Coll., Vol.VIII, p. 276.

68. Williams, History of St. Paul, Pub. 1876, p. 307.

These amounts were from the Red River country only, and to these should be added the local trade from Minnesota points. The Red River people sold and bought for coin only, using no currency.

In 1859 the Hudson's Bay Company changed its route for furs going east from via York Factory on Hudson's Bay, to via the Red River and St. Paul. The goods and furs were carried in bond through Minnesota, but incidentally this change helped Minnesota trade. When wagon carriage had to be used from the Red River east, from 1859 to 1867 to St. Paul and from 1867 to 1872 to various termini of the railroad, the contract for this service for the Hudson's Bay Company was held by the Burbank firm. It covered a yearly tonnage of from four to six hundred tons. Steamboats were used on the Red River of the North, wagons to St. Paul, and steamboats and railroads to the east. When railroads came to St. Paul and central and northwestern Minnesota, the latter two elements were eliminated.

It was stated that St. Paul's wholesale trade began in 1860, as a result of the conditions brought about

by the panic. Country merchants were no longer able to buy goods on long credit from the East, but could purchase small lots in St. Paul for cash. This they began to do.⁶⁹ But it is certain that the wholesale trade began before that time, though probably it did not take front rank until that year.⁷⁰

Until 1852 there was little specialization in business at St. Paul. In that year commercial activity began to divide off into exclusive branches, grocery stores, dry-goods stores, drug-stores, iron and hardware depots, saloons, beginning to appear, whereas before each establishment was a general store and kept a little of everything.⁷¹ The community began to emerge from the cross-roads class into a place of established and specialized commerce.

The total amount of business done in St. Paul in 1849 was stated to be close to \$131,000, of which \$60,000 was in groceries.⁷² By 1855 the total had risen to over \$5,000,000 distributed as follows:

69. Ibid., p. 394.

70. Minnesota Pioneer, April 21, 1853, said editorially, "We are happy to see that extensive arrangements have been made for a wholesale business."

71. Minnesota Pioneer, June 3, 1852.

72. Emerson, Rise and Progress of Minnesota Territory, 1855, pp. 7 and 12.

<u>Kind of Business</u>	<u>Amount Invested</u>	<u>Business Done</u>
Groceries	\$96,500	\$244,500
Groceries, dry-goods and dealers in Indian goods	152,000	550,000
Liquors	7,500	53,000
Jewelry, clocks, etc.	6,500	23,000
Hardware, Iron, etc.	43,000	85,000
Books, stationery, etc.	21,000	50,000
Dry Goods	115,000	251,000
Fancy Goods	4,000	15,000
Confectionery, fruits, etc.	5,000	15,000
Druggists	37,000	99,000
Furniture	8,600	41,000
Auction and commission		90,000
Tailors and clothing establishments	59,000	148,000
Stoves, tinware, etc.	97,000	99,000
Shoe dealers and manufacturers	37,000	90,000
Saddlery and harness mfgs., dealers in leather	8,400	28,000
Forwarding and commission merchants		489,000
Bankers		3,559,000
Express		<u>3,158</u>
	<u>\$657,400</u>	<u>\$5,799,500</u> ⁷³

73. Ibid., p. 12. It is likely that these figures are somewhat large, being compiled by a newspaper publisher to advertise the state.

At Stillwater most of the dealers bought and sold not only goods but pine logs. The figures of two of the stores which did not handle logs or lumber total \$100,000. Besides this, there was \$170,000 worth of business done by establishments dealing in pine logs as well as in merchandise.⁷⁴

We do not have similar figures for 1860, but the following show the amount of exports and imports, excluding transshipments not landed at the levee, of St. Paul for 1861.

<u>Commodities.</u>	<u>Amount</u>
Flour, bbls.	25,600
Wheat, bus.	527,087
Oats, "	12,000
Barley, "	7,260
Beans, "	500
Pork, bbls.	2,430
Bacon, bbls.	105,566
Lard, bbls.	800
Cranberries, bus.	4,542
Butter, lbs.	9,000

74. Ibid., p. 27.

Dry and green hides, number,	27,109	
Ginseng, lbs.,	208,650	
Potatoes, bus.	5,000	
Deer skins, number,	5,000	
Onions, bus.,	500	
Wool, lbs.,	5,000	
Furs, amount,	\$200,000	75

The value of the fur shipments of Minnesota was stated as \$280,000, \$150,000 being the value of fur receipts at St. Paul bought by American dealers and \$100,000 the value of furs shipped through by the Hudson's Bay Company. It was estimated that \$30,000 worth of furs was shipped from Lake Superior on the north shore. The following table of estimated exports from Minnesota for 1861 was compiled by Wheelock:

<u>Commodity</u>	<u>Amount</u>
Wheat	3,000,000 bushels
Other grains	250,000 "
Potatoes	50,000 "

75. Second Annual Report (1862), Commissioner of Statistics Wheelock, p. 91. These figures were published in the St. Paul Press, Jan. 1, 1862, and later verified. They are probably correct.

Wool	40,000 pounds
Butter	50,000 "
Ginseng	265,000 "
Furs	\$280,000 value
Cranberries	10,000 bushels
Hides	50,000 value
Lumber	30,882,000 feet
Logs	21,355,870 feet ⁷⁶

The relative importance of ginseng is worthy of note. Said Wheelock, "This root first attracted notice in the forests of Minnesota in 1858, and is now dug in such quantities that about 250,000 pounds of the dried root are exported annually. It is found chiefly in what are known as the Big Woods, in the Sauk and Crow valleys, and also south of the Minnesota river. It is prepared or dried in kilns, constructed for that purpose, principally at St. Anthony, St. Peter, Faribault, Monticello, and other points in the vicinity of its growth. I am informed by a ginseng dealer that the amount of dried or clarified ginseng, shipped from the State in 1861 was about 265,000 pounds, worth about 40 cents a lb., or,

76. Ibid., p. 95.

in the aggregate, \$106,000.⁷⁷

The state census for 1865 dealt only with population. Consequently the next available figures showing the extent of trade and commerce are those compiled by the state commissioner of statistics, published in his first report in 1869. The following tables for the two internal revenue collection districts comprising Minnesota show the business done in 1869. The figures are, however, approximate and not absolute.

First Revenue District

<u>County</u>	<u>Retail Dealers' Sales</u>	<u>Wholesale dealers' sales</u>
Houston	565,000	80,000
Winona	1,725,000	2,081,000
Fillmore	1,000,000	200,000
Olmsted	1,800,000	560,000
Mower	823,000	
Dodge	732,000	
Freeborn	348,000	
Steele	915,000	95,000
Waseca	249,000	40,000
Rice	1,560,000	

77. Ibid., p. 92.

Scott	708,000	160,000
Le Sueur	240,000	80,000
Nicollet	425,000	250,000
Sibley	180,000	
Faribault county and all west	280,000	
Blue Earth county and all west	1,650,000	275,000
	<hr/>	<hr/>
Total	13,200,000	3,821,000 ⁷⁸

Second Revenue District

<u>County</u>	<u>Retail Sales</u>	<u>Wholesale Sales</u>	<u>Wholesale liquor Sales</u>
Wabasha	\$1,325,000	\$600,000	
Goodhue	1,155,100	311,167	
Dakota, except Men- dota and West St. Paul	1,200,000	350,000	
Ramsey, including Men- dota and West St. Paul	3,195,000	6,370,297	\$637,020
Washington, Chicago, Pine and Kanabec	810,000	371,738	
Anoka, Sherburne and Isanti	450,000		

78. Minn. Ex. Docs., 1869, p. 891. The figures include the sales of wholesale and retail liquor dealers.

Stearns county and all of Minn. north and west thereof.	1,185,000	350,000	25,000
Hennepin	2,925,000	1,767,334	
Wright, Meeker, Monon- galia and Lac qui Parle	645,000		94,000
Carver, McLeod, Lincoln, and Kandiyohi	435,000	100,000	
St. Louis, Carlton and Lake	360,000		
Total	<u>\$13,685,000</u>	<u>\$ 10,220,536</u>	<u>\$ 756,020</u>

79

It was considered by the commissioner of statistics that if the omissions and sales under \$1,000 were added the grand total of retail sales for 1869 would reach fully \$30,000,000.

Beginning with 1872 the statistics collected by the state were very unsatisfactory as regards trade. The following figures for the trade of Minneapolis and St. Paul were given for 1871:

79. Ibid., p. 892. Retail sales exclusive of merchandise sold by retail liquor dealers.

Commercial Business of Minneapolis, Ex-
clusive of Manufacturing,
1871.

Agricultural Implements	\$85,000
Auction and Commission	100,000
Boots and shoes, ready made	270,000
Books, Stationery, Wall Paper, etc.	85,000
Carpets	100,000
Candy	50,000
Crockery, Glassware and Lamps	200,000
Clothing, ready made	350,000
Cattle	100,000
Cigars and Tobacco	40,000
Dry and Fancy Goods	1,000,000
Drugs, Paint, Oils, etc.	250,000
Express Office	100,000
Furniture, ready made	100,000
Furs	50,000
Feed	250,000
Groceries	2,000,000
Hay	60,000
Hardware, Guns, etc.	350,000

Hides and Pelts	80,000
Hats, Caps and Furnishing Goods	150,000
Jewelry, Watches, Clocks, etc.	100,000
Livery Stables	70,000
Liquors - wholesale	250,000
Leather	50,000
Lime and cement	120,000
Logs	1,100,000
Millinery Goods	100,000
Music, Pianos, etc.	25,000
News and Periodicals	25,000
Produce	400,000
Restaurants, etc.	70,000
Stoves and Tinware	170,000
Saddlery, Trunks, etc.	40,000
Sewing Machines	100,000
Wood and Coal	250,000
Wheat	1,740,000
Wool	150,000

Total

\$10,530,000 (7) 80

The following comparative table shows the wholesale business of St. Paul for the years 1869, 1870 and 1871:

<u>Kind of Business</u>	1869		1870		1871	
	<u>Number Houses</u>	<u>Amt. Sales</u>	<u>Number Houses</u>	<u>Amt. Sales</u>	<u>Number Houses</u>	<u>Amt. Sales</u>
Grocery	3	\$138,000	3	\$153,000	3	\$199,000
Dry Goods	2	1,149,000	2	1,500,000	2	1,736,000
Groceries	4	2,425,000	4	3,558,000	6	4,268,429
Drugs and Paints	3	420,000	3	568,000	3	815,000
Iron, Stoves and Hardware	9	625,000	8	842,000	12	1,280,681
Liquors	6	314,000	7	428,000	10	500,000
Boots and Shoes	2	420,000	3	657,000	3	805,000
Carpets	2	105,000	2	120,000	2	145,000
Agricultural Implements	2	330,000	1	340,000	3	362,545
Cigars and Tobacco	2	70,000	3	125,000	4	165,000
Books and stationery	2	420,000	3	515,000	4	605,000
Leather and Shoe Findings	1	91,000	1	115,000	2	163,492
Harness and Saddlery					2	65,000
Spice, Teas and Coffee	1	75,000	1	125,000	1	148,321

Notions	1	110,000	1	228,000	3	345,000
Hats, Caps and Straw Goods	1	15,000	2	35,000	2	85,000
Clocks and Jewelry	1	36,000	2	60,000	3	126,000
Clothing and Furnishing	2	80,000	2	110,000	2	257,000
Fruits	1	15,000	1	25,000	2	76,000
Wool, Furs and Hides	11	1,218,015	9	1,155,351	5	1,194,554
Totals	56	\$8,058,015	58	\$10,659,351	74	\$13,341,836 ⁸¹

From 1849 to 1857 the volume of trade of St. Paul increases seteally. The quantity of goods on sale in St. Paul in the winter of 1851-52 was estimated as double that of the winter before.⁸² Prices had been reduced but the supply of most varieties of merchandise had by no means been too large. In the spring of '52 business was dull. Everyone was waiting for the ratification of the treaty which was to open the Minnesota valley to settlement.⁸³ The news of the approval of the treaty reached Minnesota about the first of July, 1852, and after that time the volume of trade showed a marked increase.⁸⁴

81. Ibid.

82. Minn. Pioneer, Feb. 19, 1852.

83. Ibid., June 17, 1852.

84. Ibid., July 15, 1852.

Prices on some varieties of goods were as low as the retail prices in Galena.⁸⁵ Heavy articles sold for about 25 per cent more in St. Paul than in Galena.⁸⁶ Until 1857 the prices of provisions in St. Paul were closely related to the efficiency of transportation with the down river towns. An instance is recorded of a 25 to 40 per cent rise in prices in two days because of the non-arrival of expected supplies.⁸⁷ The arrival of the Red River caravan in the earlier days had a marked and immediate effect on the volume of trade. Using coin and purchasing their year's supply at one time, trading their furs and skins for large quantities of goods, the half-breeds did much to stimulate midsummer commercial activities.⁸⁸ The extensive immigration into the state in the years 1854, 1855 and 1856 caused every store to do a profitable business.⁸⁹ Not only was this true of the centers, but of the outlying villages as well. Of conditions in 1855 it was said, "With such a human flood pouring into and through it, Saint Paul was a busy place. The hotels and boarding houses were crowded, the stage lines worked night and day, people even camping on the

85. Ibid., Sept. 23, 1852.

86. Ibid., Sept. 23, 1852.

87. Ibid., Nov. 18, 1852.

88. Ibid., Aug. 11, 1853.

89. Williams, History of St. Paul, Pub. 1876, p. 350.

streets, stores doing a perfect rush of business, livery stables coining money, saloons reaping brisk profits, real estate dealers fairly ecstatic, and mechanics not half able to keep up with the work pressed upon them.⁹⁰ When the panic of 1857 was precipitated by the failure of the Ohio Life Insurance and Trust Company of New York on August 24th., it removed the very foundations of the commercial structure of Minnesota. Mortgages were foreclosed on every hand; values were destroyed; everyone was in desperate straits to save himself. Not one in five of the business houses in St. Paul weathered the crash.⁹² The stringency was increased as winter came on because of the lack of a circulating medium.

The depression caused by the panic continued for six years. Throughout 1858 business was dull and the outlook discouraging. The harvest of 1859 was excellent and a considerable amount of grain was exported. The spring of 1860 saw a noticeable improvement in trade conditions and immigration again began to be a factor. But toward the end of the year the dark presage of war filled men's minds and trade was again depressed, currency

90. Ibid., pp. 357, 358.

91. Ibid., p. 366

92. Ibid., pp. 380-381.

depreciated, gloom and discouragement prevalent on every hand. Prices touched their lowest ebb about April, 1860.⁹³

In 1864 conditions became more favorable. The rise in the price of gold and the enormous issues of currency created higher prices, and business began to improve. Railroad building was in progress and immigration recommenced. When 1865 came it found a new era of prosperity in the state, money was abundant, capital came in from abroad and business flourished.⁹⁴ The improvement continued up through 1873. It showed that the prosperity of St. Paul and of the state was on a permanent foundation: not that of inflated land values, but that basis of solid prosperity which is found in the actual production of an excess of wealth. The exports of foodstuffs from the state had grown to large proportions. In agriculture the commercial structure of the state was firmly anchored. The value of the Red River trade alone was estimated at \$10,000,000 in 1869.⁹⁵

What this permanent progress meant for the trade and commerce of the state and how it differed from that feverish speculative prosperity of the period before 1857

93. Ibid., p. 394. Also pp. 385-400.

94. Ibid., p. 420.

95. Coffin, *The Seat of Empire*, pub., 1879, p. 81.

is illustrated by the manner in which the panic of 1873 was born in Minnesota. It "was scarcely felt here, beyond a slight stringency of the money market, and a dullness in real estate. Not a failure of any mercantile or banking house occurred as a consequence, nor did any manufacturing establishment close its doors." "Wealth and capital had accumulated. Few or none were in debt, and all in a condition to laugh at panics. Sixteen years had built up from the soil a new commonwealth, strong in its own resources, with capital accumulated from honest industry and trade, and with reserve means to weather even severed financial storms unscathed." 96

96. Williams, History of St. Paul, pp. 446-447.

Chapter VI

Railroads

In the summer of 1852 the need of railroads began to be actively discussed in the newspapers of St. Paul.¹ Before that time in 1851, the legislative assembly of the territory memorialized Congress for grants in aid of railroads.² A bill to incorporate a railroad passed the house of this assembly, but not the council.³ In 1852 another effort to incorporate a railroad company failed to pass.⁴ The need of railroads was first discussed in an executive message in Governor Ramsey's message of January 27, 1855.⁵ The governor was heartily in favor of their construction with the aid of territorial assistance as well as by means of federal land grants. Transportation routes possessing the requisites of certainty, celerity and cheapness he believed would work a miracle in developing the country, increasing the value as well as the quantity of the agricultural surplus by shortening the time and distance to market and making it easy for additional settlers to come in. Before this time railroads in the

1. Files of the Minnesota Pioneer

2. Laws of Minn., 1851, Memorial No. 4. Cited in Saby, Early Railroad Legislation, Proc. Minn. Acad. of Social Sciences, 1908, p. 129.

3. H.F. No. 15; House Journal, 1851, p. 127; p. 150. Ibid.

4. H.F. No. 146; House Journal, 1852, p. 184. Ibid.

5. Council Journal, 1853, p. 30. House Journal, 1853, p. 69.

United States had been built to connect settled districts. Ramsey thought that the experiment of building a railroad to settle a new country and develop a traffic would succeed in Minnesota.

It was in 1853 that the first railroad charters were granted by the territorial legislature. There were five charters granted, to the Louisiana and Minnesota Railroad Company,⁶ the St. Paul and St. Anthony Railroad Company,⁷ the Minnesota Western Railroad Company,⁸ the Mississippi and Lake Superior Railroad Company,⁹ and the Lake Superior, Puget's Sound and Pacific Railroad Company.¹⁰ In 1854 the Minnesota and Northwestern Railroad Company was incorporated.¹¹ Any and all lands that in the future might be granted to the territory to aid the construction of this railroad (from what is now Duluth through St. Paul to Dubuque) were granted to the corporation in fee simple in the charter.¹² Congress shortly after made the grant but specified that the lands should not go to any company "constituted or organized" at the time. In enrolling the

6. Private Acts of Minn. Terr., 1853, Chapter 59, p. 120 of Laws of 1853

7. Ibid., Chapter 65, p. 139.

8. Ibid., Chapter 66, p. 143.

9. Ibid., Chapter 73, p. 159.

10. Ibid., Chapter 75, p. 165.

11. Laws of Minnesota, 1854, Chapter 47, p. 121.

12. Ibid., Sec. 8, p. 124.

bill, friends of the company got this provision changed to read "constituted and organized", the intention being to allow the Minnesota and Northwestern to claim the lands under this technicality: that while the company was duly constituted before Congress made the grant, it was not organized. When Congress became cognizant of the fraud, it promptly repealed the land grant. In the election in the fall of 1854 the people expressed their disapproval of the grant of such large powers to a railroad company and of the methods used to obtain desired favors. Governor Gorman expressed his condemnation of so unthinking a gift of corporate privileges and said, "It is most important to the welfare of the future State of Minnesota that if she comes in possession of lands or other means, to be invested in railroads, that she should have secured a just share in the dividends or income in proportion to the amount of money or lands by her thus appropriated or invested."¹⁵ The only other railroad corporation constituted at the session of 1854 was the Transit Company, authorized to build a railroad from Winona, "westwardly by St. Paul", to a point not more than fifteen miles in a right line from the junction

15. Message of January 18, 1855. Council Journal, pp. 35-36. Spelling as in the message.

of the Blue Earth and Minnesota rivers.¹⁴

During the session of 1855 the Minnesota and Northwestern Company's charter was amended to require the deposit of \$150,000 with certain trustees by the company, this amount to be forfeited to the state if twenty-five miles of road from St. Paul toward Lake Superior were not built within a period of three years.¹⁵ At the same session D. E. Moulton and L. P. Wilson of St. Anthony were given the right to build a telegraph line from that village to Traverse des Sioux, by way of St. Paul and Shakopee, "and no other line of telegraph shall be established for the period of fifteen years". The only exceptions and provisions on this exclusive grant were a stipulation that it was not to prevent the Minnesota and Northwestern Railroad Company from making a line of telegraph to St. Anthony, as provided in its charter, and a requirement that the line should begin to be constructed within twelve months.¹⁶ The Root River Valley and Southern Minnesota Railroad Company was chartered, to construct a line westward from the village of Hokah "to some point between the south bend of the Minnesota river and the southern line of the territory" and thence west to the Missouri river. A branch from Hokah running up

14. Laws of Minn., 1854, Chapter 33, p. 79.

15. Laws of Minn., 1855, Chapter 20, p. 66; Chapter 52, p. 139; Chapter 58, p. 148.

16. Ibid., Chapter 22, p. 69.

the west bank of the Mississippi by way of Target Lake to Eagle Bluffs, in Winona county, was authorized and the company was empowered to extend its railroad to a point on the line to be established by the Lake Superior, Puget's Sound and Pacific Company, as it deemed proper.¹⁷ The Transit Railroad Company was re-incorporated.¹⁸ The Minnesota Western Railroad Company's charter was amended to insert additional names of incorporators and change the location of the road slightly.¹⁹

In its annual report to the Governor as to its condition, required by the amendments to its charter, the Minnesota and North Western Company stated that it had done nothing during 1855 toward railroad construction. It had expended \$7,905 for purposes not given.²⁰ In his message of January 9, 1856, Governor German commented at some length on the difficulties in the relations between the territory and this railroad.²¹ The deposit required of the company had not been made, survey had not been commenced, and the corporation was engaged in a legal battle with the United States over the question of title to the lands formerly granted to the territory to

17. Ibid., Chapter 24, p. 73.

18. Ibid., Chapter 27, p. 84.

19. Ibid., Chapter 65, p. 163.

20. Council Journal 1856, Appendix, p. 24.

21. Council Journal 1856, Appendix pp. 6-7.
House Journal, 1856, Appendix pp. 6-7.

aid in the construction of the railroad and since repealed. It had disregarded the terms of its charter and the subsequent amendments. The chief executive felt that it was idle to expect this company to construct any actual road. That the demand for railroad facilities was very keen is shown by the disregard of its charter provisions and the failure to live up to its agreements that the legislature and the territory put up with from this company, and the reluctance with which the legislators looked upon measures to bring it to terms. The governor himself used mild language in discussing so bald and open a violation of the corporation's agreement with the territory. Indeed he expressed the need of railroads in this language: "I should be glad to see an outlet by railroad from our winter prison home to the nearest point of uninterrupted communication with the East and South at any sacrifice of individual opinion as to policy, and indeed at any other reasonable sacrifice save the honor of the Territory and the enthrallment of those who are to take our places." 22

In the legislative session of 1856, the charter

22. Ibid., p. 7.

of the St. Paul and St. Anthony Railroad Company was amended and continued in effect to three months after the passage of the amendment.²³ The Minnesota and North-Western Railroad Company was granted an extension of time.²⁴ The Root River and Southern Minnesota Company was granted leave to build an additional branch line from Hokah to Brownsville.²⁵ The Lake Superior and Central Minnesota Railroad Company was incorporated, and empowered to build a railroad from the mouth of the St. Louis river by way of Mille Lac to St. Cloud and thence to the western boundary of the territory. A branch by way of St. Peter to the big bend of the Minnesota river was also authorized.²⁶ A charter was granted to the Winona and La Crosse Railroad Company.²⁷ Other companies incorporated were the Minneapolis and St. Cloud Railroad Company,²⁸ for a line between these villages and a main line by way of Mille Lac to the St. Louis river; the Lake Superior and Northern Pacific Railroad Company, for a road from Lake Superior via Mille Lac and Little Falls to the western boundaries of the territory, and a branch line to St. Cloud or other point where connection with a line northward from St. Paul was

23. Laws of 1856, Chapter 33, p. 61.

24. Ibid., Chapter 47, p. 76.

25. Ibid., Chapter 55, p. 91.

26. Ibid., Chapter 158, p. 280.

27. Ibid., Chapter 159, p. 287.

28. Ibid., Chapter 160, p. 294.

to be made;²⁹ the Mississippi and Missouri company for a line from Brownsville via Caledonia to the Iowa line, from thence to the Missouri river near the mouth of the Big Sioux river, with the privilege of a branch from Caledonia to Hokah;³⁰ The Northern Pacific Railroad company, for a railroad from the St. Croix river through Stillwater, St. Paul, St. Anthony to the western bounds of the territory, with privilege of a branch line to the Red River;³¹ and the Minneapolis and Cedar Valley Railroad Company, authorized to construct a road from the Iowa line, where the Cedar river crossed the line, through the valley of the Strait river to Minneapolis.³²

During the regular session of the territorial legislature which began in January, 1857, the following railroad companies were given charters or their charters amended: the Nininger, St. Peter and Western company, of which Ignatius Donnelly was one of the members, to build a road from Nininger west to St. Peter;³³ the St. Paul and Taylor's Falls Railroad Company for a line between these two points;³⁴ Minnesota and Dakota company, to construct a railroad from at or near St. Paul via

29. Ibid., Chapter 158 (two chapters numbered the same, comes after 160) p. 301.

30. Ibid., Chapter 163, p. 308.

31. Ibid., Chapter 165, p. 318.

32. Ibid., Chapter 168, p. 325.

33. Session Laws of the Territory of Minnesota, 1857, p. 18, Chapter 7. (Bound after laws of the extra session)

34. Ibid., Chapter 17, p. 49.

Henderson to the southern boundary of the territory and thence to the Missouri river, with a branch from Henderson to St. Anthony;³⁵ an amendment to the charter of the Root River and Southern Minnesota Railroad Company, giving the right to construct a line westward through the counties of Mower, Freeborn and Faribault;³⁶ and the Hastings, Minnesota River and Red River of the North Company, to construct a line from Hastings westward to the Minnesota river between Henderson and St. Peter, thence via New Ulm to the Missouri, with privilege of building a branch from this main line to the head of navigation on the Red River.³⁷

The extra session of the territorial legislature of 1857 met shortly after the previous session adjourned, convening on April 27th. The first act in the session laws was that executing the trust conferred by Congress' grant of lands to the territory to aid in the construction of certain railroads. The Minnesota and Pacific company was incorporated by this act, to construct a line from Stillwater, by way of St. Paul and St. Anthony, via Minneapolis, to Breckenridge. A branch from

35. Ibid., Chapter 24, p. 95.

36. Ibid., Chapter 37, p. 153.

37. Ibid., Chapter 39, p. 156.

St. Anthony via Anoka, St. Cloud and Crow Wing, to St. Vincent near the mouth of the Pembina river, was also authorized.³⁸ The lands received from Congress were granted to the following four roads, which were afterwards known as the land grant railroads:

(1) The Minnesota and Pacific, as above.

(2) The Transit Railroad Company, for a line from Winona via St. Peter to a point on the Big Sioux river in Dakota south of the 45th. parallel of north latitude.³⁹

(3) The Root River Valley and Southern Minnesota Railroad Company which was to build a line from La Crescent via Target Lake up the valley of the Root River to Rochester, where a junction with the Transit railroad was to be made, provided the latter built through Rochester. A second line of railroad from St. Paul and St. Anthony via Minneapolis to a point of junction at Shakopee City, thence via Belle Plaine, Clarkville, Le Seux, Traverse de Sioux, St. Peter, Kasota, Mankato and South Bend to the southern boundary of the territory in the direction of the Big Sioux river, was also authorized.⁴⁰

38. Laws of Minnesota Territory, Extra session, 1857, p. 4, Chapter 1. Also Governor Medary's message, Senate Journal, 1857, p. 51. House Journal, p. 34.

39. Ibid., p. 17.

40. Ibid., p. 19. Spelling of Le Sueur as in the law.

(4) The Minneapolis and Cedar Valley Railroad Company for a line from Minneapolis via Farribault to the southern boundary of the territory.⁴¹

The power of these railroads to consolidate, or of any of the four to consolidate with other railroad corporations in the territory, was expressly granted, such consolidation to be authorized by majority vote of the stockholders of the companies concerned.⁴² The land grant was accepted by specific act.⁴³

The same session enacted other incorporations and amendments, as follows: the Minnesota Central Railroad Company, to build, a line westward from Red Wing by a feasible and practical route to the Great Bend of the Missouri river, the route to be changed at the will of the company, but not the eastern terminus;⁴⁴ the Nininger and St. Peter Western Railroad Company, for a direct line from Nininger to St. Peter;⁴⁵ the Mississippi Valley Railroad Company, to construct a line from Winona via Hastings to St. Paul, with a branch from Hastings to some point of intersection on the Minneapolis and Cedar Valley railroad,

41. Ibid., p. 20. Spelling of Faribault as in the law.
 42. Ibid., p. 25.
 43. Ibid., Chapter 15, p. 70.
 44. Ibid., Chapter 2, p. 27.
 45. Ibid., Chapter 19, p. 86.

and thence to the Minnesota river with the privilege of extending the road to the Iowa line;⁴⁶ The Minnesota and North-Western Railroad Company, to construct a line from a point on the Iowa line west of range thirteen west of the fifth principal meridian, via Austin, Mankato and South Bend to New Ulm and the Minnesota river, thence to Big Stone Lake, to connect with a railroad to be constructed from Minneapolis to a point between the foot of Big Stone Lake and the mouth of Sioux Wood river;⁴⁷ the Mississippi River Branch Railroad Company, for a line from a point three miles above West Newton, Wabashaw county, west to Rochester, Arenoco, Faribault and other points where connection might be made with railroads that were to be constructed between the Mississippi and Minnesota rivers;⁴⁸ authorizing the Minnesota Improvement Company to construct a railroad from Henderson through McLeod county to some point on the road to be constructed between the Red River of the North and Crow Wing, with the privilege of extending the road to Hastings and of connecting with the road from St. Anthony to the Sioux Wood river;⁴⁹ amending the charter of the Root River

46. Ibid., Chapter 27, p. 135.

47. Ibid., Chapter 49, p. 198.

48. Ibid., Chapter 53, p. 211.

49. Ibid., Chapter 56, p. 219.

Valley and Southern Minnesota Railroad Company to change the name to Southern Minnesota Railroad Company;⁵⁰ the Minnesota Air Line Railroad Company, to build a road from some point on the north line of the State of Iowa between ranges eight and ten to St. Paul;⁵¹ the Lake Superior and Crow Wing Railroad Company, for a line from the head of the Bay of Superior (probably to Crow Wing, but it is not so stated in the charter);⁵² and the Nebraska and Lake Superior Railroad Company, to construct a railroad from Lake Superior westerly via Sheyenne City to the Nebraska line, with a branch from some point east of the Mississippi to the Wisconsin line at Taylor's Falls.⁵³ During the same session the Stillwater, St. Paul and Breckenridge Telegraph Company was incorporated and given an exclusive right to construct and operate telegraph lines from Stillwater via St. Paul, St. Anthony and Minneapolis, to Breckenridge on the Sioux Wood river, with a branch from St. Anthony via Anoka to St. Vincent. No other telegraph lines were to be established within fifteen miles of these for a period of thirty years. It was a condition, however, that the lines should be com-

50. Ibid., Chapter 65, p. 253.
 51. Ibid., Chapter 71, p. 266.
 52. Ibid., Chapter 74, p. 279.
 53. Ibid., Chapter 93, p. 324.

menced within two years, at least twenty miles built within five years, and a line on the entire route completed within ten years of the passage of the act.⁵⁴

The first laws affecting railroad corporations passed during the first session of the legislature, which convened December 3rd, 1857, were those submitting an amendment to the constitution authorizing the loan of state credit to the land-grant railroads to the extent of \$5,000,000 or \$1,250,000 each, and designating the day of election to approve or reject the amendment.⁵⁵

The amendment was ratified on April 15, 1858. The moving cause behind the loan of state credit to the railroads was the hard times of 1857. The panic made it difficult to obtain funds and the financial hardships of railroad building were so great that little work of any consequence was done. Governor Medary in his message had advocated that prompt measures be taken to reap the full advantages of the grants. "The importance of the lands being in market as soon as possible, and the Roads completed as highways of travel and traffic, cannot be over-estimated".⁵⁶

It was in this frame of mind, brought about by the addition

54. Ibid., Chapter 94, p. 333. This was the second telegraph company chartered. The first was in 1855. See supra, p. 129.

55. Laws of Minnesota, 1858. Chapters 1 and 2, pp. 9-14.

56. Message of December 11, 1857. Senate Journal, p. 32. House Journal, p. 34.

of the financial stringency to the keen desire for railroad facilities, that the people approved of the loan of state credit to the railroads. \$600,000 worth of the bonds (a special issue called State Railroad Bonds and drawing seven per cent interest) was issued to the Minnesota and Pacific Company, a like amount to the Minneapolis and Cedar Valley, \$500,000 to the Transit and \$575,000 to the Southern Minnesota Company, making \$3,275,000 in all.⁵⁷ Two ends were sought to be gained by the issue of the bonds, (1) the aiding of the railroad companies, (2) provide means for the issuing of a safe currency. The measure proved a failure to accomplish either object. The bonds sold considerably below par, due to lack of confidence in them. This lack of faith was due to a series of events, the first of which was the failure of the companies to live up to, in good faith, the conditions of the grant. An exclusive first mortgage on all the property of the roads was to be given to the state before the bonds were turned over. This the companies refused to execute, contested the requirement in the courts, and were successful in compelling Governor Sibley

57. Gov. Sibley's Message, Dec. 8, 1859. Senate Journal, 1859, p. 13. House Journal, p. 18.

to turn over the bonds without the first mortgage safeguard. But the railroad companies were unable to sell the bonds at anywhere near par to eastern capitalists, because of the publicity and the controversy stirred up over the affair. A number of citizens, also, had made a determined fight upon the bonds in newspapers and by private letters. Capitalists, as a consequence, considered the bonds highly speculative. Being unable to obtain funds, the companies suspended all labor on the railroads and they were not even able to meet their running debts.⁵⁸ The legislature of 1860 proposed an amendment to the constitution removing the bond-issue amendment from the document.⁵⁹ This was duly ratified by the people.⁶⁰

The companies having defaulted, their properties were foreclosed and bought by the governor, for \$1,000 each or \$4,000 in all.⁶¹ The state had no authority of itself to construct and build the roads, and the properties and charters were bestowed upon various groups of individuals by subsequent legislatures, until ultimately men of financial responsibility took charge of them and

58. Ibid., Senate Journal, 1859, pp. 11-16. House Journal, pp. 15-20.

59. Laws of Minnesota, 1860, p. 297.

60. Governor Ramsey's Message, Jan. 9, 1861. Ex. Docs, 1860, pp. 11-12.

61. Ibid., p. 10. In accordance with act of the legislature, Aug. 12, 1858. Laws of Minn., 1858. Chapter 72, p. 178.

the roads were finally constructed.

The experiment with the loan of state credit was a costly one. Said Governor Ramsey, "the conditional loan of state credit, superadded to the gift of lands, and the futile results of a scheme from which so much was promised, have satisfied the most enthusiastic of the imprudence at all times of loaning the credit of the State to private corporations, and the special folly of attempting by such means to accomplish enterprises in advance of the necessities and requirements of a community's material interests."⁶² The amendment of 1862 was generally considered as a practical repudiation of the railroad bonds, and by its provisions the people were not to be taxed to pay the principal or interest on them without their consent by vote. But as early as December 1859, Governor Sibley cautioned the legislature against the unfairness of repudiating the bonds, and urged the adoption of a specific statement that they would be paid when the state was in financial condition to do so.⁶³ The statement was not made and the railroad bonds continued to be a vexatious question in state politics and

62. Ibid.

63. Message of Dec. 8, 1859. Senate Journal, 1859-60, p.15. House Journal, p. 19.

a frequent subject of executive recommendation until they were finally settled by agreement with the owners, on the basis of 50 per cent. of the principal and interest nominally due, in 1881.⁶⁴

All that the state gained by its loan of credit was the following grading on the railroad lines, the bed being in most instances ready for the superstructure but no iron was laid:

On the line of the Minnesota and Pacific,	62 miles, 3213 feet
On the Minneapolis and Cedar Valley,	69 1/4 miles
On the Transit	50 miles
On the Southern Minnesota on the main line up the Minnesota Valley	37 1/2 miles
On the Root River Branch	20 miles, 1004 feet. ⁶⁵

Other legislation affecting railroads passed in the legislature of 1858 was as follows: an amendment to the land-grant railroad act, modifying the route of the Minneapolis and Cedar Valley railroad to read from Minneapolis through Faribault to the south side of the territory, the limit of completion being made March 3, 1867;⁶⁶ a general act providing for the incorporation

64. General Laws of Minn., passed during extra session of the legislature, 1881, Chapters 1 and 2, pp. 13-18. Also, General Laws of Minn., regular session of 1881, Chapter 102, p. 117, and chapter 104, p. 125.
65. Governor Sibley's Message, Dec. 8, 1859. Senate Journal, 1859-60, p. 13. House Journal p. 18. See map A at end of this chapter.
66. Laws of Minn., 1858, Chapter 39, p. 96.

and regulation of railroad companies;⁶⁷ amendment to the charter of the Nininger, St. Peter and Western Railroad Company, defining the route as from Nininger to St. Peter by way of Louisville, on the Minnesota river, with a branch from Louisville to Glencoe;⁶⁸ amendment to the charter of the Minnesota and Northwestern Railroad Company, making its route from the Iowa line west of range thirteen west of the fifth principal meridian, via Leroy, Austin, Wilton, Mahkato and South Bend to New Ulm, thence to Big Stone Lake, and to connect with the railroad to be built from Minneapolis to a point between the foot of Big Stone Lake and the mouth of the Sioux Wood river;⁶⁹ amendment to the charter of the Hastings, Minnesota River and Red River of the North Railroad Company. authorizing this corporation to construct its road from Hastings to the Minnesota river via Cannon City in Rice county;⁷⁰ authorizing the authorities of Nininger, Louisville, Young America and Glencoe to levy taxes to aid in building the Nininger, St. Peter and Western Railroad;⁷¹ amendment to the charter of the Minneapolis and Cedar Valley Railroad Company giving the corporation power to construct a branch

67. Ibid., Chapter, 70, p. 188.

68. Special Laws of Minnesota, 1858, Chapter 37, p. 148.

69. Ibid., Chapter 100, p. 296.

70. Ibid., Chapter 113, p. 315.

71. Ibid., Chapter 140, p. 399.

line to Hastings;⁷² further amendment to the charter of the Nininger, St. Peter and Western Railroad Company, authorized it to construct a branch line from Louisville, by way of Carver and Young America to Glencoe, thence to Eagle City in Sibley County;⁷³ and an act releasing the Minnesota and Northwestern Company from building that portion of its line from some point between Anoka and St. Paul southward along the Mississippi river, provided it made over its claims to lands to the land-grant railroads and released any claim it possessed to part of the loan of state railroad bonds.⁷⁴

There was no session of the legislature in 1859, the next legislation affecting railroads being enacted in 1860. In that session a general law was enacted requiring the Governor to foreclose on the bonds held by the state and defaulted in by the land-grant railroads, and giving him power to bid in the properties for the state.⁷⁵ A general law for the protection of telegraph companies was also passed, giving such companies power to use the public roads, providing penalty for injuring poles or wires, requiring officers and employees to keep messages secret, and

72. Ibid., Chapter 205, p. 491.

73. Ibid., Chapter 221, p. 512.

74. Ibid., Chapter 224, p. 516.

75. General Laws of Minnesota, 1860, Chapter 82, p. 269.

imposing penalty of a fine of not less than one hundred dollars or imprisonment not exceeding six months, for failure to observe such secrecy.⁷⁶ There were no special laws relative to railroads in 1860. In his message of January 2, 1860, Governor Ramsey devoted space to a lengthy consideration of measures for redeeming the State Railroad Bonds, but beyond that was not in favor of legislative promotion of railroad building. He believed that attention should rather be turned to the promotion of immigration. He said "Let the tide of immigration once more set in upon us, and even railroads, as outlets to markets for our products, will be of secondary importance. For many years to come immigration ought to make out best market, consuming whatever surplus flour, meal, wheat, corn, oats, beef, pork, we may raise and have to sell. Then it will be, if not sooner, with our whole country filled with population, our lands generally under cultivation, factories cresting our waterfalls, and steamboats fretting our rivers and streams, that railroads will come naturally, without debt, without taxation, without forced work, through capital, in the ordinary course of trade,

76. Ibid., Chapter 12, p. 105. This was the third act passed having reference to telegraph companies.

seeking here profitable investment.⁷⁷

During the session of 1861 there were no general laws enacted affecting railroads. The following special laws were enacted: amending the charter of the Nebraska and Lake Superior Railroad Company (practically making a new incorporation) and prescribing the route as beginning at the west end of Lake Superior, thence by a feasible route to some point on the Mississippi with the right to extend to the Minnesota, and with the privilege of building a branch to the navigable waters of the St. Croix;⁷⁸ this road to be commenced at Superior, built first to the Mississippi, and its lands to be disposed of within ten years;⁷⁹ a law transferring the Minneapolis and Cedar Valley Company's charter to other hands, defining its rights, and naming the new organization the Minneapolis, Faribault and Cedar Valley Railroad Company;⁸⁰ an act transferring the Transit Railroad to a new organization, re-defining rights and powers, and changing the name to the Winona, St. Peter and Missouri River Railroad Company;⁸¹ transferring the charter of the Southern Minnesota Railroad to a new group of individuals,

77. House Journal, 1859 - 1860, p. 174. Senate Journal, p.

78. Special Laws of Minnesota., 1861, Chapter 1, p. 202.

79. Ibid., p. 212.

80. Ibid., Chapter II, p. 213. Approved March 8, 1861.

81. Ibid., Chapter III, p. 223.

specifying privileges and powers;⁸² and a law restoring the property, franchises and lands of the Minnesota and Pacific Railroad Company to that corporation.⁸³

There were no general laws passed in the regular session of 1862 in regard to railroads. Of special laws the following were enacted in the regular session: transferring the Minneapolis and Cedar Valley railroad to still another group of incorporators, re-defining rights and duties;⁸⁴ doing the same for the Root River Valley and Southern Minnesota Railroad;⁸⁵ reassigning the Winona, St. Peter and Missouri River Railroad, and changing the name to the Winona and St. Peter;⁸⁶ and a law transferr- ing the Minnesota and Pacific properties and franchises to a new group of men, changing the name to the St. Paul and Pacific Railroad Company.⁸⁷

This summary gives a sketch of railroad legis- lation and events down to the summer of 1862. It was at that time that the first railroad in Minnesota was actually placed in operation and opened for traffic. Be- fore that time, as has just been noted, the state possessed a comprehensive railroad system on paper.⁸⁸ But it was

82. Ibid., Chapter IV, p. 229.

83. Ibid., Chapter V, p. 235.

84. Special Laws of Minnesota, 1862, Chapter 17, p. 226.

85. Ibid., Chapter 18, p. 237.

86. Ibid., Chapter 19, p. 243.

87. Ibid., Chapter 20, p. 247.

88. See Map B at end of this chapter, for approximate chart of railroads, based on this summary of legis- lation.

not until 1862 that the attention may be properly turned from railroads existing only in law and in the minds of men to railroads actually in operation, supporting rolling stock and developing a traffic.

It was on July 2, 1862, that the St. Paul and Pacific Railroad completed and opened for traffic the line between St. Paul and St. Anthony, a distance of about nine miles.⁸⁹ The track was laid for about three miles beyond St. Anthony by January 1863. At that time the company had on hand 35,000 cross ties and 720 tons of iron, paid for, deposited at La Crosse and Hastings because of the difficulties of navigation in the previous fall. The road to Watab was under contract to be completed by January 1, 1864. The Winona and St. Peter company completed its road for ten miles westward from Winona in the fall of 1862.⁹⁰ No work had been done on the other lines.

The general prosperity and the failure of navigation in the large rivers during 1863 gave an added impetus to railroad building.⁹¹ During that year the St. Paul and Pacific was completed, with cars running, from St. Paul to Anoka, a distance of 27½ miles. It was

89. Governor Ramsey's Message, Jan. 7, 1863. Ex. Docs. 1862, pp. 22-23.

90. Ibid., see map C at end of this chapter.

91. Governor Swift's Message, Jan. 11, 1864. Ex. Docs., 1863, p. 5.

graded for 36 miles further and iron purchased to complete the track to Watab. The Winona and St. Peter was completed and operating from Winona to St. Charles, a distance of 29 miles, being graded thirty miles farther. The Minneapolis and Cedar Valley was graded from Mendota to Northfield. The main line of the St. Paul and Pacific westward from Minneapolis was unimproved. The remaining land-grant lines lay in a dormant state, in the condition they were in when passed into the hands of the state by foreclosure three years before.⁹² A grant of swamp lands to aid the St. Paul and Pacific in constructing a branch from St. Paul to Winona, along the Mississippi, was given in the legislative session of 1863 and accepted. The Lake Superior and Mississippi company, to which the state had made a similar conditional grant of lands, had in the latter part of 1863 received added inducement in the form of a pledge of a bonus of \$250,000 from the city of St. Paul, conditioned on the road being completed within five years. Governor Swift saw the commercial importance of the locality at the confluence of the Minnesota and Mississippi rivers (in which St. Paul and Minneapolis are now

92. Ibid., pp. 5 and 6. See Map D at the end of this chapter.

located) and the strategic value of a railroad from this locality to Lake Superior. He said, "Leaving the last mentioned road out of view (the Lake Superior and Mississippi) and excepting the Winona and St. Peter road, all our great projected land grant lines, five in number, traversing the State in as many different directions, with an aggregate length when completed of over 1,000 miles, and resting on land grants amounting to nearly 4,000,000 acres, have a common center of convergence near where the Minnesota joins its current to that of the Mississippi, making it the focus of seven great interior transit lines. I venture to direct your attention to this prominent feature of our railroad system, because it seems to me that sufficient consideration has not been given to the fact, that a single railroad 140 miles long from this focal point (the particular locality is of little importance) to Lake Superior, would furnish an outlet for our whole system of natural and artificial communications upon lake navigation, at a distance and cost of transit much less, for three quarters of our agricultural area, than by the routes terminating on Lake

Michigan." 93

During 1864 the difficulties of navigation and the scarcity of labor made railroad building somewhat difficult. About one hundred miles were completed and two hundred additional miles graded. In January, 1865, the Winona and St. Peter railroad was in successful operation from Winona to Rochester, a distance of 50 miles, and was already taxed to its capacity to carry the traffic.⁹⁴ The Southern Minnesota had secured iron to complete ten miles of road, but as yet had no line in operation. The Minnesota Central company (successor to the Minneapolis and Cedar Valley) had graded its line from Minneapolis to Faribault, with eight or ten miles ready for cars. The grading on the Minnesota Valley railroad (successor to the Southern Minnesota for that part of its land-grant line) was in good condition for a distance of forty miles from Mendota. It was expected to be in operation to Shakopee during 1865. Cars were running upon the St. Paul and Pacific branch road for forty miles, to Elk River, and the track was graded and ties prepared for the route from Elk River

93. Ibid., pp. 6-7.

94. Governor Miller's Message, January 4, 1865. Ex. Docs., 1864, p. 19. See map E at the end of this chapter.

to Watab. The main line of the St. Paul and Pacific, westward from Minneapolis, was partly under contract but as yet little had been done. The Lake Superior and Mississippi road had been surveyed and grading commenced.⁹⁵

The condition of railroads in Minnesota in January, 1866, was summed up in the following table:

	<u>Miles completed and in operation</u>	<u>Miles graded in addition to portion now in use</u>	<u>Estimated no. of miles to be completed by Jan. 1, 1867</u>
Winona and St. Peter Railroad	68		100
Minnesota Central Railway	56	40	112
1st. Div. St. Paul and Pacific main line		10	40
1st. Div. St. Paul and Pacific, upper Mississippi branch	50	25	74
St. Paul and Pacific, Winona branch		10	30
Minnesota Valley Railroad	22	20	48
Southern Minnesota Railroad	16	5	40
Lake Superior and Mississippi		23	30
	<hr/> 210	<hr/> 133	<hr/> 474 ⁹⁶

95. Ibid., pp. 19-21. See map E at the end of this chapter.

96. Governor Miller's Message, Jan. 8, 1866. Ex. Docs., 1865, p. 15. The total of miles graded in addition to portion in use was given as 133. But 133 is the correct total of the items given.

See map F at the end of this chapter.

The railroad interests of the State received added impetus during 1865. The chief stimulus was the grant of lands to the Northern Pacific railroad by the federal government. As yet nothing had been done on the line in Minnesota, but the western end of the line was being located.⁹⁷

When Governor Marshall delivered his message to the legislature on January 10, 1867, he summarized the condition of railroads in Minnesota as follows:

	No. miles in operation	No. miles completed in 1866	No. miles graded but not completed	Estimate no. of miles to be com- pleted in 1867
Southern Minnesota Railroad	30	18		25
Winona and St. Peter	91	25	12	45
Minnesota Central	71	15		32
Minnesota Valley	47	25	3	
St. Paul and Pacific, Winona Division			10½	20
First Div., St. Paul and Pacific, Watab branch	76	26		4
First Div. St. Paul and Pacific, Main line			15	60
Lake Superior and Miss. Railroad			20	30
	<hr/>	<hr/>	<hr/>	<hr/>
	315	109	60½	216

97. Ibid., pp. 15-16.

98. Ex. Docs., 1866, p. 15. See map G at the end of this chapter.

By act of July 4th., 1866, Congress granted a number of lands to the state to aid in the construction of a railroad from Houston through Fillmore, Mower, Freeborn, and Faribault counties to the western boundary of the state. Also for a railroad from Hastings through Dakota, Scott, Carver and McLeod counties to the western boundary of Minnesota.⁹⁹

At this time was given the first intimation that the grant of large tracts of land to railroads was not wholly without evil consequences to the people of the state. Heretofore every one seemed eager for the advent of the railroad and people generally looked with favor on the bestowal of aid in the form of lands to help build the steel highways. Governor Marshall said that the monopoly of nearly ten millions of acres of land held by the railroad companies was a great evil that should be mitigated by any just means in the power of the legislature. The withdrawal of the lands from entry under the homestead act had proved a serious obstacle to settlement.¹⁰⁰ The tide of public sentiment was just beginning to turn from enthusiastic welcome and generous aid to the railroads

99. Ibid., p.

100. Ibid., p. 16.

toward a clearer realization of the necessity for regulation. It took three years of experience, however, to bring this need vividly before the people.

The following railroad building was executed during 1867:

	<u>Miles</u>
Minnesota Central and McGregor Western, from Owatonna to State Line at Le Roy	80
Winona and St. Peter, from Owatonna to Waseca	15
Minnesota Valley, from Belle Plaine to Le Sueur	20
First Div., St. Paul and Pacific Main Line, from Minneapolis to Lake Minnetonka	16
First Div., St. Paul and Pacific branch, from St. Cloud to Sauk Rapids	5
	<hr/>
Total construction of 1867	116
Previously in operation	315
	<hr/>
Total miles in operation in the state	431 101

One hundred and twenty eight miles of railroad was constructed in 1868 and in January 1869, there was

101. Governor Marshall's Message, Jan. 10, 1868. Ex. Docs., 1867. P. 24. See map H. at the end of this chapter.

in operation a total of 559 miles.

	<u>Constructed in 1868 Miles</u>	<u>Whole line in operation Miles</u>
First Div. St. Paul and Pacific, Main Line	35	51
First Div. St. Paul and Pacific to Sauk Rapids		81
Minnesota Valley	23	90
Milwaukee, St. Paul and Minneapolis		131
Winona and St. Peter		106
Southern Minnesota	20	50
Lake Superior and Mississippi	30	30
Hastings and Dakota	20	20
	<hr/>	<hr/>
Total	128	559 ¹⁰²

The actual construction of a portion of the Lake Superior and Mississippi railroad was looked upon with especial favor by shippers. Influential parties in Pennsylvania had taken hold of the line and it was believed that they intended to enter into competition with the New York railroads and canals, carrying Minnesota products from Lake

102. Governor Marshall's Message, January 7, 1869. Ex. Docs., 1868-9, p. 18. See map I at end of this chapter.

Superior terminals via the lakes to Erie, thence east on Pennsylvania railroads. This competition was welcomed. It was believed that it would reduce the cost of transporting wheat to the Atlantic seaboard to thirty cents a bushel, which was the existing freight charge from St. Paul to Milwaukee and Chicago. Such a result would have made \$3,000,000 difference in the value of Minnesota's export wheat crop in 1868.¹⁰³

During 1869 two hundred and twenty four miles of railroad was constructed and opened for traffic. This was the greatest amount of construction for any one year, up to this time. The mileage constructed, and the amount in operation in January, 1870, is shown by the following table:

	<u>Constructed in 1869 Miles</u>	<u>Whole line in operation Miles</u>
First Div. St. Paul and Pacific, Main Line	64	115
First Div. St. Paul and Pacific, to Sauk Rapids		81
Minnesota Valley	16	100

103. Ibid., pp. 18-19.

Milwaukee, St. Paul and Minneapolis		134	
Minnesota Central, Austin to State Line	12	12	
Winona and St. Peter	12	118	
Southern Minnesota	40	90	
Lake Superior and Mississippi	50	80	
Hastings and Dakota	10	30	
St. Paul and Chicago	20	20	
	<hr/>	<hr/>	104
Total	224	780	

Railroad conditions were summarized by the commissioner of statistics, in his first annual report. For 1869 he gave the following table:

Whole number of miles completed	749 2/10
Whole number of miles projected	1,549 8/10
Number of miles under construction	601
Aggregate capital actually invested	\$23,550,398.01
Gross earnings for the year	2,653,630.07
Total expenses for the year	1,590,862.01
Number of persons employed	2,250
Whole number of tons of freight transported	677,684
Whole number of passengers carried	478,973
Number of immigrants carried westward	10,352

104. Governor Marshall's Message, Jan. 7, 1870. Ex. Docs., 1869. p. 14. See map J at the end of this chapter. The commissioner of statistics gave 749 2/10 as the number of miles completed. This discrepancy was probably due to a difference in the time the tables of the governor and commissioners were computed.
105. Ex. Docs., 1869. p. 887

During the same period 1,703 persons were employed in navigation, 450,000 tons of freight were transported by boat and 255,800 passengers were carried.¹⁰⁶

During 1870, 325½ miles of railroad were constructed. The following table shows the length of line completed during that period and the total length completed to January, 1871:

	<u>Constructed in 1870 Miles</u>	<u>Length of line completed Miles</u>
Lake Superior and Mississippi	80	155
Southern Minnesota	78	170
St. Paul and Sioux City	21½	121½
Winona and St. Peter	25	143
First Div. St. Paul and Pacific, Main Line	24	135
First Div. St. Paul and Pacific to Sauk Rapids		81
Milwaukee, St. Paul and Minneapolis		134
Minnesota Central, Austin to State Line		12
Hastings and Dakota		50
St. Paul and Chicago	55	55
Northern Pacific	50	50
Stillwater and White Bear	<u>10</u>	<u>10</u>
	325½	1096½-107

106. Ibid., p. 885.

107. Governor Austin's message, Jan. 5, 1871. Ex. Docs., 1870, Vol. I, p. 23. Commissioner of Statistics, second annual report, Ex. Docs., 1870, Vol. 2, p. 1050, gives total constructed as 324½ miles and the total in operation at the close of 1870 as 1088½ miles. He gives 154 miles for the Lake Superior and Mississippi, 139 for the Winona and St. Peter, 76 for the St. Paul and Pacific branch line, 137 for the Milwaukee & St. Paul, 28 for the Hastings and

The commissioner of statistics was unable to obtain the necessary information for a complete review of railroad operations in 1870. He was able, however, to ascertain the approximate total costs of the construction and equipment of the various roads, and their gross earnings and expenses. He summarized these as follows:

	Aggregated cost of road and equipments	Earnings 1870	Expenses 1870
St. Paul and Pacific, Main	\$9,500,000	\$210,459.22	\$179,691.73
St. Paul and Pacific, Branch	3,810,800	267,025.53	128,997.78
St. Paul and Sioux City	4,398,892	390,813.06	376,571.88
Lake Superior and Missis- sippi	5,880,000	253,000.00	186,320.00
Milwaukee and St. Paul	5,476,000	1,050,968.89	700,436.65
St. Paul and Chicago	1,925,000		
Hastings and Dakota	840,000		
Winona and St. Peter	5,220,936	574,667.88	465,268.10
Southern Minnesota	5,845,000	267,772.67	240,105.48
Northern Pacific	1,250,000		
Total	44,146,628	3,014,687.04	2,277,291. ¹⁰⁸

Dakota, and 11 miles for the Stillwater and White Bear.
See map K at end of this chapter.

108. Ex. Docs., 1870, Vol.2, p. 1052. The commissioner did not enter the totals. The items are his.

In his inaugural address, delivered January 7th. 1870, Governor Austin devoted considerable attention to railroad matters. There was a growing dissatisfaction throughout the state with the management of the railroad corporations. "The complaints are loud and frequent, and it cannot be doubted that it is the opinion of a large proportion of the people, that the time has come when the citizen and the business of the country should be protected by law from what they believe to be the extortions and abuses of these powerful corporations." 109 Unreasonably high rates, discriminations between individuals, classes of freight, and between various towns, was the burden of the complaints. On the other hand, the railroads held that the people of the state were unfair in wanting to deprive the companies of their rights to fair profits, when they had undergone great risks in building the roads in the beginning and had executed their agreements to build the roads. The chief executive's conclusion was that both sides were partly right. He believed that public regulation was necessary, but felt compelled to argue at length that the state had the legal

109. Ex. Docs., 1869, p. 6 of the inaugural message.

authority to regulate tariffs on railways. It was contended by the railroads and their friends that the state had no such rate-controlling authority and was compelled to leave that power entirely with the corporations.¹¹⁰ An impartial investigating committee to ascertain the facts in the railroads' relations to the public was recommended. Thus did the Granger movement assert itself in Minnesota. It was the uprising of a people goaded almost to desperation because of the economic abuses they had been compelled to undergo, and because of what they felt was a breach of faith on the part of the very creatures which they had called into being and aided to become strong.

On the same occasion the costs and charges for transportation were compared in the following table:

Transportation by	Cost per ton per mile, Mills	Charges per ton per mile, Mills
Railroads	17.90	29.80
Canals, including deduction, lockage, etc.	6.40	11.40
Erie Canal, including do	4.05	
Rivers, steam towage	2.26	2.90
Ocean	1.26	2.50

110. Ibid., pp. 8-14.

111. Ibid., p. 16.

The next year Governor Austin discussed the question of railroad control and the subject of railway tariffs further, devoting sixteen pages of his message to these topics. He went into the question of costs somewhat fully, comparing Minnesota conditions with those in England and in the eastern part of the United States. The inefficacy of competition was quickly seen and two conclusions drawn: (1) that at only a few points - where lines intersected ^{were} or in close proximity - were the effects of competition to be felt. Elsewhere there was a monopoly. (2) The tendency toward consolidation and confederation was almost sure to bring lines built as competing into union, and compel submission again to high rates.¹¹² The conclusions and recommendations arrived at were:

(1) That existing charters under which organization had not taken place be declared void.

(2) That every railroad be required to maintain one central office within the state, with its stock transactions open for public view, a majority of the directors to be citizens of Minnesota.

112. Message of Jan. 5, 1871. Ex. Docs., 1870, Vol.1, p. 40.

(3) That sixty days notice be required to be given to all stockholders, before consolidations could take place.

(4) That railways be declared public highways, to be freely used by all persons under public regulations.

(5) That stock issuance not based on tangible assets or actual outlays be void, and stock dividends prohibited.

(6) That the exercise of the power of eminent domain should never be construed so as to prevent the taking of railroad property and franchises, lawfully, the same as required of the property of individuals.

(7) That laws against extortion and discrimination be passed, enforcing by adequate penalties, to the extent of property and franchise forfeitures, if necessary.¹¹⁵

During 1871, 457½ miles of railroad were built, giving the state a total mileage of 1,550 in January, 1872:

115. Ibid., pp. 53-55.

	Miles con- structed in 1871	Miles pre- viously con- structed	Length of line com- pleted, Miles
St. Paul and Sioux City		122	122
Sioux City and St. Paul	56		56
Winona and St. Peter	26	139	165
First Div. St. Paul and Pacific, Main Line	72	135	207
First Div. St. Paul and Pacific, Branch Line		76	76
Hastings and Dakota	20	28	48
St. Paul and Chicago	46½	55	101½
St. Paul, Stillwater and Taylor's Falls	18		18
Stillwater and St. Paul		13	13
Minneapolis and Duluth	13		13
Minneapolis and St. Louis	28		28
Lake Superior and Mississippi		155	155
Southern Minnesota		167½	167½
Milwaukee, St. Paul and Minneapolis		155	152
Northern Pacific	178	50	228
	<u>457½</u>	<u>1,092½</u>	<u>1,550</u> ¹

114. Governor Austin's Message, January 4, 1872. Ex. Docs., 1871, Vol. 1, p. 16. Also, First Annual Report of Railroad Commissioner, Ex. Docs., 1871, Vol. 2, p. 42. Table 5. Both tables are the same. See Map 1 at end of this chapter. The office of railroad commissioner was established and duties and power defined March 4, 1871. Laws of Minn., 1871, Chapter 22, p. 56.

The total gross earnings of the roads for the year ending August 31st., 1871, were \$5,430,414.53, the total operating expenses \$2,564,435.10 and the net earnings \$2,865,979.43. The gross earnings tax paid the state amounted to \$56,454.18. Of the gross earnings \$1,067,095 was obtained from passenger carriage and \$2,113,038 from freight.¹¹⁵ The passenger-miles traveled in the same period were 19,851,802, the average miles traveled by each passenger 36.57, the average receipts from each passenger \$1.61, and the average passenger rate per mile 4.4 cents.¹¹⁶ The ton-miles of freight carried amounted to 62,448,106, the average rate per ton per mile being 3.6 cents.¹¹⁷ The passenger and freight rates on the roads reporting were as follows:

	Average rate per mile per passenger	Average freight rate per ton per mile
St. Paul and Sioux City Railroad	\$0.035	\$0.0533
St. Paul and Chicago	.0525	.04
Southern Minnesota	.0492	.04
Lake Superior and Mississippi	.049	.0185
Minnesota Central	.0395	.0215
Hastings and Dakota	.0524	.05
Winona and St. Peter	.048	.049

115. Governor's Message, Ex. Docs., 1871, Vol. L, p. 17.
 Railroad Commissioner's Report, Ex. Docs., 1871, Vol. 2, p. 43.
 116. Railroad Commissioner's report, *ibid.*, p. 44.
 117. *Ibid.*, p. 45.
 118. *Ibid.*, pp. 44 and 45.

Land grants of such large area had been made to the railroads that the commissioner stated, "In no State have such munificent land grants been made to Railroad Corporations as in Minnesota." 119 The grants from the State were of size and value as follows:

St. Paul and Sioux City Railroad -

698,405.77 acres valued at \$6 per acre	\$4,190,434.62
37½ miles roadbed at \$2500 per mile	93,750.00
Local aid from Mankato	<u>15,000.00</u>
Total	4,299,184.62

equivalent to \$41,800 per mile.

Sioux City and St. Paul Railroad -

230,000 acres at \$6 per acre	\$1,380,000.
amounting to \$20,000 per mile.	

First Division, St. Paul and Pacific Railroad -

446,000 acres, branch line, at \$5.50 per acre	\$2,464,000.
1,382,400 acres, main line, at \$7 per acre	9,676,800.
62½ miles of grading at \$2,500 per mile	<u>156,250.</u>
Total	\$12,297,050.

or \$43,452 per mile.

Lake Superior and Mississippi Company -

From St. Paul	\$200,000.
From St. Louis County	150,000.
11,248.68 acres at \$4.72	52,093.77
7,171.47 acres at \$5.57	39,945.09
1,635,979.85 acres at \$2.50	<u>4,089,949.82</u>
Total	4,531,988.48

an amount equal to \$29,000 per mile.

Minnesota Central Railway -

170,500 acres at \$6.25	\$1,065,625
69½ miles grading at \$2,500 per mile	<u>173,125</u>
Total	\$1,238,750

equal to \$11,000 per mile.

Stillwater and St. Paul Railroad -

76,800 acres at \$5 per acre	\$ 384,000
amounting to \$29,000 per mile.	

Southern Minnesota Railroad -

193,833 acres at \$4.71	\$912,953.43
134,490 acres at \$5	672,450.00
33,542.44 acres at \$4.71	158,332.92
30 1/5 miles grading at \$2,500 per mile	50,500.00
Municipal aid received	146,000.00
Municipal aid voted	47,500.00
	<hr/>
Total	\$1,983,736.14

equivalent to \$8,400 per mile.

Winona and St. Peter Railroad -

365,155.25 acres at \$7	2,556,090.95
50 miles of grading at \$2,500 per mile	125,000.00
	<hr/>
Total	\$2,781,090.95

amounting to \$19,300 per mile.

Northern Pacific Railroad -

1,536,000 acres at \$5	7,680,000.
equal to \$32,000 per mile.	

St. Paul, Stillwater and Taylor's Falls Railroad -
 44,800 acres received but no estimate of its
 value given. 120.

Up to 1875 the roads had received, or had been granted
 13,222,780 acres. It should be noted, however, that
 the valuations used are those prevailing in 1871 and
 not the value of the lands at the time they were granted.
 The very building of the roads had done much to increase
 the value of the lands granted and it would have given
 a more accurate indication of the actual value the
 state intended to give and actually did grant away, if
 values prevailing at the time of the grants, or at least
 at the time of the acceptance by the roads, had been
 used. 121

During 1872, there was constructed 356 miles
 of railroad as follows:

<u>Railroad</u>	<u>Miles</u>
St. Paul and Pacific	
St. Cloud to Melrose	40
Glyndon north	92

120. Ibid., pp. 12-16.

121. This report goes at some length into the prevailing
 problems of regulation, legislative control and taxation.
 For a list of railroad charters granted before the
 adoption of the state constitution, see *ibid.*, pp. 5-7.

Glyndon south	12	
Brainerd south	4	
	<u> </u>	148
Milwaukee and St. Paul, Winona to La Crescent		27
Chicago, Dubuque and Minnesota, State Line to La Crescent		25
Hastings and Dakota, completed and built to Glencoe		27
Winona and St. Peter, New Ulm west		119
Sioux City and St. Paul, State Line to Worthington		10
		<u> </u>
		356 122

During the year all of the railroad companies had set at defiance legislation enacted during the last two sessions of the legislature regulating rates and railroad operation. Suits were pending in the state supreme court against the Winona and St. Peter company, the decisions of which were expected to settle the principles of law as to the regulative powers held by the state. In the meantime the abuses had continued and there were many complaints of extortion and discrimination.

122. Second Annual Report of Railroad Commissioner, Ex. Docs., 1872, Vol.L, pp. 133-150, 169-170, and p. 341. See map M at end of this chapter.

Said Governor Austin, "I think there has never been a time in the history of the State when the people of all classes felt that their leading, vital interests were more depressed for the want of sufficient transportation, or by the exorbitant charges of such transportation as has been furnished them, as during the past year".¹²⁵

The agricultural classes felt the burden most heavily. A full investigation of the facts was recommended. And then it was said, "Let a conspiracy against trade, or the entering into a combination to prevent free competition and to destroy values, be made an indictable offense, punishable by fine and imprisonment; and in case the directors or managing officers of a corporation are convicted, let such conviction work a forfeiture of the franchises of the corporation. In addition to the required State legislation, let Congress be memorialized to exercise its constitutional prerogative to 'Regulate commerce among the several States', and by an act embracing the entire railroad system of the Union, accomplish what the several states, by their discordant legislation, their deficient legislation, and their non-legislation, can

125. Message, Jan. 9, 1873, Ex. Docs., 1873, Vol. L, p. 6.

never accomplish, or certainly not so satisfactorily."¹²⁴
 These words are significant, when the developments that have taken place in corporation legislation during the forty years following 1873 are considered.

The year 1873 was unfavorable to railroad building. The era of speculation from 1864 to 1873 had reached its climax and it was difficult to obtain capital. During that year the Winona and St. Peter railroad was completed to Lake Kampesca, Dakota Territory, which is close to the present city of Watertown, South Dakota. No other railroad building was accomplished during the year. The situation was as it existed at the close of 1872. The Central Railroad Company of Minnesota had, however, completed arrangements for the early completion of the road from Mankato to Wells. It was not in operation in 1875.¹²⁵

Up to the close of 1873, 13,200,000 acres of land, or over a fourth of the area of the state, had been granted to railroad companies in Minnesota. 11,250,000 acres were received from Congress and 1,950,000 acres were granted by the state. Of the total acreage granted,

124. Ibid., p. 8.

125. Third Annual Report, Railroad Commissioner of Minn., A. J. Edgerton, Ex. Docs., 1873, Vol. 2, pp. 89-90.

5,515,007.63 acres had been deeded to the companies.¹²⁶
 About 1,434,355 acres had been sold by the railroads
 and about \$7,313,484 received. The average amount for
 which the land was sold was \$6.45 per acre, the individual
 prices ranging from \$2.50 to \$20 per acre.¹²⁷

From the beginning a gross earnings tax was
 associated with the operation of railroads in Minnesota.
 The rate usually paid was three per cent. The gross
 earnings and tax received by the state for each year
 from 1864 including 1872 were as follows:

<u>Year</u>	<u>Gross earnings</u>	<u>Tax</u>
1864	\$151,671.34	\$4,550.14
1865	407,821.84	4,078.21
1866	937,356.07	9,373.55
1867	1,281,454.95	12,814.53
1868	1,899,229.56	30,593.66
1869	2,494,917.60	44,934.66
1870	2,968,555.01	56,454.18
1871	3,524,923.69	56,505.54
1872	5,399,518.69	106,876.35
and for 1873	5,536,104.73 estimated	112,458.00

126. Ibid., p. 88.

127. Ibid., pp. 88-89.

128. Ibid., p. 83.

129. Ibid., p. 93 and p. 84.

The average receipts per mile of road were \$3,433.71, ranging from \$5,170.29 for the I and M division of the Milwaukee and St. Paul down to \$306.33 for the St. Paul, Stillwater and Taylor's Falls.¹³⁰ Operating expenses were $79 \frac{4}{5}$ per cent. of gross earnings. The number of passengers transported one mile was 28,566,439 and the average amount per mile received was 3 $\frac{88}{100}$ cents.¹³¹ The information was not available for figures as to freight mileage. The average amount received for ten of the roads for each ton of freight carried one mile was 3 $\frac{27}{100}$ cents.¹³²

The problem of railroad regulation was an important and serious one in 1873. Commissioner Edgerton devoted much of his report to a consideration of abuses and ways and means of remedy. Rates generally were unreasonably high. An average of three cents per ton per mile was paid for the transportation of wheat to the lake ports. If this could have been reduced to two cents, said the commissioner, it would still have been forty per cent higher than rates charged by the great through eastern lines from Chicago.¹³³ The rates of transportation

130. Ibid., p. 93. Spelling as in the report.

131. Ibid., p. 94.

132. Ibid.

133. Ibid., p. 119. Pp. 101 - 133 deal with problems of regulation.

on wheat in 1873 between Chicago and New York varied from 27 cents per bushel where there was water competition to 39 cents per bushel where there was no such competition.^{134.}

Not only were rates complained of as being unreasonably high, but there was a large amount of discrimination complained of. Lumber dealers in Faribault, it was said, were charged \$28 to \$29.50 for transportation of a car of lumber from Minneapolis. At Owatonna, 15 miles farther south, the rate for the same haul was \$18 per car, and at Mason City, 191 miles farther south, the rate from Minneapolis was \$25 per car. "The outrageous injustice of charging \$5 more per car for transporting lumber 56 miles, than is charged upon the same road for transporting a like load 247 miles is too plain to need further elucidation."¹³⁵ The freight rates from Milwaukee or Chicago to Faribault were: first class, \$1.10; second, \$1; third, 75 cents; fourth or special, 55 cents. From these terminals through Faribault to St. Paul rates were as follows: first class, 80 cents; second, 70 cents; third, 50 cents; fourth or special, 35 cents. For a certain

134. Ibid.

135. Ibid., p. 121. The sentence is from the text of the complaint made by Faribault shippers.

shipment of freight from New York a Faribault merchant was charged 35 cents per hundred from New York to St. Paul via Duluth and 39 cents per hundred for the 56 miles from St. Paul to Faribault. Similar discrimination against Faribault millers in favor of Minneapolis existed. As to their efforts at alleviating conditions, Faribault people said, "Remonstrances against this discrimination against our people have been made to the Manager, and also the General Freight Agent of the M. and St. Paul R.R., and elicited only the response that such discrimination is inseparable from railway management, and that 'what can't be cured must be endured'." ¹³⁶ This example was not selected, stated the railroad commissioner, because it was the worst or an exception. "Nearly every road in the State", he said, "follows the same rule". Besides discrimination between towns, there was discrimination between classes of freight that was held to be unjust, and also discrimination between shippers in the same town. Regulatory legislation was recommended, on the broad ground that the grants and aid given to the companies required that they in return should deal justly

136. Ibid.

with the public and that legally and as a matter of justice the grant of great benefactions was not absolute but conditional, and required in return acts which would promote public welfare rather than injure it.¹³⁷

Governor Austin dealt with the same conditions in his message. The suits at law commenced against the Winona and St. Peter company had been decided in favor of the state and its powers to regulate in the state supreme court, but in January, 1873, were pending in the supreme court of the United States.¹³⁸ The chief executive believed that competition between rival companies would never give the required relief. He thought that government ownership would be the only satisfactory solution of the problem, but that it was impracticable. He discussed the various systems of railroad regulation, the Belgian, which implied government ownership; the French, which denoted private ownership but strict governmental inspection and supervision, including regulation of charges; and the American and English, which implied no state ownership and no state control. The last, he said, had "proved expensive and unsatisfactory to everybody except to the

137. Ibid., pp. 132-133.

138. Minn. Rep., Vol. 19, Blake v. Winona and St. Peter Railroad Co., p. 418. State of Minn. v. Winona and St. Peter Railroad Co., 19 Minn., 434. It was held in the first case that "The legislature may, from time to time regulate the use of the franchise, and limit the amount of the toll which it shall be lawful to take, unless they have deprived themselves of that power by a legislative contract with the owners of the road."

corporations enjoying exclusive dominion".¹³⁹ It was his conclusion that an approximation to the French system would be the practicable course for this state to pursue and that it promised the surest relief.¹⁴⁰

139. Message of Jan. 9, 1874. Ex. Docs., 1873, Vol. I, p. 19.

140. Ibid., p. 20. Transportation conditions considered, pp. 11-22.



MAP A

RAILROADS GRADED,

Dec. 8, 1859.

MINNESOTA



MAP B
RAILROADS CHARTERED,
to 1863.

MINNESOTA



MAP C
 RAILROADS COMPLETED,
 Jan. 1, 1863.

MINNESOTA



MAP D

RAILROADS COMPLETED,

Jan. 1, 1864.

Railroads completed —————
 Railroads graded - - - - -

MINNESOTA



MAP E

RAILROADS COMPLETED,

Jan. 1, 1865.

Railroads completed —————
 Railroads graded - - - - -

MINNESOTA



MAP F
 RAILROADS COMPLETED,
 Jan. 1, 1866.

Railroads completed ———
 Railroads graded - - - - -

MINNESOTA



MAP G

RAILROADS COMPLETED,

Jan. 1, 1867.

Railroads completed —————
 Railroads graded - - - - -

MINNESOTA



MAP H
 RAILROADS COMPLETED,
 Jan. 1, 1868.

Railroads completed —————
 Railroads graded - - - - -

MINNESOTA



MAP I
 RAILROADS COMPLETED,
 Jan. 1, 1869.

MINNESOTA



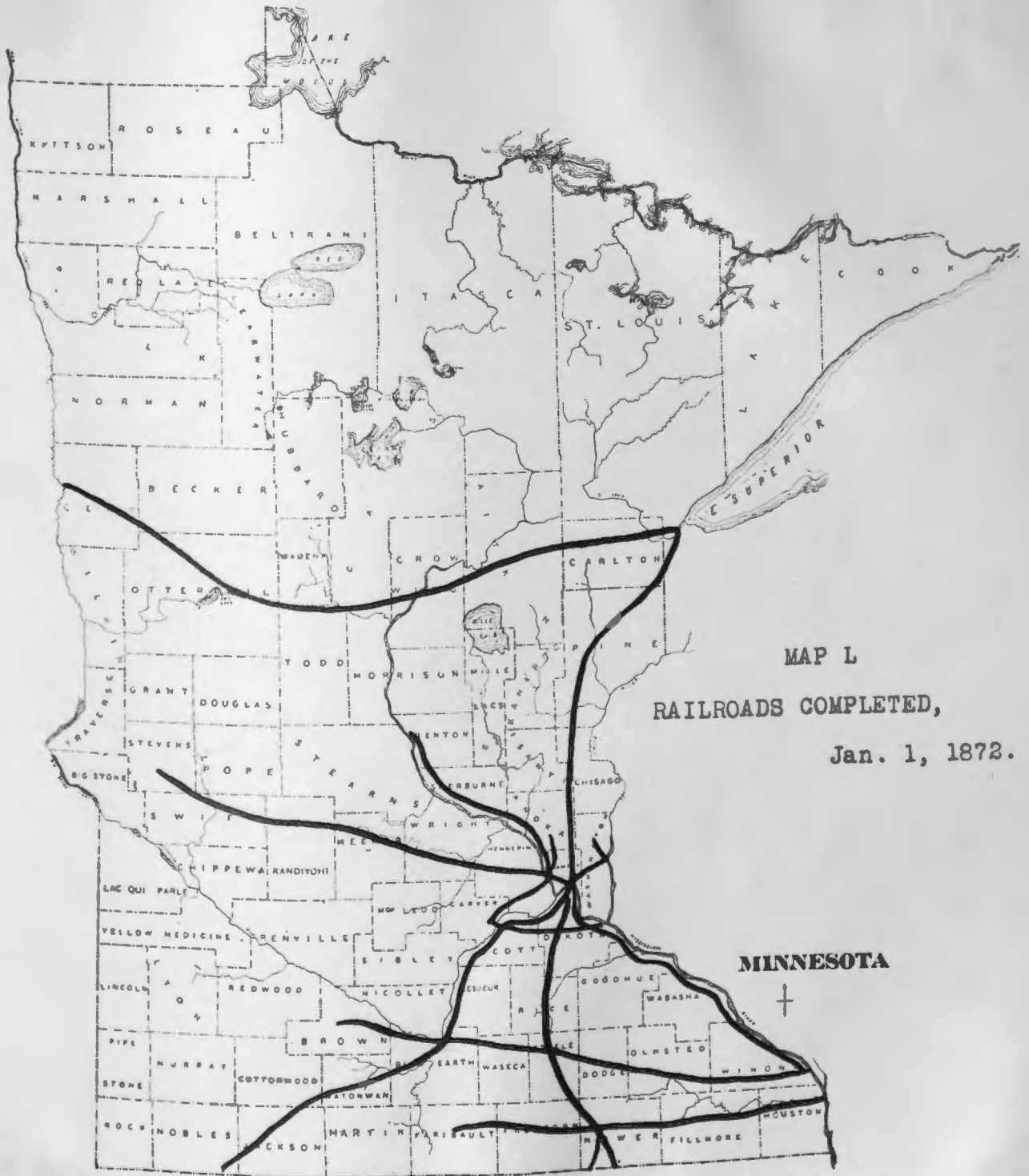
MAP J
RAILROADS COMPLETED,
Jan. 1, 1870.

MINNESOTA



MAP K
 RAILROADS COMPLETED,
 Jan. 1, 1871.

MINNESOTA



MAP L
RAILROADS COMPLETED,
Jan. 1, 1872.

MINNESOTA

Chapter VII.

Lumbering.

The beginnings of lumbering in Minnesota have been noted.¹ When the state first began to receive an influx of settlers, lumbering was of greatest economic importance of any of the activities for the production of wealth. The fur trade preceded it, but early was out-distanced. Lumbering has continued to be a first-rank industry to this day. From 1849 to the time improved farm machinery was introduced, the lumber industry was most important of all. Beginning about 1863 agriculture, through the introduction of more efficient methods, came to dispute the precedence held by lumbering and finally assumed first place as the chief Minnesota export. Up to and beyond 1874 these two great extractive industries were the main sources of wealth of the state.

In 1853 pine lumber sold higher in St. Paul than in St. Louis, because the demand for it in St. Paul was great. In the latter village there were three saw-

1. Supra, p. 5 and pp. 22-30. For further reference see Holcombe, Minnesota in Three Centuries, Vol.2, pp. 135-141.

mills and these, even with importation from St. Anthony, had difficulty in supplying the lumber demand.² One little mill, it was said, was making a net profit of over \$30 a day.³ At St. Anthony there was one saw-mill, using four upright saws and one circular. Preparations had been completed for adding to the number of saws.⁴ Of lumber conditions in and around St. Paul in August, 1852, it was said, "The amount of sawed lumber used in St. Paul and the vicinity, is almost incredible. Here are two lumber yards receiving rafts of sawed timber and boards and shingles from St. Anthony, enough to employ three or more men every day, in taking it out and loading it into carts, which are in constant readiness to carry it up the bluff. Then there is all the lumber sawed out by three steam mills in St. Paul, and still there is a cry for more boards. Very much of this production is shipped up the Minnesota, but most of it is used in this town. St. Paul is now so closely set with buildings⁵, that twenty new structures, at once, is scarcely an alteration in the appearance of the town".⁵

Governor Ramsey called Stillwater "the lumber

2. Minnesota Pioneer, June 3, 1852.
3. Ibid., June 17, 1852.
4. Ibid., July 15, 1852.
5. Ibid., Aug. 5, 1852.

depot of the North" in 1852 and said that the lumber interest there was rapidly increasing in magnitude.⁶ It was not until Governor Gorman's message of 1854 that detailed information as to the lumber industry in general in Minnesota is available. The extent of operations in 1853 was as follows:

Name	Proprietor	Power	Where Situated	No. of saws for cutting lumber	Annual product Feet	Remarks
Falls St. Croix,	Disputed	Water	Wisconsin	5 upright 1 rotary	4,000,000	This mill has to contend with many disadvantages, natural and legal; it exports its manufactured lumber.
Osceola	Wm. Kent,	Water	Wisconsin	2 upright	2,000,000	Exports its products.
Marine	Judd, Walker & Co.	Water	Minnesota	2 upright	2,000,000	Exports its manufacture.
Arcola	M. Mower	Water	Minnesota	1 upright	1,000,000	do
Arcola	M. Mower	Steam	Minnesota	1 upright	1,000,000	do
Stillwater,	Sawyer & Heaton	Steam	Minnesota,	2 upright	2,000,000	do
Stillwater,	J. McKusick,	Water,	Minnesota,	2 "	2,000,000	do
Stillwater	Nelson Carlton & Co.	Steam,	Minnesota,	{ 2 upright 1 rotary	3,000,000	do

6. Message of Jan. 14, 1852, Council Journal, 1852, p. 19, House Journal, p. 28.

Jamestown, Eastern Capitalists,	Water, Wisconsin, 2 upright,	2,000,000,	Exports & manufactu
Willow River, Jas. Bowron,	Water, Wisconsin, 1 upright,	800,000,	Home consumption
Lakeland, M. Perrin,	Steam, Minnesota, 1 upright,	1,000,000	
Point Prescott, -----	Steam, Wisconsin, 1 upright,	-----	Home consumption

The foregoing mills were provided with the necessary machinery for converting their slabs and cuttings into lath, the annual export of which amounted to 10,000,000 feet, valued at \$1 per thousand feet. The exported product of manufactured lumber from the St. Croix Valley amounted to, annually, 20,000,000 feet, which at an average value of \$11.50 per M. was worth \$230,000. The total amount of logs run to lower river markets through the St. Croix boom was 26,500,000 feet, and similarly run below from the Apple River was estimated at 5,000,000 feet, a total of 31,500,000 feet, worth \$157,500 at \$5 per thousand. It was estimated that 15,000,000 feet of logs cut in the preceding winter still lay in the tributaries of the St. Croix.

At St. Anthony in 1855, there were eight upright saws in operation, averaging 1,000,000 feet of lumber annually from each saw. \$80,000 was invested in the lumber industry at St. Anthony, 8,000,000 feet of lumber was cut annually, 600,000 laths, 1,300,000 shingles and 100,000 pickets for fencing. In the mills and in cutting logs 100 men were employed.

The other mills in the territory, the figures for which were lacking, were located at Manomin, Rum River, Elk River and Little Falls. Their product was probably used entirely in the locality where they were situated.⁷

In 1855 there were four saw-mills at St.

Paul.⁸ The largest ran night and day, employing 32 men. It was well equipped with machinery. The second in size, owned by Ames and Hoyt, employed 16 hands, operating two muley saws. The other mills were equipped with one saw each. In the winter of 1854 sixty-eight teams and 460 men were cutting logs on the Rum river. It was estimated that the mills at St. Anthony would cut ten million feet

7. Table and figures from Governor Gorman's Message, Jan. 11, 1854. Council Journal, 1854, pp. 30-32. House Journal, pp.
8. Emerson, Rise and Progress of Minnesota Territory, 1855, p. 13. Oliphant, Minnesota and the Far West, Pub. 1855, pp. 286-287, says that lumber in that year was the most important Minnesota export and furnished more employment to labor than any other trade. Over 100 persons were employed on the Mississippi boom above, exclusive of those employed in running rafts down the river. The booms on the St. Croix, Rum River, and at the Falls of St. Anthony employed 300 more.

of lumber during the season of 1855, worth \$120,000 at \$12 per thousand feet, the price obtained at the mills. It was stated that 19,000,000 feet of logs would be required to stock the other mills running on the Mississippi above Lake St. Croix, as follows:

<u>Location of Mills</u>	<u>Feet of logs required</u>
Little Falls	1,000,000
Elk River, A. Godfrey	1,000,000
Rum River, Woodbury & Co.,	3,000,000
Rice Creek	1,500,000
Minneapolis	1,500,000
Little Falls Creek, A. Godfrey	1,500,000
St. Paul, steam,	8,500,000
Near Hastings, J. Canney,	1,000,000 ⁹

These requirements made a total of 19,000,000 feet. Adding the ten million feet required at St. Anthony, about 29,000,000 feet would be sawed in 1855. The preceding winter about 61,200,000 feet of logs were felled, giving a surplus of logs for export of 32,200,000 feet.¹⁰ The figures given for the lumbering operations on the St.

9. Emerson, Rise and Progress of Minnesota Territory, 1855, p.24.

10. Ibid., pp. 24-25. The figures are approximate only. They are not official.

Croix state only the gross amount of business done in dollars for part of the establishments. They are an unsatisfactory indication.¹¹

On March 1st., 1854, there was enacted a law providing for the survey of logs and lumber in Minnesota territory. Three log districts were set up, as follows: first district, the St. Croix river and its tributaries; second district, the Mississippi and its tributaries above the mouth of the St. Croix river; third district, the Mississippi and its tributaries below the mouth of the St. Croix.¹² A surveyor general for each district was to be elected by the legislature. The offices of the districts were located at Stillwater, St. Anthony and St. Paul, and Red Wing, respectively. The duties of the surveyor were to survey logs and make out a bill stating the amount of feet contained in the logs surveyed, at the request of the owners of logs within the district. His fee for making the survey was placed at five cents per thousand feet.¹³ Beginning with the year 1856 the surveyor-general made annual reports as to the logs scaled each year.¹⁴

11. Ibid., p. 27.

12. Laws of Minn., 1854, Chapter 16, p. 53.

13. Ibid., sections 7 and 11.

14. Stanchfield, History of Lumbering on the Mississippi, Minn. Hist. Soc. Coll., Vol. 9, p. 361. Andrews, Minn. and Dacotah, 1857, pp. 82-89, gives a general description of the lumber interests of Minnesota in October, 1856.

For 1859 it was stated that there were 222 sawmills in Minnesota, 136 propelled by water power and 86 by steam.¹⁵ In the first or St. Croix district 65,592,230 feet of logs were scaled, and it was estimated that 5,000,000 feet of logs were unsurveyed, making a total of 70,592,230 feet used. The following table was given, indicating the number, location and characteristics of the sawmills in the district:

<u>Name.</u>	<u>Place</u>	<u>Power</u>	<u>No. Saws</u>	<u>An't out per annum</u>
Vasa	Vasa	Steam	1	1,000,000 feet
Marine	Marine	Water	3	3,000,000 "
Arcola	Arcola	Water	1	1,000,000 "
Mowers	Arcola	Steam	2	2,000,000 "
Saint Louis	Stillwater	Steam	40	15,000,000 "
Johnson's	Stillwater	Steam	11	4,000,000 "
Clay's	Stillwater	Steam	3	3,000,000 "
McKusick's	Stillwater	Water	2	2,000,000 "
Staple's	Stillwater	Steam	30	15,000,000 "
Nelson's	Baytown	Steam	3	3,000,000 "
Bluff	Lakeland	Steam	1	1,000,000 "

15. First Report, Commissioner of Statistics Wheelock, for year ending Jan. 1, 1860, p. 121.

Perrin's	Lakeland	Steam	2	2,000,000 feet.
Ballard's	Lakeland	Steam	1	1,000,000 "
St. Anthony	Lakeland	Steam	23	10,000,000 "
St. Mary's	St. Mary's	Steam	1	1,000,000 "
Afton	Afton	Steam	3	3,000,000 "
Grey Cloud	Grey Cloud	Steam	2	2,000,000 "
Red Rock	Red Rock	Steam	1	1,000,000 "
Wm. H. C. Folsom,	Taylor's Falls,	Steam	2	2,000,000 "
Ansell Smith,	Franconia,	Steam	1	1,000,000 "

Total, 20 mills, with 133 saws, and average annual product of 73,000,000 feet.¹⁶ This was the capacity of the establishments. In 1858 and 1859, the demand for lumber was lessened because of the business depression and only about one half of 73,000,000 feet was cut. Usually, the booming and rafting business at Stillwater employed 2,500 men. It was estimated that less than half that number were employed in 1859 on account of the hard times.¹⁷

The business of rafting logs from the St. Groix Valley^{to} down-river towns, even to St. Louis and Memphis, was begun in 1843 through the accidental breaking

16. Ibid., p. 119.

17. Ibid.

of the log boom near Stillwater. This made it imperative to gather the logs together and sell them below if their value was not to be totally lost. "It marked a new era. The first four rafts that passed down the St. Croix and Mississippi were the advance guard of many thousands that have followed them during two-thirds of a century since the industry was inaugurated."¹⁸

In 1859 the bulk of the lumber business of Minnesota was carried on in the St. Croix valley.¹⁹ The St. Anthony or second district was next in importance. Nevertheless the village of St. Anthony possessed greater lumber interests than any other single town or locality in the state. The logs scaled in the district in 1859 totalled 29,382,000 feet. The following table showed the mill power in the district for that year:

Place	No. of mills.	Power	No. of saws	Max. No. of feet cut per annum.	Feet cut in 1859.
St. Anthony Falls	2	Water	19	31,000,000	15,000,000
St. Anthony Falls	1	Steam	4	6,000,000	4,000,000
Minneapolis	5	Steam		15,000,000	7,000,000

18. Durant, Lumbering and Steamboating on the St. Croix, Minn. Hist. Soc. Coll., Vol. 10, Part 2, p. 649. For Valuable description of rafting methods see *ibid.*, pp. 663-666.

19. First Report, Commissioner of Statistics Wheelock, 1860, p. 119.

Minneapolis,	2	Water	8,600,000	2,900,000
Minnehaha	1	Water	2,000,000	1,000,000
Harrisburg	1	Steam	1,000,000	
Industriana	1	Steam	2,000,000	1,000,000
Champlain	1	Steam	2,000,000	
Anoka	2	Steam	no report	
Anoka	2	Water	no report	
Manomin	1	Water	no report	
Mendota	1	Steam	no report	
Saint Paul	4	Steam	no report	
West Saint Paul	2	Steam	no report	
Red Rock	2	Steam	no report	
Grey Cloud	1	Steam	no report	
Kaposia	1	Steam	no report	
Pine Bend	1	Steam	no report	
Hastings	3	Steam	no report	

giving a total of eight water-mills and twenty-six steam-mills. The total quantity cut in Hennepin county being 51,400,000 feet and other counties not reported.²⁰

20. Ibid., pp. 119-120.

There were two other surveyor districts in Minnesota in 1859. For both, the logs scaled were not reported. In the third or lower Mississippi district mills were located as follows: Red Wing, two steam saw-mills; Central Point, two; Florence, one; Waconta, one; Wabasha, three; Reed's Landing, one; Tepee&stah, one; Minneiska, one; Lake City, two; Winona, three; La Crescent, one; Brownsville, one. Total, nineteen, all propelled by steam power. These mills cut considerable lumber, many of them receiving their logs from the Wisconsin pineries. In the fourth or upper Mississippi district, the quantity of logs used was small because of the depression of business. Mills manufacturing pine lumber were located as follows: one steam saw-mill at Monticello; one at Silver Creek; one at Clearwater; one at Sauk Rapids; one at St. Cloud; one at mouth of Watab; one at Swan river; one at Belle Prairie; one at Fort Ripley; one at Crow Wing; one water-mill at Little Falls; one at Orono; in all twelve, and perhaps others. Most of the mills employed in making pine lumber were comparatively large and would average twice the

capacity of mills engaged in making hard-wood lumber for local supply. 156 saw mills were engaged in manufacturing hardwood lumber throughout the state, furnishing the building material used in the whole interior of the commonwealth.²¹

It will be noted that while in 1849 all of the sawmills used water-power,²² in 1853 the ratio of establishments using water to those employing steam was as 7 to 5.²³ In 1859 mills using steam power were in the very great majority. This change shows that the steam mills had little difficulty in competing with those using water-power, that steam was a cheaper and more efficient power considering all conditions (witness the Staples mill at Stillwater, employing 30 saws and using steam, and the St. Louis mill using steam for 40 saws), and that for most of the smaller places location was of more vital importance (close to the demand, that is) than the kind of power used and its cost.

The federal census of 1860 reported that there were 158 establishments sawing lumber in Minnesota, with an invested capital of \$1,334,120. The cost of raw material

21. Ibid., pp. 120-121.

22. Supra. p.24.

23. Supra, p. 181. The first boards ever sawed by steam power in Minnesota were maple plank to be used in constructing a table for the territorial library. Sawed by Capt. W. B. Dodd at St. Paul, Nov. 14th., 1850. Minn. Pioneer, Nov. 28, 1850.

was \$593,607, the hands employed 1,143 male and 3 female, the annual cost of labor \$363,612, and the value of the annual output \$1,234,203. There were four planing mills with an invested capital of \$8,500, employing nine men, having a cost of raw material of \$6,400 and an annual labor cost of \$2,100, producing an output valued at \$11,000.²⁴

In 1860, approximately 84,393,000 feet of pine lumber was produced and 17,708,000 feet of hardwood, a total of 102,101 feet, valued at \$1,151,815. The capital employed in the Stillwater lumber district was \$41,500 and the feet of lumber sawed 39,525,000. The capital employed in the St. Anthony district was \$344,000 and the feet of lumber sawed 35,209,000.²⁵

During the year 1861, 51,394,044 feet of logs were scaled in the first district and 41,196,484 in the second giving a total of 92,590,528. The lumber manufactured in the first district in 1861 was estimated at 30,000,000 feet, for the second district was reported as 29,950,000 and the third district (below the mouth of the St. Croix on the Mississippi) was estimated at

24. Census of 1860, Volume on Manufactures, p. 284.

25. Second Annual Report, Commissioner of Statistics Wheelock, 1862, p. 80.

10,000,000 feet, a total of 69,950,000 feet.²⁶

The United States census for 1870 reported that there were 207 establishments engaged in sawing lumber in Minnesota. These used 114 steam engines of 4,539 horsepower, and 119 water wheels of 3,831 horse power. A total of 2,952 hands were employed. The invested capital was \$3,311,140, the annual wages paid \$880,028, the cost of materials \$2,193,965, and the value of the product \$4,299,162.²⁷ There were 13 planing mills, employing 58 men. The capital invested in these was \$143,400 and the total output was valued at \$239,642.²⁸

In 1873, 156,051,352 feet of logs were floated down the upper St. Croix, that being the total output of the first district for that year. The output of the second district was 197,743,150 feet. of which 161,880,670 feet were scaled at Minneapolis. In the Duluth lumber district 6,147,988 feet were scaled.²⁹

The amount of logs cut on the St. Croix and its tributaries for each year from 1837 through 1873 was reported by Folsom (a contemporary throughout almost

26. Ibid., pp. 81-82.

27. Volume on manufactures, p. 536. (Entitled "Industry and Wealth") In 1869 Charles Carleton Coffin stated that there were 14 saw mills in Minneapolis and that "the sound of the saw and the hammer, and the click of the mason's trowel and sledge" were heard from morning till night. The Seat of Empire, pub. 1870, p. 21 and p. 23.

28. Volume on Manufactures, Census of 1870, p. 536.

29. 5th. Annual Report, Commissioner of Statistics, Ex. Docs., 1873, Vol. I, p. 515.

the whole period) as follows:

<u>Year</u>	<u>Annual cut in feet.</u>
1837 - 38	500,000
1835 - 39	700,000
1840	1,500,000
1841	2,500,000
1842	3,000,000
1843	3,500,000
1844	8,500,000
1855	14,000,000
1846	25,500,000
1847	26,000,000
1848	27,000,000
1849	50,000,000
1850	75,000,000
1851	107,000,000
1852	110,000,000
1853	120,000,000
1854	125,000,000
1855	130,000,000
1856	135,000,000

1857	140,000,000
1858	142,000,000
1859	145,000,000
1860	150,000,000
1861	140,000,000
1862	175,000,000
1863	150,000,000
1864	140,000,000
1865	130,000,000
1866	145,000,000
1867	128,000,000
1868	145,000,000
1869	150,000,000
1870	165,000,000
1871	170,000,000
1872	181,000,000
1873	160,000,000 ³⁰

Durant gives a somewhat different list for the years 1840-1864. His table of logs scaled through the St. Croix boom is as follows for the period 1840-1864:

30. History of Lumbering in the St. Croix Valley, Minn. Hist. Soc. Coll., Vol.9, pp. 321-322.

<u>Year</u>	<u>Feet</u>
1840	5,000,000
1841	8,000,000
1842	9,000,000
1843	10,000,000
1844	15,000,000
1845	20,000,000
1846	40,000,000
1847	60,000,000
1848	62,000,000
1849	75,000,000
1850	90,000,000
1851	100,000,000
1852	110,000,000
1853	120,000,000
1854	125,000,000
1855	130,000,000
1856	135,000,000
1857	140,000,000
1858	142,000,000
1859	145,000,000

1860	150,000,000
1861	140,000,000
1862	20,000,000
1863	20,000,000 31

It will be noted that Durant's figures are much larger than Folsom's up to and including 1850. For 1851 Durant gives 100,000,000 and Folsom 107,000,000. From 1852 to and including 1861 their figures are identical. For 1862 and 1863 Durant gives 20,000,000 each, while Folsom gives 175,000,000 for 1862 and 150,000,000 for 1863. Before 1856 the figures are not official, being obtained from persons operating the mills in Minnesota and from manufacturers' tables for the down-river towns. Folsom was in closer touch with lumbering in the early days than was Durant. It would seem that the former's figures are the more reliable for the period before 1852. Beginning with 1856 the reports of the surveyors-general of logs form a basis for determining total output. It is difficult to account for so great a discrepancy in the figures of the two tables for the years 1862 and 1863

31. Lumbering and Steamboating on the St. Croix., Minn. Hist. Soc. Coll., Vol.10, Part 2, p. 674.

In 1863 the logs officially scaled in the Stillwater district were reported as 28,013,746 feet, and in the second or St. Anthony district 21,634,700 feet were scaled.³² One factor that would partly account for the difference was the low water in the streams in 1862 and 1863. Said the chief executive of the state, "The same extraordinary cause (low water) has operated injuriously upon the lumber industry of the State. Seventy-five millions feet of logs cut during the winter of 1862 and 1863, are estimated to be lying in the shrunken streams that traverse our northern forests, wa awaiting the long delayed rise of water to float them to their destination."³³ This was much more serious in 1863 than in 1862. And it would hardly have affected the log output in 1862 and 1863 as much as in the next one or two seasons succeeding. On the whole, Folsom's figures are the more reliable indication of the St. Croix log output. The difference of 1,000,000 feet in the two figures for 1872 is probably caused by the variation in computation. It is not material. Both tables are approximate and not absolute. The general agreement of Durant and Folsom

32. Governor Swift's Message, Jan. 11, 1864. Ex. Docs., 1863,

p. 4.

33. Ibid.

after the year 1851, except as noted for 1862 and 1863, tends to show that the latter's figures are a fairly good indication of the annual log output of the St. Croix Valley.

The annual log production of the upper Mississippi or St. Anthony district is given by Stanohfield as follows:

<u>Year</u>	<u>Feet</u>
1848	2,000,000
1849	3,500,000
1850	6,500,000
1851	8,830,000
1852	11,600,000
1853	23,610,000
1854	32,944,000
1855	36,228,314
1856	41,230,000
1857	44,434,147
1858	42,117,000
1859	29,382,000
1860	45,000,000

1861	41,196,484
1862	40,000,000
1863	21,634,700
1865	108,328,278
1866	72,805,100
1867	113,867,502
1868	116,889,558
1869	146,782,530
1870	121,438,640
1871	117,206,590
1872	179,722,250
1873	197,743,150 ³⁴

These figures are taken directly from the reports of the surveyors-general after 1855 and are conservative and reasonably correct. They were summed up to show the production by periods as follows:

<u>Period</u>	<u>Feet</u>
1848 - 1850, three years	12,000,000
1851 - 1860, ten years	315,375,461
1861 - 1870, ten years	817,840,410
1871 - 1880, ten years	1,813,475,027 ³⁵

34. History of Lumbering on the Upper Mississippi, Minn. Hist. Soc. Coll., Vol.9, p.361.
 35. Ibid.

From the beginning, and lasting probably until 1865, the merchants of the state who outfitted the lumbermen were accustomed generally to take logs in payment. This was due to the lack of money in the country. It was said, "Nearly all the money that come into the country consisted of government annuities paid to the Indians . It passed into the hands of the Indian traders, who had it all promised before the government made the payment. My store, built and stocked with goods in 1849, was the largest then in St. Anthony, and I had no Indian trade to pay for the goods sold. I had to take logs as payment and ran them to the lower markets, as did Borup and Oakes, to get money to purchase goods. It required one year to get cash returns for goods after they were delivered, and sometimes two years."³⁶

The first frame house in Minnesota was built by David Hone at Point Douglas in 1843.³⁷ Beginning in 1849 frame houses commenced to be built in St. Paul, and from that time onward were more and more built in the settled localities. The presence of the great, treeless prairies in southern, southwestern and western

36. Ibid., p. 341. Supra p.37.

37. Folsom, History of Lumbering in the St. Croix Valley, Minn. Hist. Soc. Coll., Vol.9, p. 306.

Minnesota did much to create a strong and steady demand for lumber, in addition to the building material needed in rapidly growing towns and villages. The log house, however, continued to be the standard dwelling on the outskirts of civilization in the timbered districts, and has remained so even to this day.

In the winter of 1856-57 a small saw mill was erected by the townsite proprietors at Duluth. It was not a paying enterprise and was abandoned after a year or two. In 1855, Wheeler, Ely and associates built a mill at Oneota, adding a planer and lath and shingle attachments in 1857. "These two mills were kept in operation intermittently in sawing the pine on lands in the immediate vicinity until about the year 1866, when they ceased running because of the total lack of any demand or market for lumber." 20,000 to 30,000 feet a day was their capacity, and they did not average more than half this. When running steadily each mill employed from six to ten men.³⁸

The completion of the Lake Superior and Mississippi railroad to Duluth in 1870 caused a renewal of lumbering

38. Carey, History of Duluth and St. Louis County to 1870, Minn. Hist. Soc. Coll., Vol. 9, pp. 262-263.

operations at the head of the lakes. In 1873, a land district having been formed for the region at the head of Lake Superior, 3,542,138 feet of logs were scaled at Duluth. 736,900 feet were scaled at Oneota, 221,730 feet at Fond du Lac and 1,647,220 feet at Thomson, a total of 6,147,988 feet.³⁹ In 1870 a mill was built at Carlton, and in 1873 A. M. Miller erected a mill at Thomson. The first mill at Cloquet was not built until 1878.⁴⁰

In 1851 it was stated that two hundred dollars would build a comfortable house.⁴¹ At about the same time pine boards sold at \$10 to \$15 per thousand feet in St. Paul, bricks were scarce at \$6.50 per M. in the kiln, and day labor was worth \$1.00 to \$1.50 per day.⁴² Mechanics wages averaged \$1.50 to \$2.00 per day in May, 1852, and first class workmen received more.⁴³ Shortly after, common boards sold at St. Paul for \$12 per thousand feet.⁴⁴ Stock iron, round, square, ^{or} flat bar was worth 4½ to 9 cents per pound, according to size and grade. Sheet iron sold for 5 to 7½ cents per pound, rough steel at 9 cents per pound, American blister steel at 10 cents,

39. 5th. Annual Report Commissioner of Statistics of Minnesota, Ex. Docs., 1873, Vol. I, p. 516.
 40. Folsom, History of Lumbering in the St. Croix Valley, Minn. Hist. Soc. Coll., Vol. 9, p. 312.
 41. Minnesota Pioneer, Dec. 11, 1851.
 42. Ibid., Oct. 2, 1851.
 43. Ibid., May 13, 1852.
 44. Ibid., July 1, 1852.

nails, 3p. 10 cents a pound or \$9.50 keg, 4 p. 7 cents lb. or \$6.75 keg, 8p. $5\frac{1}{2}$ cents lb. or \$5.25 keg, 10 to 60 p. 5 cents lb. or \$4.50 keg. Cut spikes were 7 cents lb. or \$6.75 keg and wrought spikes 10 cents lb. or \$9.50 keg.⁴⁵ Masons' wages were from \$2.00 to \$2.50 per day, lathing and plastering being worth 35 cents per yard for the labor. Brick furnished laid in the wall cost \$10 per M. Lime, most of it from Galena, Dubuque and Prairies du Chien but a little made at St. Paul and up the Minnesota river, was worth \$1.20 per barrel on the levee in St. Paul. Sand cost 50 cents to 75 cents per load and a team and driver \$3.50 per day. There was little cash pay of any kind, payment being made in store-orders. A better use of cash than to pay bills was to loan it or invest it in a stock of goods.⁴⁶

A year later the price of lumber had been reduced slightly. Common boards cost \$8 to \$12 per thousand feet; dimension stuff, the same; flooring, \$14 per M.; siding, \$15; seasoned lumber \$15 to \$20. Shingles were \$2.50 to \$3 per thousand and lath \$2 per

45. Ibid., Advertisement, June 17, 1852. Retail prices.

46. Ibid., July 15, 1852.

thousand feet.⁴⁷ In 1854 common boards were worth \$10 to \$14 per thousand feet; dimension stuff \$14 to \$16; flooring \$16; siding \$16; seasoned lumber \$20 to \$25; shingles \$2 to \$3.50 per thousand; lath \$2 per thousand feet; and lime, \$1.50 to \$2.00 per bbl.⁴⁸ Building was brisk in St. Paul in 1855 and the mechanics found it difficult work to turn out the buildings fast enough to afford shelter for all the people.⁴⁹ The prices of building material remained relatively firm and advanced slightly.

1856 found immigration into the territory continuing. The rate of inflow was high and building went on energetically. The best grade of lumber was worth \$30 per thousand feet and common boards \$20 per M. in October, 1856.⁵⁰ In 1857 common inch lumber sold for \$20 per thousand feet, clear stuff \$30, siding \$28, hardwood lumber \$25, lath \$3 per thousand feet and shingles \$6. Lime was quoted at \$1.25 to \$1.75 per bbl. These prices prevailed before the panic.⁵¹ A year later common boards were worth \$14 per thousand feet, flooring \$25 to \$30, siding \$25 to \$28, shingles \$5.50 to \$6.00, lath \$3 to \$3.10, dimension stuff \$15 per thousand feet and clear

47. Ibid., Aug. 18, 1853.

48. Ibid., June 3, 1854.

49. Williams, Hist. of St. Paul, pub. 1876, p. 359.

50. Andrews, Minnesota and Dacotah, pub. 1857, p. 87.

51. Minn. Daily Pioneer and Democrat, Jan. 1, 1857.

boards \$14 to \$15.⁵²

In 1859 common inch boards sold for \$10 to \$14 per thousand feet, clear stuff \$30 to \$35, flooring \$20 to \$25, siding the same, shingles \$2.50 to \$5 per thousand according to quality. Lime was worth \$1 to \$2.50 per bbl. Cut nails, numbers 8 and 10, sold for \$4.50 per keg of 100lbs. and wrought nails brought \$12.50 for the same quantity.⁵³ July of the same year found common boards and clear stuff at the same price level as in January. Siding was reduced to \$16 to \$20 per M. and flooring to \$18 to \$22. Hardwood there was none. Lath were worth \$1.50 to \$1.75 a thousand feet, shingles \$2.25 to \$4, lime \$1.75 per bbl., cut nails \$4.25 and wrought nails \$10 per keg.⁵⁴

Prices in general touched their lowest ebb in April, 1860.⁵⁵ But the prices of lumber were almost identically those that were current in the summer of 1859.⁵⁶ This would tend to show that these figures were the normal prices at which lumber sold, about as low as they could go and still provide sufficient supply for building purposes and about as high as people in the straitened circumstances of the time could afford to pay and continue

52. Daily Minnesotian, Jan. 1, 1858.

53. Minn. Daily Pioneer and Democrat, Jan. 6, 1859.

54. Ibid., July 30, 1859.

55. Williams, Hist. of St. Paul, pub. 1876, p.394. Citing Daily Minnesotian of June 2, 1860, to the effect that houses in St. Paul which rented for \$18 or \$20 a month in 1856 or 1857 then brought only \$5 or \$6 per month.

56. Minn. Daily Pioneer and Democrat, Jan. 1, 1860.

to erect dwellings and stores. In January, 1861, lumber was quoted at the same figures, \$10 to \$12 for common inch, \$22 to \$25 for clear stuff, \$16 to \$20 for siding, \$18 to \$25 for flooring, lath \$1.50 and shingles \$2.25 to \$4.⁵⁷

September 30th, 1862, found lumber prices slightly lower. Common inch boards were \$8 to \$12.50 per thousand feet, clear stuff \$20 to \$25, siding \$16 to \$20, flooring \$16 to \$20, lath \$1.50 and shingles \$2.25 to \$3 per thousand, according to quality.⁵⁸ These same prices were quoted in January, 1863, Port Byron lime being worth \$1.50 per bbl. and Alton lime \$1.25 per bbl. at that time.⁵⁹ One year later quotations for clear stuff, siding and flooring were the same. Common inch lumber sold for \$8 to \$15 per thousand feet, lath \$2, shingles \$3 to \$4, Shakopee lime \$1.25, Port Byron and Alton lime \$3, per bbl.⁶⁰

By the summer of 1866 lumber prices had risen. Common boards were worth \$14 to \$16 per thousand feet, sheathing \$12, rough flooring \$22 to \$32 and dressed \$27 to \$37, siding \$22 to \$27, clear stuff \$35 to \$50 according to quality and thickness, and shingles were quoted at \$3 to \$6. Lath

57. Ibid., Jan. 1, 1861.

58. Ibid., Sept. 30, 1862.

59. St. Paul Daily Pioneer, Jan. 4, 1863.

60. The State Atlas, Minneapolis, Jan. 6, 1864.

were \$2.50 per M. and pickets \$16.⁶¹ In 1867 prices were about the same, common boards selling for \$15 and clear siding dressed for \$30. Transportation costs between Minneapolis and St. Paul accounted for most of this variation.⁶²

In 1868 prices were firm and had risen slightly. Common boards sold for \$15 to \$17 per thousand feet, fencing \$16 to \$18, sheathing \$12, flooring \$25 to \$35, siding \$22 to \$27, clear stuff \$35 to \$50, dimension lumber \$17 to \$21, and shingles \$2 to \$5.⁶³ Sash were 60 cents to \$1.75, doors \$3.50 to \$5, and blinds 50 to 60 cents per foot.⁶⁴ For 1869 lumber was stated to be worth \$12 to \$45 per thousand feet, according to quality, and shingles \$3.50 to \$4.50. The wages of carpenters, masons and mechanics were \$2 to \$4.50 per day.⁶⁵

This price range continued throughout the early seventies, maintaining itself firmly in 1870 and 1871, rising noticeably in 1872 and lowering somewhat in 1873, particularly after the Jay Cooke failure in the late summer. In January, 1870, common boards were \$15 per thousand feet, sheathing \$12, fencing \$15 to \$16, flooring \$19 to \$32, siding \$18 to \$26, clear stuff \$35 to \$55,

61. Minneapolis Chronicle, June 16, 1866.

62. St. Paul Daily Pioneer, Oct. 2, 1867.

63. Minneapolis Tribune, Jan. 22, 1868.

64. Ibid., Jan. 7, 1868.

65. Charles Carleton Coffin, *The Seat of Empire*, 1870, pp. 198-199.

shingles \$2 to \$5 per M., lath \$2 to \$2.50, and pickets \$12 to \$14.⁶⁶ A year later common boards and fencing were quoted at \$12 to \$15, siding \$17 to \$23, flooring \$20 to \$28, sheathing \$12, clear stuff \$25 to \$45, lath \$2, shingles \$2 to \$4, and pickets \$12 to \$14. Assorted 2x4, 2x6 and 2x8 dimension was worth \$25 per thousand feet.⁶⁷

The season of 1872 saw much building within the state.

This was particularly true of St. Paul, it being reported that 932 buildings to the value of \$2,346,487 were built.⁶⁸

Common boards were quoted at \$17, fencing \$17 to \$18, dimension \$25, siding \$19 to \$26, flooring \$25 to \$38, clear stuff \$30 to \$50, shingles \$2 to \$5, lath \$2.50, and pickets \$14 to \$16.⁶⁹ In 1873 common boards sold for \$14, ordinary dimension \$14 to \$19, dimension 34 feet long or over \$26 to \$36, fencing \$13 to \$16, siding \$20 to \$26, flooring \$25 to \$36, clear stuff \$35 to \$55, shingles \$3.25 to \$4, lath \$2.50, and pickets \$13 to \$15.⁷⁰

In all these cases the lumber prices are based on the usual unit of a thousand board feet.

66. Minneapolis Tribune, Jan. 29, 1870.

67. Ibid., Jan. 12, 1871.

68. Williams, Hist. of St. Paul, p. 444.

69. St. Paul Daily Pioneer, Aug. 28, 1872.

70. Minneapolis Tribune, May 2, 1873.

CHAPTER VIII.

AGRICULTURE.

While the fur trade and lumbering were the first magnets which drew explorers and immigrants to Minnesota, it was agriculture that caused the great inflow of settlers in the late '50s and in the '60s and provided a solid and firm foundation for the development of civilization in the Northwest and in Minnesota particularly. The first farmers provided food for the lumbermen. The former, in turn, as they grew in numbers and began to export wheat to outside markets, provided an ever-increasing home market for lumber and lessened the dependence of lumbermen on distant markets. Thus did the two great early productive industries, perhaps unwillingly but none the less effectively, co-operate on a broad scale for mutual good. And when the milling industry began to develop, as it did very soon after quantities of wheat began to be raised, a third factor entered the economic situation. A great home market for agricultural products and the export of flour in place of

wheat began to be developed. It was not, however, until the invention of the Middlings purifier and the adoption of the Hungarian successive reduction process of milling, that Minnesota flour came to be first in the markets of the country and flour milling a first rank industry of the state.

Governor Ramsey early perceived and called attention to the importance of agriculture in the economy of Minnesota. ⁽¹⁾ He continued to emphasize this fact to the legislature. In his second message he stated that agriculture was the "muscle and sinew" of the territory's power. "Until we become essentially an agricultural community," he said, "we shall never be an opulent and prosperous one; and experience has demonstrated that beyond all doubt we can produce from the soil, in its natural state, in every part of Minnesota in which the test has been made, wheat, oats, potatoes and corn, in quality equal to that produced in any of the States of the Union, and in quantity that astonishes even those who have been familiar with the fertile bottom lands of Indiana and Illinois." ⁽²⁾ It was recognized that the soil of the territory, almost

(1) First Message, Council Journal, 1849, p. 17. House Journal, p. 17.

(2) Message of January 7, 1851. Council Journal, 1851, p. 15, House Journal, p. 19.

(3)
wholly glacial, was remarkably fertile.

The agricultural products of Minnesota for 1850 were as follows:

<u>Kind of grain</u>	<u>Bushels produced</u>
Wheat - - - - -	1,401
Rye - - - - -	125
Indian corn - - - - -	16,725
Oats - - - - -	30,582 (4)

The distribution illustrates the fact that there were just two main farming settlements: on the delta in Washington county and at Little Canada in Ramsey. Of the wheat, 551 bushels were raised in Washington county and 390 in Ramsey. Wheat-raising was somewhat scattered, but no other county raised over 200 bushels. 11,830 bushels of the corn came from Washington county, Ramsey raising 1,615, Wabashaw 1,855, and Wahnahta 1,115. Washington county raised 23, 262 bushels of oats and Ramsey 8,260. (5) The statistics of farms and farm products are comparatively incomplete, for it was in 1840 that the United States first began to collect agricultural statistics. (6)

The value of farming implements and machinery was

- (3) For detailed consideration of the soil, climate and productive capacity of the territory, Wheelock, First Annual Report as Com. of Statistics, for year ending Jan. 1, 1860, pp. 69-80.
General description of the soil as part of the Mississippi Valley, Shaler, The United States, Vol. 1, pp. 127-135.
- (4) Census of 1850, p. 1007.
- (5) Ibid.
- (6) Holmes, Progress of Agriculture in the United States, Yearbook Dept. of Agriculture, 1899, p. 321.

\$15,981 in 1850. ⁽⁷⁾ Farming methods in general were still primitive: plowing with oxen and the iron plow, sowing by hand, dragging with the square or oblong Roman harrow (a frame with inserted straight teeth), harvesting with the cradle, and threshing by means of the treading of oxen on a threshing floor. It is possible, however, that in Washington and Ramsey counties at least, the reaper was beginning to appear and perhaps also the Pitts thresher propelled by horsepower. McCormick was working on his reaper in 1831, Hussey received the first patent on such a device in 1833, and McCormick first patented his invention in 1834. The country in general heard very little of the machines until 1845, when 150 of them were built in Cincinnati, 300 having been built by the end of the year 1846. The machines had a heavy draft and were very imperfect. But they did improve the old method of using the cradle. ⁽⁸⁾ The first patent on a combined thresher and separator was given to Pitts Brothers in 1837. ⁽⁹⁾ But it is doubtful that there was any of this improved farm machinery in the territory before 1855. The first national trial of the reapers occurred in Ohio in 1853. A local trial was held in New York in 1848, "but the large

(7) Census of 1850, p. 1006.

(8) Holmes, Progress of Agriculture in the U. S., Yearbook Dept. of Agriculture, 1899, p. 318.

(9) Fowler, Agricultural Machinery and Implements. In Depew, One Hundred Years of American Commerce, Vol. 3, p. 355.

body of farmers who had witnessed it were not prepared to admit that the work of the machines was good enough to be tolerated in comparison with the hand-scythe."⁽¹⁰⁾ The machines had a heavy side draught, they could not turn readily, and they needed much improvement to be practical.

In September, 1851, the adaptation of Minnesota to wheat raising was considered to be a demonstrated fact by the editor of the Minnesota Pioneer. He looked "confidently forward to a time not very far distant, when we shall not only make our own flour, but make large exports."⁽¹¹⁾ A field of winter wheat, raised by Benj. Gervais at Little Canada, four miles north of St. Paul, matured splendidly and when harvested was in excellent condition.⁽¹²⁾ A field of oats at Point Douglas yielded 67 bushels to the acre in 1851, and from three to five bushels were lost because the grain was threshed by treading with cattle.⁽¹³⁾ The corn crop of Benton county was good in 1851, 1000 bushels of excellent quality, according to Judge Mecker, being raised.⁽¹⁴⁾ The first crop of spring wheat in Benton county was raised near Sauk Rapids in 1851 and yielded 25 bushels to the acre.⁽¹⁵⁾ The field, however, was only eight acres in extent. A

(10) Flint, A Hundred Years' Progress, Report of Dept. of Agriculture, 1872, p. 287.

(11) Sept. 18, 1851.

(12) Minn. Pioneer, Aug. 28, 1851.

(13) Ibid., Oct. 16, 1851.

(14) Ibid., Dec. 4, 1851. Correspondence from J. W. Bond, Nov. 24, 1851.

(15) Ibid., Dec. 11, 1851.

little buckwheat was grown in the territory, for buckwheat flour began to be milled in St. Paul late in 1851. ⁽¹⁶⁾ In the very early fifties Larpeuteur of St. Paul owned one of the best farms near that place. 600 bushels of spring wheat were raised upon it in 1851. ⁽¹⁷⁾ The expense of making a start in agriculture was given as follows in 1851: two hundred dollars, purchase price of 160 acres of land; two hundred more, cost of a comfortable house; wagon and yoke of oxen, one hundred dollars; and fifty dollars more as the cost of putting a good-sized field in cultivation. Total, ⁽¹⁸⁾ \$550.

During 1852 St. Paul and Stillwater continued to obtain much of their grain and vegetables from the delta district. ⁽¹⁹⁾ The crops during that year suffered from drouth, particularly potatoes and oats. ⁽²⁰⁾ But there was a good demand for every sort of produce. "There is no other country in the world of equal agricultural resources and capabilities," said Editor Goodhue, "with such a cash market at home as ours." ⁽²¹⁾ This was even more true above the falls of St. Anthony, for in that section of the territory the farmers possessed a local monopoly. "The farmers above St. Anthony

- {16} Ibid., Nov. 27, 1851.
- {17} Ibid., June 10, 1852.
- {18} Ibid., Dec. 11, 1851.
- {19} Ibid., April 8, 1852.
- {20} Ibid., July 15, 1852.
- {21} Ibid., June 10, 1852.

are getting rich. It is rather immaterial to them, whether they raise much or little. The Falls are a pretty good barrier to imported grain, and the farmers up there, realize about the same profits in either event."⁽²²⁾ A meeting to initiate the Ramsey County Agricultural Society was held on April 10, 1853, being the first effort in the direction of improved agriculture within the territory of Minnesota.⁽²³⁾

The close relation of agriculture to transportation and the dependence of profits in the former upon the extent of the facilities furnished by the latter was early brought to the attention of the people of the territory. Governor Ramsey said, "The surplus of the West is agricultural; and every one knows that the greatest profit or loss is not made or sustained in the mere production of this surplus, but in the carrying and exchange trades arising from it."⁽²⁴⁾

In 1852 the Minnesota valley had been opened up to actual settlement and the season of 1853 saw considerable grain raised in that section. The counties along the Mississippi from Ramsey south had begun to be settled in earnest back from the river. Goodhue, Wabasha and Rice counties were created in 1853 and all of the older Minnesota valley

(22) Ibid., Sept. 9, 1853.

(23) Ibid., April 8, 1853.

(24) Message of Jan. 26, 1853.

House Journal, 1853, p. 70.
Council Journal, p. 31.

counties (Carver, Scott, Sibley, LeSueur, Blue Earth, Brown) were organized from 1853 to 1855. ⁽²⁵⁾ The main agricultural settlements that began raising grain in 1853 were those on the Cannon river, in the Minnesota valley, and in Hennepin county, particularly at Lake Minnetonka. ⁽²⁶⁾ At least double the number of acres were tilled in 1853 that were cultivated in 1852 and the crop was good throughout the settlements. ⁽²⁷⁾

It was not, however, until well along in the season of 1853 that the Sioux Indians were finally removed from the occupancy of the territory in southern Minnesota west of the Mississippi river. The history of Minnesota as an agricultural territory and state properly begins in 1854. ⁽²⁸⁾ For 1854 Wheelock estimated that 15,000 acres of land were tilled, giving a product of 7,000 bushels of wheat, 83,600 bushels of corn and 153,000 bushels of oats. He stated that all the tilled land in the territory was still east of the Mississippi river. Unless this applies to conditions in the beginning of the year it is probably considerably in error. It is certain that wheat was raised in the Minnesota valley before 1854 and probably in other localities just west of the Mississippi. ⁽²⁹⁾ For the season of 1854 it was estimated

(25) Hudson, A Half Century of Minnesota, pp. 22-23.

(26) Minn. Pioneer, June 8, 1853.

(27) Ibid., July 28, 1853.

(28) Wheelock, First Annual Report as Com. of Statistics, Year Ending Jan. 1, 1860, p. 101.

(29) Supra, p. 99-101.

by the editor of the Minnesota Pioneer that over 200,000 bushels of wheat were raised in Minnesota. ⁽³⁰⁾ Unless this includes some other varieties of grain, it was probably somewhat exaggerated. Grasshoppers first visited central or southern Minnesota in 1854, when they were present in great numbers near White Bear lake and from there for twenty miles towards St. Cloud. ⁽³¹⁾ We have already noted that wheat was exported down-river from the Point Douglas country in 1854. ⁽³²⁾ James J. Hill placed the date of the beginning of grain exportation at 1857, ⁽³³⁾ while Williams, in his History of St. Paul, stated that grain was exported from Minnesota for the first time in 1859. ⁽³⁴⁾ The facts, with regard to these different views, would seem to be these: beginning in 1854 small quantities of grain were shipped down the Mississippi from Minnesota, but the shipments were few and far between; beginning in 1857 wheat and other grain was exported in considerable quantities from the river towns, Winona, Red Wing and Hastings, but little or none above the east names point; in 1859 wheat began to be exported from St. Paul and shipments became large and frequent from most of the Minnesota points located on the Mississippi. ⁽³⁵⁾

{30} Minn. Daily Pioneer, Nov. 18, 1854.

{31} Lamphere, History of Wheat Raising in the Red River Valley, Minn. Hist. Soc. Coll., Vol. 10, part 1, pp. 7-8.

{32} Supra, p. 111.

{33} History of Agriculture in Minn., Minn. Hist. Soc. Coll., Vol. 8, p. 276.

{34} P. 391.

{35} First Annual Report, Com. of Statistics Pusey, 1869. Ex. Docs., 1869, p. 786. It was there said, "The serious work of developing the unreckoned wealth latent in the generous soil began earnestly in 1859."

In 1855 improved machinery began to be used in
 (36) farming. But most farmers still clung to old methods and
 it was not for several years that the use of machinery be-
 came at all general. The first agricultural fair had been
 held at Minneapolis, under the auspices of the farmers of
 Hennepin county, in the fall of 1854. (37)

From 1855 to 1860 the area cultivated increased
 rapidly, even doubling from year to year. The grain country
 was particularly southeastern Minnesota and Scott, Carver and
 Le Sueur counties along the Minnesota. "If any district is
 entitled to the distinction of being the best wheat district
 of the state, it should perhaps be awarded to the southeast-
 ern counties of the state, located on the lime-stone forma-
 tion, and including the southern portions of Washington, a
 corner of Ramsey, and the trap soils of Chicago." (38)

For 1859 it was reported that the whole number of
 acres under cultivation in Minnesota was 464,000, the number
 of farms 21,533 and the average number of acres tilled in
 each farm 21½. The number of bushels of wheat harvested was
 3,435,950; corn 3,476,950; oats 3,309,480 and potatoes about
 2,000,000. (39) 369,625 bushels of wheat were exported, 164,500
 bushels of oats, 41,376 bushels of corn and 10,000 bushels

- (36) Emerson, Rise and Progress of Minnesota Territory, Pub.,
 1855, pp. 14 and 41. For description and illustration
 of the various machines in use in the United States in
 1854 see Thomas, Farm Implements, pub. 1854, pp. 130-150.
 (37) Gov. Gorman's Message, Council Journal, 1855, p. 41.
 (38) Wheelock, First Annual Report, p. 91.
 (39) Ibid., p. 89.

(40) of barley. The harvest of 1859 was very abundant. It was the first great wheat year in counties as far west and south as Waseca. (41) The average yield was twenty bushels per acre. The year was the first in which Scotch Fife wheat was raised generally. It was the first really great wheat year for Minnesota as a whole. In 1860 agricultural products were as follows:

<u>Kind</u>	<u>No. bushels produced</u>
Corn - - - - -	3,941,952
Potatoes - - - - -	2,565,485
Wheat - - - - -	2,186,993
Oats - - - - -	2,176,002
Rye - - - - -	121,411
Peas and beans - - - - -	18,988(42)

There were 2,711,968 acres of land in farms, of which 556,250 acres were improved. The most important wheat-raising counties were as follows:

<u>County</u>	<u>Bushels produced.</u>
Fillmore - - - - -	391,350
Olmstead - - - - -	232,489
Dakota - - - - -	173,652
Winona - - - - -	166,950
Goodhue - - - - -	152,348
Hennepin p- - - - -	135,715
Rice - - - - -	130,433
Wabashaw - - - - -	114,227
Houston - - - - -	108,518
Washington - - - - -	76,264

(40) Ibid., p.108.

(41) Child, History of Waseca County, p.104.

(42) Census of 1860, Agriculture, p.81.

Dodge - - - - -	74,757
Stearns - - - - -	55,801
Scott - - - - -	48,797
Wright - - - - -	37,683
LeSueur - - - - -	34,701
Mower - - - - -	31,476
Carver - - - - -	28,137
Steele - - - - -	28,131
Nicollet - - - - -	23,434
Blue Earth - - - - -	21,513
Waseca - - - - -	16,648
Freeborn - - - - -	16,001
Sibley - - - - -	15,014

The chief corn-producing counties were as follows:

<u>County</u>	Bushels produced
Fillmore - - - - -	433,895
Hennepin - - - - -	222,684
Olmstead - - - - -	206,991
Rice - - - - -	168,092
LeSueur - - - - -	162,511
Winona - - - - -	161,115
Wabashaw - - - - -	144,533
Dakota - - - - -	143,842
Houston - - - - -	143,825
Goodhue - - - - -	124,686
Washington - - - - -	99,334
Scott - - - - -	88,789
Carver - - - - -	78,072
Blue Earth - - - - -	72,070
Dodge - - - - -	66,678
Freeborn - - - - -	61,965
Wright - - - - -	58,546
Steele - - - - -	54,043
Nicollet - - - - -	53,197
Sibley - - - - -	49,180
Mower - - - - -	47,182
Waseca - - - - -	42,579
Stearns - - - - -	41,880

<u>County</u>	<u>Bushels produced</u>
Anoka - - - - -	40,441
Brown - - - - -	29,332
Ramsey - - - - -	29,271

The largest oats-producing counties in their order of rank were:

<u>County</u>	<u>Bushels produced</u>
Fillmore - - - - -	295,000
Dakota - - - - -	270,211
Olmstead - - - - -	222,393
Winona - - - - -	145,830
Washington - - - - -	143,468
Hennepin - - - - -	136,696
Rice - - - - -	125,545
Wabashaw - - - - -	110,550
Goodhue - - - - -	104,509
Houston - - - - -	63,553
Scott - - - - -	57,352
Dodge - - - - -	51,311
LeSueur - - - - -	51,096
Nicollet - - - - -	49,726
Stearns - - - - -	49,369
Ramsey - - - - -	43,054
Wright - - - - -	30,339
Steele - - - - -	30,084
Blue Earth - - - - -	22,838
Mower - - - - -	21,792
Carver - - - - -	16,669
Sibley - - - - -	16,660
Chicago - - - - -	13,115 (43)

The total value of farm implements and machinery within the state was \$1,018,183, distributed among principal grain producing counties as follows:

(43) Ibid.

<u>County</u>	<u>Value of implements</u>
Hennepin - - - - -	\$90,599
• Wabashaw- - - - -	90,093
Dakota - - - - -	68,412
Rice - - - - -	59,971
Goodhue- - - - -	55,722
Winona - - - - -	53,744
Fillmore- - - - -	50,431
Olmstead - - - - -	45,551
Washington - - - - -	39,112
Houston- - - - -	37,358
Scott- - - - -	37,044
Dodge- - - - -	32,402
Le Sueur - - - - -	30,927
Nicollet - - - - -	30,719
Stearns- - - - -	29,900
Blue Earth - - - - -	28,684
Carver- - - - -	24,554
Ramsey - - - - -	21,879
Sibley - - - - -	20,508
Wright - - - - -	20,451
Steele - - - - -	19,595 (44)

The crops in 1860 were abundant, the yields being similar to those in 1859. ⁽⁴⁵⁾ The methods of hay - making at that time were as they had been for many years. The grass was mowed with scythes, spread and turned over for drying with pitchforks, raked into windrows with a hand rake, cocked with a pitchfork, and made into stacks or hauled into barns, using no tools but the pitchfork. If baled, a hand press was used. The entire time of human labor required to gather and bale a ton of hay was

{44} Ibid, p. 80.

{45} Child, History of Waseca County, p. 110.

35½ hours, and the cost of this labor \$3.06. (46)

The decade from 1860 to 1870 was a time of great agricultural development in Minnesota. The tilled area increased annually and the product even faster than the area cultivated. This was due to the general introduction of farm machinery and improvement in agricultural methods. While machinery was introduced as early as 1855, (47) it was used in a very limited way until the '30s. The machinery was crude and the older methods sufficed. There was no great need to use improved methods and consequently it was only those few who, as in every business, were by temperament inclined to experiment with new devices, who tried the use of machinery. The great mass of farmers continued in old paths. But the Civil War took from Minnesota a large proportion of her able-bodied men. If immigration had not held its own in spite of everything, it is more than likely that the population would have materially decreased. The large decrease in the amount of farm labor available, particularly in comparison with the increasing amount of improved lands, made it necessary to take energetic measures to relieve the difficulties of cultivation. The increasing

(46) Helmes, Progress of Agriculture in U.S., Yearbook Dept. of Agriculture, 1899, p. 333.

(47) Supra, p. 225.

production of farm machinery in the East, ⁽⁴⁸⁾ coupled with improvements in the reaper to lessen side draft and make it unnecessary to back up and attain speed before entering the grain field, with which the newcomers into Minnesota were undoubtedly somewhat familiar, inevitably resulted in the general introduction and use of farm machinery to overcome these difficulties. The grain drill, the improved reaper and the Pitts horse-power thresher increased the agricultural possibilities of Minnesota many-fold. And these possibilities very soon became actual results. 1862 may be named as the year in which the changed methods began in earnest and by 1866 they were general throughout the grain-raising sections of the state. The first advertisements of farm machinery for sale in St. Paul occur in April, 1864. ⁽⁴⁹⁾ McCormick reapers and mowers, threshing machines, heading machines, grain separators, cast-steel plows, Buckeye grain drills, patent broad-cast seeders, corn plows, cultivators and shovel plows, were among the machines offered.

The southern and southeastern Minnesota counties began exporting wheat in large quantities from the river

- (48) In 1847 McCormick moved to Chicago and began the manufacture of reapers in earnest. Fowler, Agr. Mach. and Implements; in Depew, One Hundred Years of American Commerce, Vol. 2, pp. 352-356. In 1857 there was a trial of reapers at Syracuse, N.Y., in which 16 out of 19 worked fairly well. In 1866, at Auburn, N.Y., 42 out of 44 machines in competition did satisfactory work. Holmes, Progress of Agriculture in the U.S., Yearbook of the Department of Agriculture, 1899, pp. 318-319.
- (49) St. Paul Daily Pioneer, April 20, 1864. Also, April 30, 1864.

towns in 1859. That same year, Minnesota valley farms began to raise more than enough wheat to supply their own and the needs of St. Paul. A few thousand bushels, about two-thirds of a barge load, raised in the vicinity of Le Sueur and St. Peter, were shipped to St. Paul and from thence to St. Louis by boat. (50) It was not until 1864 that the country as far north as St. Cloud began to raise more than enough wheat for home use. In that year about 375 bushels of the grain, in sacks, were shipped to St. Paul and thence south. (51)

The season of 1867 was one of the dampest in the history of the state. A great deal of water fell. The crop was rather light. (52) But in spite of this Minnesota was said to be the sixth state in the Union in the production of wheat, while her average per acre was exceeded by no other. (53) The wheat crop was about 16,000,000 bushels. The years 1868 and 1869 were years of great wheat crops within the state. (54) A little wheat began to be grown in the Red River Valley in these years. In 1868 a yield of 45 bushels per acre was reported. (55) Of agricultural methods at this time it was said that the farmers "now

(50) Hill, Hist. of Agriculture in Minn., Minn. Hist. Soc. Coll., Vol. 8, p. 276.

(51) Ibid., p. 279.

(52) Child, History of Waseca County, pp. 190-191.

(53) Holmes, Minn. in Three Centuries, Vol. 4, p. 29.

(54) Child, Hist. of Waseca County, pp. 209-211.

(55) Coffin, The Seat of Empire, 1870, p. 54.

wheat on the same field year after year, and return nothing to the ground. They even burn the straw, and there can be but one result coming from such a process, - exhaustion of the soil, - poor, worn-out farms by and by. The farmers of the West are cruel towards Mother Earth." (56) Extensive farming, and not intensive, prevailed. The general introduction of farm machinery multiplied the area of land cultivable by one man many - fold, but it did little to make farming more intensive. And the land was abundant; there was no need to spend labor and time on preserving its fertility. (57)

The general results of agriculture for 1868 were summed up by the commissioner of statistics of Minnesota as follows:

<u>Product</u>	<u>Acres Cultivated</u>	<u>Bushels produced</u>
Wheat - - - - -	858,316- - - - -	15,381,022
Oats - - - - -	212,064- - - - -	7,831,523
Corn - - - - -	129,909 - - - - -	4,849,936
Barley- - - - -	18,150 - - - - -	518,500
Rye - - - - -	2,713 - - - - -	52,100
Potatoes- - - - -	24,475 - - - - -	2,592,636
Buckwheat - - - - -	1,538 - - - - -	25,292
Beans - - - - -	1,027 - - - - -	13,371

Wheat averaged 18 bushels to the acre, oats 37, corn 37, barley 39, rye 19, potatoes 106, buckwheat 16 and beans

(56) Ibid., p. 191.

(57) "There was at this time (1870), still unclaimed 30,000,000 acres of Government lands. The land offices at Alexandria, Greenleaf, St. Paul, Jackson, St. Cloud, Taylor's Falls and Duluth were daily besieged by hundreds of applicants seeking their rights, under the Homestead Law and Pre-emption claims." Holmes, Minn. in Three Centuries, Vol. 4, p. 28.

- (58)
13. The comparative ratios of the total tilled area in each crop in 1860 and 1868 show the changes in the crops planted:

<u>Product</u>	<u>Ratio, per cent, 1860</u>	<u>Ratio, per cent, 1868</u>
Wheat - - - - -	53.38 - - - - -	61.86
Oats - - - - -	15.85 - - - - -	15.28
Corn - - - - -	20.34 - - - - -	9.36
Potatoes- - - - -	3.85 - - - - -	1.76
Barley - - - - -	2.09 - - - - -	1.30
Rye - - - - -	3.06 - - - - -	.19
Buckwheat- - - - -	.83 - - - - -	.11
Beans - - - - -	.15 - - - - -	.007 (59)

The bushels of all grains and potatoes raised per capita in 1860 were 85.4; in 1868, 82.2.
(60)

The federal census of 1870 returned the cereal product of Minnesota as follows, including potatoes and peas and beans:

<u>Product</u>	<u>Bushels produced</u>
Wheat - - - - -	-18,866,073
Oats - - - - -	-10,678,261
Corn - - - - -	4,743,117
Potatoes- - - - -	1,944,657
Barley - - - - -	1,032,024
Rye - - - - -	78,088
Buckwheat - - - - -	52,438
Peas and beans- - - - -	46,601 (61)

(62)

By referring to the similar table of these crops for 1860, it will be noticed that this decade marked the development

- (58) First Annual Report, Com. of Statistics, Ex. Docs., 1869, pp. 786-787.
 (59) Ibid., p. 787.
 (60) Ibid., p. 789.
 (61) Census of 1870. Industry and Wealth, pp. 180-182.
 (62) Supra, p. 226.

of the state as a great wheat-raising section. In 1860 more bushels of both corn and potatoes than of wheat were produced. In 1870 the great staples were wheat and oats, with the former nearly twice as great in product as the latter, and over double the latter in value. Wheat and oats led the field by a wide margin. Nothing could be more eloquent of the influence of machinery than a comparison of these two tables. And both wheat and oats lend themselves to extensive cultivation better than perhaps other crops: surely much better than corn or potatoes. The chief wheat-growing counties, in order of rank, were as follows in 1870:

<u>County</u>	<u>Bushels grown</u>
Olmsted - - - - -	2,117,054
Goodhue - - - - -	1,815,403
Fillmore - - - - -	1,687,424
Wabashaw - - - - -	1,476,643
Dakota - - - - -	1,435,361
Winona - - - - -	1,315,021
Blue Earth - - - - -	724,092
Mower - - - - -	673,017
Dodge - - - - -	634,741
Houston - - - - -	605,358
Faribault - - - - -	552,940
Freeborn - - - - -	537,358
Rice - - - - -	529,383
Washington - - - - -	444,311
Waseca - - - - -	400,058
Steele - - - - -	385,214

<u>County</u>	<u>Bushels grown</u>
Hennepin - - - - -	378,943
Scott - - - - -	362,106
Nicollet - - - - -	315,671
Stearns - - - - -	305,049
Farver - - - - -	298,355
Le Sueur - - - - -	246,987
Sibley - - - - -	237,706
Brown - - - - -	213,900
McLeod - - - - -	149,296
Meeker - - - - -	134,337
Wright - - - - -	133,859
Martin - - - - -	99,565
Monongalia - - - - -	77,154
Watonwan - - - - -	75,865
Douglas - - - - -	59,375
Ramsay - - - - -	53,883
Pope - - - - -	53,721
Renville - - - - -	43,289
Chicago - - - - -	32,620
Anoka - - - - -	27,393
Sherburne - - - - -	26,257 (63)

These latter figures are for spring wheat. 76,885 bushels of winter wheat were produced, of which Winona County grew 42,942 bushels, Houston 18,199 and Wabashaw 3,650. The remainder was widely scattered.

The principal oats-producing counties were the following:

<u>County</u>	<u>Bushels produced</u>
Olmsted - - - - -	996,364
Fillmore - - - - -	976,281
Goodhue - - - - -	825,301
Wabashaw - - - - -	669,410

(63) Census of 1870, Industry and Wealth, p. 181.

<u>County</u>	<u>Bushels produced</u>
Dakota - - - - -	634,806
Winona - - - - -	598,871
Blue Earth - - - - -	467,575
Mower - - - - -	463,085
Stearns - - - - -	447,193
Faribault - - - - -	394,992
Dodge - - - - -	384,528
Rice - - - - -	348,543
Freeborn - - - - -	326,766
Washington - - - - -	267,086
Nicollet - - - - -	264,565
Steele - - - - -	230,421
Houston - - - - -	227,688
Hennepin - - - - -	226,361
Sibley - - - - -	221,416
Waseca - - - - -	208,243
Scott - - - - -	165,247
Brown - - - - -	156,768
LeSueur - - - - -	152,682
Carver - - - - -	140,375
Martin - - - - -	107,042
Wright - - - - -	97,282
McLeod - - - - -	96,487
Meeker - - - - -	92,532
Douglas - - - - -	65,568
Ramsay - - - - -	53,888
Monongalia - - - - -	48,999
Watonwan - - - - -	46,068
Pope - - - - -	44,395
Chicago - - - - -	39,596
Renville - - - - -	27,659
Jackson - - - - -	24,366
Morrison - - - - -	18,987 (64)

The chief corn-growing counties were:

<u>County</u>	<u>Bushels produced</u>
Fillmore - - - - -	389,956
Olmsted - - - - -	340,223

(64) Ibid.

<u>County</u>	<u>Bushels produced</u>
Wabasha - - - - -	312,697
Winona - - - - -	373,477
LeSueur - - - - -	364,288
Hennepin - - - - -	359,418
Houston - - - - -	349,761
Rice - - - - -	327,931
Dakota - - - - -	210,286
Goodhue - - - - -	209,790
Blue Earth - - - - -	198,060
Scott - - - - -	186,012
Sibley - - - - -	142,060
Faribault - - - - -	137,496
Freeborn - - - - -	134,638
Carver - - - - -	122,140
Mower - - - - -	118,771
Washington - - - - -	113,650
Wesaca - - - - -	98,478
Nicollet - - - - -	83,256
Steele - - - - -	82,040
Dodge - - - - -	81,277
Stearns - - - - -	78,637
Wright - - - - -	69,572
McLeod - - - - -	48,381
Martin - - - - -	39,149
Ramsay - - - - -	38,020
Sherburne - - - - -	37,006
Anoka - - - - -	36,838
Brown - - - - -	34,525
Meeker - - - - -	28,974
Chicago - - - - -	13,603
Mille Lac - - - - -	9,572 (65)

The total value of farming implements and machinery in 1870 was \$6,721,120, over six times the total value of farm machinery in 1860. The following counties possessed the largest amounts:

(65) Ibid.

<u>County</u>	<u>Value of farm machinery</u>
Goodhue - - - - -	\$544,580
Olmsted - - - - -	531,079
Wabasha - - - - -	450,273
Fillmore - - - - -	397,668
Dakota - - - - -	358,085
Blue Earth - - - - -	343,832
Winona - - - - -	339,461
Rice - - - - -	273,357
Stearns - - - - -	241,207
Freeborn - - - - -	239,925
Faribault - - - - -	229,399
Hennepin - - - - -	206,620
Mower - - - - -	201,645
Dodge - - - - -	196,889
LeSueur - - - - -	173,430
Waseca - - - - -	166,676
Steele - - - - -	166,420
Washington - - - - -	166,141
Carver - - - - -	154,559
Sibley - - - - -	140,000
Scott - - - - -	139,307
Houston - - - - -	136,693
Brown - - - - -	126,720
Nicollet - - - - -	98,449
Meeker - - - - -	80,757
Martin - - - - -	76,455
McLeod - - - - -	69,772
Watonwan - - - - -	50,773
Wright - - - - -	48,720 (66)

The following table, based upon the four tables just preceding, serves to show the comparative rank of the first twenty counties in wheat-growing, oats-producing, corn-growing and value of farm machinery, in 1870:

(66) Ibid., p.180.

<u>County</u>	<u>Rank, wheat- growing.</u>	<u>Rank, oats- producing.</u>	<u>Rank, corn- growing.</u>	<u>Rank, value of farm machinery.</u>
Olmsted	1	1	2	2
Goodhue	2	3	10	1
Fillmore	3	2	1	4
Wabasha	4	4	3	3
Dakota	5	5	9	5
Winona	6	6	4	7
Blue Earth	7	7	11	6
Mower	8	8	17	13
Dodge	9	11	22	14
Houston	10	17	7	22
Faribault	11	10	14	11
Freeborn	12	13	15	10
Rice	13	12	8	8
Washington	14	14	18	18
Waseca	15	20	19	16
Steele	16	16	31	17
Hennepin	17	18	6	13
Scott	18	31	12	21
Nicollet	19	15	20	24
Stearns	20	9	23	9

The longitude of Martin county in southern Minnesota and Mesker county in central Minnesota was about as far west as agriculture was carried on on a fairly large scale. In 1867, all that part of Minnesota south and west of Mankato was in grass, uncultivated and uninhabited except by the few settlers along and near the river banks. ⁽⁶⁷⁾ In the years 1870-1873 this part of Minnesota filled up very rapidly, as did also the central and west central portions of the state.

The Oliver chilled plow, which first appeared in

(67) Bishop, Hist. of the St. Paul and Sioux City Railroad, 1864-1881, Minn. Hist. Soc. Coll., Vol. 10, part 1, p401.

1870, did much to improve the methods of turning over the soil. "This was a light, durable plow with a mold board of proper shape to economize draft and suitably turn the furrow, and this plow in a marked degree promoted the economy of plowing."⁽⁶⁸⁾

The first settler at Pembina who made wheat-raising his chief employment came to that locality in 1869. His crop for the first season ranged from fifteen to forty bushels per acre. In 1873 Charles Bottineau seeded ten acres to wheat in the Red River valley, which he claimed yielded 50 bushels per acre.⁽⁶⁹⁾ In the winter of 1871-72

Bruns and Finkle purchased 500 bushels of seed wheat in the Minnesota valley, which they distributed to farmers in the Red River country. The season of 1872 was unfavorable and no more wheat than sufficient for the next season's seed was raised.⁽⁷⁰⁾ In 1874 the crop was favorable. Wheat-raising began in earnest in the Red River valley about the year 1874 when the Hudson's Bay Company brought the first thresher into the valley.⁽⁷¹⁾

In his report for 1874 the commissioner of statistics of Minnesota summed up the cereal product of Minnesota

(68) Holmes, Progress of Agriculture in U.S., Yearbook Dept. of Agriculture, 1899, p.316.

(69) Lamphere, Hist. of Wheat Raising in the Red River valley, Minn. Hist. Soc. Coll., Vol. 10, part 1, p.13.

(70) Ibid., p.18.

(71) Ibid., p.13.

for years as named as follows:

<u>Year.</u>	<u>Wheat, bu.</u>	<u>Oats, bu.</u>	<u>Corn, bu.</u>	<u>Barley bu.</u>	<u>Rye bu.</u>
1859 -	3,374,415	-	3,073,749-	-	-
1860 -	5,101,432	2,912,857	3,143,577-	301,539	286,125
1865 -	9,475,000	-	-	-	-
1866 -	7,921,442	4,372,477	2,056,747-	-	-
1867-	10,014,828	5,620,895	3,218,010-	316,715	-
1868-	15,382,022	7,831,523	4,849,936-	518,500	52,100
1869-	16,587,621	9,785,959	4,194,965-	851,113	72,281
1870-	15,372,941	9,895,164	5,650,370-	1,518,686	73,375
1871-	13,467,300	10,689,484	7,076,268-	1,627,007	130,928
1872-	22,059,375-	12,550,733	7,142,245-	1,495,494	182,730
1873-	26,402,485-	12,544,536	6,457,366-	669,415	96,877(72)

It will be seen that wheat was the great staple, with oats second with a product of about half as many bushels, and corn third with about half as much corn produced as oats. The product of each of these three crops by counties was as follows in 1873:

<u>County</u>	<u>Wheat product, bu.</u>	<u>Oats product, bu.</u>	<u>Corn product, bu.</u>
Anoka - - - -	34,552	34,608	81,359
Becker - - - -	24,587	13,430	3,330
Benton - - - -	14,042	14,164	14,450
Blue Earth -	817,410	516,063	239,042
Brown - - - -	429,015	247,638	71,005
Carlton - - -	-	-	-
Carver - - -	381,259	151,857	177,953
Chippewa - -	135,268	44,175	13,361
Chicago - - -	58,664	56,223	32,213
Clay - - - -	5,688	5,868	239
Cottonwood- -	59,736	29,555	22,849
Dakota - -	1,475,864	636,690	317,570
Douglas - - -	213,410	349,953	17,024
Dodge - - - -	805,436	142,509	109,698

(72) Ex. Doc., 1874, Vol. 1, No. 10, pp. 7-15.

<u>County</u>	<u>Wheat product, bu.</u>	<u>Oats product, bu.</u>	<u>Corn product, bu.</u>
Faribault -	571,600	366,564	139,185
Fillmore -	2,208,676	945,885	548,314
Freeborn -	803,661	441,575	161,590
Goodhue -	2,831,151	1,005,733	400,445
Grant -	38,732	16,863	851
Hennepin -	435,046	278,143	377,905
Houston -	852,051	364,355	419,346
Isanti -	35,079	24,620	25,284
Jackson -	51,552	47,382	12,360
Kandiyohi -	504,227	171,529	19,362
Lac qui Parle -	49,280	14,303	7,231
Lake -	36		
Lesueur -	314,734	143,362	215,014
Lincoln -	465	36	1,755
Lyon -	15,181	10,767	6,815
McLeod -	277,010	164,037	96,970
Martin -	78,212	91,466	26,406
Meeker -	363,706	196,630	66,584
Mille Lacs -	10,535	21,498	18,997
Morrison -	30,364	29,671	19,420
Mower -	1,004,441	545,705	164,191
Murray -	6,642	8,889	4,430
Nicollet -	505,759	300,916	90,897
Nobles -	31,108	14,480	5,365
Olmsted -	2,436,528	974,639	346,310
Otter Tail -	237,964	106,558	12,421
Polk -	4,728	5,713	245
Pope -	164,850	110,913	9,017
Ramsay -	70,327	66,269	55,341
Redwood -	59,281	38,015	17,641
Renville -	341,561	192,820	36,904
Rice -	710,066	310,757	235,994
Rock -	37,596	16,875	9,971
Scott -	329,417	137,413	161,789
Sherburne -	27,214	27,378	96,862
Sibley -	344,949	241,937	116,663
Stearns -	550,702	405,310	137,494
Steele -	643,143	270,849	155,228

<u>County</u>	<u>Wheat product, bu.</u>	<u>Oats product, bu.</u>	<u>Corn product, bu.</u>
Stevens	17,879	7,353	375
St. Louis			
Swift	69,795	23,003	3,300
Todd	66,501	56,490	17,650
Wabasha	1,636,963	661,681	280,155
Waseca	557,797	258,505	106,843
Washington	712,343	312,001	183,754
Watonwan	143,058	64,559	17,833
Wilkin	7,085	6,630	440
Winona	1,443,400	643,636	355,490
Wright	256,088	130,271	164,186
Yellow Med- icine	60,072	24,545	4,627(73)

We have noted the beginnings of grain-milling in
(74) Minnesota. From 1850 to 1855 small grist mills were started on the streams of about a dozen counties, Houston, Winona, Wabasha, Dakota, Washington, Chicago, Hennepin, Sherburne, and Stearns counties being the first to build mills. A. Godfrey built a 30-barrel mill at Elk River in 1851. The first merchant mill was erected at St. Anthony this same year. Chatfield and Rochester each had a mill in 1855 and North-
(75) field and Preston, in 1856. In 1853 a mill was built at Minnetonka Mills which continued operations until 1856.
(76) Another and larger mill was built here in 1860. The first merchant flouring mill in Minneapolis was started in 1854 and the first export of flour from Minneapolis to

(73) Ibid., pp. 25-27.

(74) Supra, p. 5 and p. 31.

(75) Rogers, Hist. of Flour Manufacture in Minn., Minn. Hist. Soc. Coll., Vol. 10, part 1, pp. 38-39.

(76) Ibid., p. 43.

eastern markets was sent in 1859. ⁽⁷⁷⁾ This shipment consisted of of 100 barrels on which a freight rate of \$3.25 per 100 lbs. was paid to send the flour to Boston. The first mill in Minneapolis had five run of stones, cost \$16,000 to build and realized \$24,000 profit the first year. ⁽⁷⁸⁾ About 1855 the Gardner mill at Hastings was erected. This mill was a famous one in its day and its flour was favored in the Boston market. Shortly after North erected his mill at Northfield in 1856, Archibald, a Scotchman, built a mill three miles farther up the Cannon river at Dundas. Three mills were erected at New Ulm from 1856 to 1859.

The federal census of 1860 reported the milling industry in Minnesota to be as follows:

<u>County</u>	<u>No. of establishments</u>	<u>Capital Invested</u>	<u>Value of annual product.</u>
Anoka	1	\$12,000	\$3,050
Benton	2	600	3,280
Blue Earth	2	12,000	24,500
Brown	1	12,000	7,980
Dakota	5	45,500	51,000
Dodge	3	8,500	16,165
Fillmore	8	67,000	117,450
Goodhue	3	31,000	99,335
Freeborn	1	10,000	9,000
Hennepin	6	62,000	104,600
Houston	7	32,400	73,359
LeSueur	4	6,800	19,699

(77) Ibid., p. 39. Depew, One Hundred Years of American Commerce, Vol. 1, p. XXVI. C.A. Pillsbury, American Flour, in *ibid.*, pp. 269-273.

(78) Rogers,

<u>County</u>	<u>No. of establishments</u>	<u>Capital Invested</u>	<u>Value of annual product</u>
Meeker	1	9,000	850
Nicollet	2	20,000	6,000
Olmstead	2	20,000	171,000
Pine	1	2,000	15,528
Ramsey	3	17,000	110,800
Renville	2	2,000	1,800
Rice	6	51,500	124,000
Scott	5	45,200	51,229
Sherburne	1	1,500	3,000
Sibley	3	15,000	13,270
Stearns	2	6,000	8,000
Steele	1	10,000	14,875
Wabashaw	2	16,000	61,500
Waseca	2	18,000	17,585
Washington	4	31,000	69,250
Winona	3	15,500	60,500
Wright	2	8,000	24,060

Giving total-- \$1 - - - - - \$587,500 - - - - - \$1,289,665. (79)

In 1866 there were six mills in Minneapolis with a total daily capacity of 800 barrels. In 1869 there were 13 mills, which turned out an annual product of 320,000 barrels valued at \$1,875,000. (80) In 1864 Jesse Aves and son bought the mill at Northfield, erecting a new and larger establishment in 1869-70. This was one of the most successful mills in southern Minnesota, sharing honors with Archibald mills near it, the Gardner mill at Hastings and the large mill at Rochester. (81) Archibald made the Cannon river

(79) Vol. on Manufactures, pp.277-284. Counties omitted had no mills.

(80) Pillsbury, American Flour, in Depew, One Hundred Years of American Commerce, Vol.1, pp.269-273.

(81) Rogers, Hist. of Flour Manufacture in Minn., Minn. Hist. Soc. Coll., Vol. X, part 1, pp.40-41.

famous in eastern markets. He was a scientific and practical miller, ground and bolted his flour better than other mills, and as a result his flour was so much whiter and better than Minneapolis flour that it sold for \$1 per barrel more in New York and Boston. ⁽⁸²⁾ In 1861 the LaCroix brothers built a mill for Alexander Faribault at Faribault, building a mill of their own in 1866.

The LaCroix were Frenchmen, acquainted with French milling processes. Up to 1871 in Minnesota milling methods were the same as prevailed for many years theretofore: grinding between two stones or buhrs, using much pressure and endeavoring to get as much flour as possible in one grinding, and using the middlings for stock-feeding. This system, when tough, spring wheat was used such as was grown in Minnesota, resulted in dark colored flour because of the heat generated by the friction and pressure of grinding. Archibald's advantage over Minneapolis was his knowledge of this, and his lessening of the effect by using less pressure in grinding, scientifically dressing his stones, and bolting his flour through silk rather than through wool. After the LaCroix brothers built their mill in Faribault in 1866

(82) Ibid.

they began to experiment with the French middlings purifier. In 1870 one of the brothers came to Minneapolis and after many rebuffs succeeded in interesting George H. Christian in his machine. After a year of experimentation the new purifier was a pronounced success. The machine cost \$300 to build in a Minneapolis machine shop, but it increased the quality of Minnesota and particularly Minneapolis flour to such an extent that the price in eastern markets increased \$1 to \$3 per barrel. The middlings, which before had been only valuable for feed, now yielded the finest flour. Minnesota spring wheat became the best flour material in the United States. In 1871 a number of millers went to Europe and studied Hungarian milling methods especially. On their return they introduced the Hungarian successive reduction by rolls process, which added to the middlings purifier clinched Minnesota's supremacy in flour milling. (83)

The United States census report of 1870 stated that there were 216 flour and grist-mill establishments in Minnesota, with \$2,900,915 capital invested and an annual product of \$7,534,575. (84) The following are the statistics of flour and grist mills by counties:

(83) Ibid. pp. 45-49. Pillsbury, American Flour, in Depew, One Hundred Years of American Commerce, Vol. 1, pp. 269-273.

(84) Census of 1870, Industry and Wealth, p. 536.

<u>County</u>	<u>No. of establishments</u>	<u>Capital Invested</u>	<u>Value of annual product.</u>
Anoka - - - -	1 - - - -	\$25,000 - - - -	\$34,469
Blue Earth - -	2 - - - -	30,000 - - - -	134,432
Brown - - - -	2 - - - -	19,000 - - - -	38,400
Carver - - - -	3 - - - -	17,000 - - - -	64,000
Dakota - - - -	2 - - - -	95,000 - - - -	379,050
Douglas - - - -	1 - - - -	20,000 - - - -	50,537
Faribault - - -	2 - - - -	7,000 - - - -	23,481
Fillmore - - - -	4 - - - -	90,000 - - - -	208,922
Freeborn - - - -	1 - - - -	8,000 - - - -	18,675
Goodhue - - - -	8 - - - -	231,445 - - - -	605,199
Hennepin - - - -	14 - - - -	554,500 - - - -	1,125,215
Houston - - - -	6 - - - -	53,100 - - - -	124,400
Jackson - - - -	1 - - - -	5,000 - - - -	15,000
LeSueur - - - -	6 - - - -	47,750 - - - -	148,210
Martin - - - -	2 - - - -	5,600 - - - -	16,860
McLeod - - - -	1 - - - -	20,000 - - - -	37,595
Meeker - - - -	4 - - - -	34,000 - - - -	128,225
Mille Lac - - -	1 - - - -	7,000 - - - -	20,600
Monongalia - - -	2 - - - -	12,000 - - - -	49,525
Mower - - - -	3 - - - -	40,000 - - - -	143,110
Nicollet - - - -	1 - - - -	15,000 - - - -	29,800
Olmsted - - - -	3 - - - -	75,000 - - - -	249,990
Ramsay - - - -	2 - - - -	60,000 - - - -	51,748
Redwood - - - -	1 - - - -	10,000 - - - -	25,996
Rice - - - -	8 - - - -	272,000 - - - -	833,475
Scott - - - -	3 - - - -	56,000 - - - -	140,074
Sibley - - - -	3 - - - -	10,500 - - - -	26,850
Stearns - - - -	6 - - - -	82,000 - - - -	168,825
Wabasha - - - -	3 - - - -	39,000 - - - -	37,705
Waseca - - - -	1 - - - -	27,370 - - - -	45,000
Washington - - -	4 - - - -	13,500 - - - -	69,552
Winona - - - -	13 - - - -	256,000 - - - -	779,215
Wright - - - -	1 - - - -	15,000 - - - -	34,820(85)

With regard to markets and marketing methods, before the coming of railroads the great primary wheat markets in Minnesota were the towns along the Mississippi

(85) Ibid., pp. 683-684. Counties omitted had no mills.

river. In 1861, after showing by tables the preponderance of cultivation in the twelve counties of the southeastern part of Minnesota, commissioner of statistics Wheelock said, "The eastern border of the district fronts for a distance of 170 miles upon the trunk of the navigable waters of the Mississippi; and this line of river frontage may almost be said to be one unbroken levee which a few hours easy transit by steamer connects with the great Railroad lines of communication eastward. The western limits of this district will average not more than two days' journey for loaded teams by smooth dry prairie roads from some of the numerous outlets which dot the banks of the Mississippi."⁸⁶

The grain exports for various towns in 1857 were as follows:

<u>Towns</u>	<u>Wheat, bu.</u>	<u>Oats, bu.</u>	<u>Corn, bu.</u>
St. Anthony and	_____		
Minneapolis - - -		13,000	33,000
St. Paul - - - - -	12,848	30,000	5,376
Taylor Falls - - -	_____	2,000	_____
Stillwater - - - -	500	9,600	_____
Pt. Douglas - - - -	8,000	8,000	_____
Hastings - - - - -	49,477	59,400	_____
Pine Bend - - - - -	3,000	1,000	_____
New Port - - - - -	_____	1,500	_____
Red Wing - - - - -	30,000	_____	_____
Lake City - - - - -	18,000	_____	_____
Wabasha - - - - -	4,800	10,000	_____
Minneiska - - - - -	12,000	_____	_____
Mt. Vernon - - - - -	3,000	_____	_____

(86) Second Annual Report, 1862, p. 66.

<u>Town</u>	<u>Wheat. bu.</u>	<u>Oats. bu.</u>	<u>Corn. bu.</u>
Winona - ---	177,000	35,000	<u> </u>
LaCrescent -	15,000	1,000	<u>3,000</u>
Hokah- - -	3,000	<u> </u>	<u> </u>
Brownville-	<u>32,000</u>	<u>4,000</u>	<u> </u>
Total	<u>369,625</u> - - - - -	<u>164,500</u> - - - - -	<u>41,376</u> (87)

In 1860 Olmsted county made the most flour, with Rice, Fillmore, Ramsey, Hennepin, Goodhue, Houston, Washington and Wabasha following in the order named. Red Wing, Winona and Hastings were the first great primary wheat markets in Minnesota. From 1860 to 1870 Rochester was a great wheat market, especially after the coming of the Winona and St. Peter railroad in 1864 for a space of two or three years. In 1859 wheat was hauled to Hastings from localities as far west and south as Waseca county. Other river towns drew from the same locality. With one pair of oxen, 40 bushels of wheat in sacks were hauled at a load, and the journey from Waseca county going and coming took six days. (88) From 1865 to 1872 the railroads advanced steadily westward and southerly into the wheat and grain country. The primary market advanced west with the railroads. As late as 1869, however, the Mississippi river towns, from St. Paul south, had kept their supremacy as

(87) Ibid., First Annual Report, Jan. 1, 1860, p. 155.
 (88) Child, Hist. of Waseca County, p. 105.

places of grain export. ⁽⁸⁹⁾ With the improvement of milling methods Minneapolis, about the year 1871, came to be the great wheat and grain market of the state. Before this time Milwaukee received the bulk of the grain exported from Minnesota, with Chicago second as the buyer of the products of the state. ⁽⁹⁰⁾ Before 1865 the grain was taken by steamers to LaCrosse or Prairie du Chien, and from thence eastward by rail.

The following tables show the price obtained for grain from 1850 to 1873. The figures are approximate only, as the quotations varied from week to week and sometimes fluctuated greatly. But they are based upon information of a contemporary nature, largely upon quotations given in newspapers over the period. For each year given newspaper files have been examined, and therefore the prices quoted may be taken as a fairly accurate indication of the general price level for grains. The prices are at St. Paul for earlier years and at Minneapolis for later years.

(89) First Ann. Report Comm. of Statistics of Minn., Ex. Docs., 1869, p. 893.

(90) For additional reference as to early markets, see Hill, History of Agriculture in Minn., Minn. Hist. Soc. Coll., Vol. 8, pp. 276 and 282.

<u>Year.</u>	<u>Wheat, per bu.</u>	<u>Oats, per bu.</u>	<u>Corn, per bu.</u>	<u>Barley, per bu.</u>	<u>Rye, per bu.</u>
1851	-----	\$.30 to \$.50	\$.40 to \$.50	-----	-----
1852	-----	.35 to .75	.50 to .75	-----	-----
1853	\$1.00	.35	.75	\$.65	-----
1854	-----	.45	.70 to .75	.65	-----
1855	-----	.45	.75	.70	-----
1856	-----	.70	.75	-----	-----
1857	1.35 to 1.40	.85 to .90	1.00 to 1.25	1.35 to 1.40	\$1.00 to 1.10
1858	-----	.45 to .60	.75 to .95	-----	-----
1859	.75 to .90	.30 to .35	.55 to .60	.50	.50
1860	.63 to .70	.23 to .24	.30 to .35	.35 to .40	.35 to .40
1861	.40 to .64	.20 to .30	.20 to .30	-----	-----
1862	.63 to .72	.30	.35	.40	.25
1863	.60 to .62	.45 to .55	.60	.80 to .85	-----
1864	.85 to .90	.70 to .75	.85 to 1.10	.90 to 1.00	.65 to .70
1865	1.00 to 1.30	.32 to .70	.70 to 1.00	.60 to 1.32	-----
1866	1.55	.40 to .42	.45 to .50	.90	1.00
1867	1.10 to 1.30	.65	1.20 to 1.25	-----	-----
1868	1.00 to 1.50	.50 to .70	1.00 to 1.15	-----	-----
1869	.80 to .85	.60 to .70	.75 to .80	1.50	.70
1870	.75 to .80	.33 to .36	.65 to .75	.65 to .70	.60
1871	.90 to .95	.35 to .40	.50 to .65	-----	-----
1872	1.10 to 1.12	.29 to .31	.38 to .45	.40 to .42	.40 to .43
1873	.95 to 1.05	.30 to .33	.36 to .38	.55 to .60	.50 to .55

Where quotations are lacking the grain was not in market and prices are not given in the newspaper summaries of prices current. In a number of instances fluctuations were quite marked over short periods of time, due to varying local causes. But in spite of such variations the table shows the trend of prices upward in the speculative period to the panic of 1857 (the 1857 prices are before the crash), then the reaction; the low prices of the hard times period in the early

sixties are evidenced; then the upward rise with the increase in the volume of money and war prices; and after 1868 somewhat of a reduction, then gradual increase with the newer speculative era.

The following table indicates the prices of several of the necessaries of life and may be fairly used as a basis for comparing living costs with those prevailing in the twentieth century:

Commodity	1851	1853	1854
Fresh beef	8 @ 9¢ lb.	8 @ 12¢ lb.	8 @ 12¢ lb.
Mutton	8 @ 9¢ lb.	12½¢ lb.	10 @ 12¢ lb.
Pork	8 @ 9¢ lb.	12½¢ lb.	17½¢ lb.
Hams	10 @ 12¢ lb.	10 @ 12¢ lb.	11¢ lb.
Veal	-----	12½ lb.	12½¢ lb.
Lard	15¢ lb.	12 @ 15¢ lb.	12½¢ lb.
Eggs	12 @ 20¢ doz.	15¢ doz.	15¢ doz.
Butter	12 @ 25¢ lb.	15 @ 20¢ lb.	15 @ 25¢ lb.
Commodity	1855	1856	1857
Fresh beef	10 @ 12¢ lb.	10 @ 12½¢ lb.	14 @ 16¢ lb.
Mutton	12¢ lb.	12 @ 15¢ lb.	-----
Pork	12¢ lb.	13½¢ lb.	-----
Hams	15¢ lb.	15¢ lb.	15 @ 17¢ lb.
Veal	12¢ lb.	12½¢ lb.	-----
Lard	12 @ 18¢ lb.	15¢ lb.	-----
Eggs	25¢ doz.	20¢ doz.	35 @ 40¢ doz.
Butter	25 @ 30¢ lb.	25 @ 30¢ lb.	27 @ 40¢ lb.
Commodity	1858	1859	1860
Fresh beef	10 @ 12¢ lb.	10¢ lb.	\$14 bbl. (mess)
Mutton	15 @ 20¢ lb.	-----	-----
Pork	12 @ 15¢ lb.	-----	\$16.75 bbl.
Hams	20¢ lb.	11 @ 13¢ lb.	11 @ 14¢ lb.
Veal	15 @ 20¢ lb.	-----	-----
Lard	20 @ 22¢ lb.	-----	-----
Eggs	35 @ 40 doz.	15 @ 18¢ doz.	15 @ 20¢ doz.
Butter	30 @ 35¢ lb.	12½ @ 15¢ lb.	12 @ 16¢ lb.

Commodity	1851	1855	1854
Cheese	10¢ lb.	12½¢ lb.	12½¢ lb.
Flour	4.50 @ \$5 bbl.	4.50 bbl.	6.25 bbl.
Poultry	50¢ pair	50¢ pair	3.20 doz.
Potatoes	50¢ bu.	40 @ 50¢ bu.	30 @ 35¢ bu.
Beans	23 @ \$3 bu.	22 bu.	1.30 bu.
Onions	21 bu.	21 bu.	50¢ bu.
Cranberries	25 bbl.	22 bu.	- - - -
Refined Sugar	8 @ 15¢	12 @ 15¢ lb.	9¢ lb.
Coffee	14 @ 15¢ lb.	12 @ 16¢	15 @ 25¢ lb.
Tea	- - - -	50¢ @ \$1 lb.	60¢ @ 1.00 lb.
Hay	25 @ \$8 ton	25 @ \$6 ton	- - - -
Dry Wood	2.50 @ \$3 cd.	3 cord	3 @ 5.50 cord.
Commodity	1855	1856	1857
Cheese	15 @ 18¢ lb.	18 @ 20¢ lb.	15 @ 20¢ lb.
Flour	29 @ 9.50 bbl.	7 @ 8.50 bbl.	7 @ 8.50 bbl.
Poultry	3.50 doz.	50¢ pair	- - - -
Potatoes	60 @ 65¢ bu.	1.50 bu.	1 @ 1.15 bu.
Beans	1.25 bu.	3 bu.	4 @ 35 bu.
Onions	1 bu.	- - - -	2 @ 3.25 bu.
Cranberries	- - - -	2.00 bu.	- - - -
Refined Sugar	21¢ lb.	12 @ 14¢ lb.	16 @ 17¢ lb.
Coffee	14 @ 15¢ lb.	- - - -	15 @ 20¢ lb.
Tea	75¢ @ 1.00 lb.	- - - -	- - - -
Hay	- - - -	- - - -	15 ton
Dry Wood	4.50 cord	- - - -	- - - -
Commodity	1858	1859	1860
Cheese	15 @ 18¢ lb.	11 @ 14¢ lb.	10 @ 12¢ lb.
Flour	25 @ 6.25 bbl.	4.50 bbl.	4.50 bbl.
Poultry	20¢ lb.	- - - -	- - - -
Potatoes	50 @ 60¢ bu.	30 @ 35¢ bu.	25¢ bu.
Beans	2.50 @ \$3 bu.	1 bu.	50¢ bu.
Onions	- - - -	80¢ bu.	60¢ bu.
Cranberries	- - - -	- - - -	3.40 bu.
Refined Sugar	15 @ 17¢ lb.	10¢ lb.	10¢ lb.
Coffee	14 @ 20¢ lb.	12 @ 20¢ lb.	13 @ 20¢ lb.
Tea	50 @ 80¢ lb.	- - - -	- - - -
Hay	28 @ \$10 ton	- - - -	- - - -
Dry Wood	5 @ 5.50 cd.	- - - -	- - - -

Commodity	1863	1864	1865	1866
Fresh beef	10¢ lb.	12¢ lb.	-----	15¢ lb.
Mutton	10¢ lb.	10 @ 12¢ lb.	-----	15¢ lb.
Pork	10¢ lb.	12¢ lb.	-----	20 @ 23¢ lb.
Hams	9 @ 11¢ lb.	9 @ 12¢ lb.	-----	22 @ 25¢ lb.
Veal	10¢ lb.	-----	-----	15¢ lb.
Lard	6 @ 7¢ lb.	15 @ 17½¢ lb.	25¢ lb.	30¢ lb.
Eggs	6 @ 8¢ doz.	14 @ 25¢ doz.	20 @ 25¢ doz.	25¢ doz.
Butter	7 @ 12¢ lb.	12 @ 25¢ lb.	40 @ 43¢ lb.	25 @ 30¢ lb.
Cheese	9 @ 10¢ lb.	-----	25¢ lb.	30¢ lb.
Flour	\$3 @ \$4 bbl.	\$5.50 bbl.	-----	\$9.50 @ \$10 bbl.
Poultry	-----	6 @ 7¢ lb.	-----	9 @ 10¢ lb.
Potatoes	20 @ 25¢ bu.	70¢ bu.	35 @ 30¢ bu.	30 @ 40¢ bu.
Beans	1.25 @ \$3 bu.	\$2.50 bu.	-----	1.25 @ 1.50 bu.
Onions	40 @ 50¢ bu.	\$2.50 bu.	-----	-----
Cranberries	90 @ 1.50 bu.	-----	-----	-----
Ref. Sugar	11 @ 12¢ lb.	17½¢ lb.	-----	20¢ lb.
Coffee	23 @ 30¢ lb.	31 @ 40¢ lb.	-----	35 @ 50¢ lb.
Tea	40 @ 1.25 lb.	-----	-----	1.20 @ \$2 lb.
Hay	-----	-----	\$2 @ \$10 ton.	-----
Dry Wood	-----	\$5.50 @ \$6.25 cd.	-----	-----

Commodity	1868	1869	1870
Fresh beef	-----	12½ @ 20¢ lb.	8 @ 12¢ lb.
Mutton	-----	10 @ 18¢ lb.	8 @ 12¢ lb.
Pork	18 @ 20¢ lb.	18 @ 20¢ lb.	16 @ 18¢ lb.
Hams	22 @ 25¢ lb.	20 @ 25¢ lb.	24 @ 28¢ lb.
Veal	-----	12½ @ 20¢ lb.	12½ @ 18¢ lb.
Lard	20 @ 22¢ lb.	22 @ 24¢ lb.	20 @ 22¢ lb.
Eggs	25 @ 30¢ doz.	15 @ 12¢ doz.	22½¢ doz.
Butter	25 @ 40¢ lb.	20 @ 30¢ lb.	25 @ 35¢ lb.
Cheese	17½ @ 25¢ lb.	20¢ lb.	20¢ lb.
Flour	10 @ \$12 bbl.	\$8 bbl.	\$6 bbl.
Poultry	-----	23 @ 25¢ lb.	-----
Potatoes	90¢ bu.	45 @ 70¢ bu.	\$1.25 bu.
Beans	3.50 @ \$4 bu.	\$3 @ 4.50 bu.	2.50 @ \$3 bu.

Commodity	1868	1869	1870
Onions	\$1 bu.	\$2 @ 2.50 bu.	\$1 bu.
Cranberries	-----	-----	-----
Ref. Sugar	14 @ 19¢ lb.	19¢ lb.	-----
Coffee	38 @ 40¢ lb.	38 @ 55¢ lb.	-----
Tea	90 @ 1.60 lb.	\$1 @ \$2 lb.	-----
Hay	\$8 @ \$10 ton	\$12 @ \$14 ton	\$9 @ \$10 ton
Dry Wood	-----	\$8 cord	\$6 @ \$6.50 cord

Commodity	1871	1872	1873
Fresh beef	8 @ 18¢ lb.	8 @ 18¢ lb.	8 @ 18¢ lb.
Mutton	10 @ 15¢ lb.	15¢ lb.	15¢ lb.
Pork	12½¢ lb.	12¢ lb.	12¢ lb.
Hams	18¢ lb.	15¢ lb.	15¢ lb.
Veal	10 @ 18¢ lb.	10 @ 12¢ lb.	12¢ lb.
Lard	16¢ lb.	10¢ lb.	11¢ lb.
Eggs	13¢ doz.	18¢ doz.	18 @ 20¢ doz.
Butter	25 @ 30¢ lb.	6 @ 20¢ lb.	15 @ 35¢ lb.
Cheese	15¢ lb.	13¢ lb.	17¢ lb.
Flour	\$6.40 bbl.	\$6.50 @ \$7 bbl.	-----
Poultry	-----	12½¢ lb.	-----
Potatoes	65 @ 75¢ bu.	25 @ 60¢ bu.	50 @ 75¢ bu.
Beans	-----	\$1 @ 2.50 bu.	-----
Onions	-----	\$1 bu.	-----
Cranberries	-----	-----	-----
Ref. Sugar	14¢ lb.	12¢ lb.	12½¢ lb.
Coffee	25 @ 60¢ lb.	40 @ 50¢ lb.	28 @ 45¢ lb.
Tea	\$1 @ 1.75 lb.	\$1 @ \$2 lb.	55 @ 1.50 lb.
Hay	\$9 @ \$10 ton	\$12 @ \$12 ton	\$8 @ \$10 ton
Dry Wood	-----	\$.50 cord	-----

The quotations are taken from St. Paul and Minneapolis newspapers. In commenting upon the increased cost of living in 1864, the editor of the St. Paul Pioneer quoted a list of the percentages of increase over 1860 of a large number of articles, made out by Boston school teachers in their efforts to have salaries increased. The increases varied from 25 per cent. for potatoes to 308 per cent. for cotton cloth. ⁽⁹¹⁾ Extra quality coarse leather boots brought \$25 a pair in St. Paul in 1853. ⁽⁹²⁾ During the same year common board was \$3 per week and at the hotels the usual rate was \$1 per day. ⁽⁹³⁾ The first cheese was made in Minnesota and marketed in St. Paul in 1853. ⁽⁹⁴⁾ At Henderson, on the Minnesota river, laborers were paid 87½ cents per cord for chopping maple wood. ⁽⁹⁵⁾ At Traverse des Sioux pork sold \$50 a bbl., flour \$15 a bbl., potatoes \$3 a bbl., butter \$1 per lb., sugar 20¢ lb., and apples 50 cents a dozen in the winter of 1853-53. ⁽⁹⁶⁾ Hay brought \$10 to \$15 a ton and muskrat skins 8 to 10 cents each. In St. Paul servant girls received \$10 per month for housework. ⁽⁹⁷⁾ Laborers received \$20 to \$25 per month and board; carpenters received \$1.50 to \$3 per day, boarding themselves; printers

- (91) St. Paul Daily Pioneer, Jan. 1, 1864.
 (92) Minn. Pioneer, March 25, 1853.
 (93) Ibid., July 1, 1853.
 (94) Ibid., July 29, 1853.
 (95) Ibid., Mar. 31, 1853.
 (96) Ibid., Dec. 16, 1853.
 (97) Ibid., Jan. 29, 1853.

received \$9 to \$10 per week. (98) In 1857 gunshot cost 9 cents per lb. and powder brought 60 cents a lb. There was no petroleum for sale at this time, lard oil costing \$1.50 per gallon, whale oil \$2 and linseed oil \$1.60. (99) Milch cows were worth \$35 to \$60 a head in 1858 and work oxen \$125 to \$200 per yoke. In Waseca county during the hard times of 1859, common laborers worked for 50 cents a day and strong mechanics were glad to get work for 75 cents to \$1. (100)

The first notice of the sale of kerosene is in Rochester in 1861, when coal oil brought 60 cents per gal. and kerosene 70 cents. (101) In 1862 carbon oil was quoted at 40 cents a gallon in St. Paul, (102) while the first quotation of kerosene there was in 1867, at 50 to 65 cents per gallon. (103)

The oil was undoubtedly in use before this time. In 1871 it was worth 40 cents per gallon. (104) In 1873 lemons and oranges began to come into the Minneapolis market, being quoted then at \$15 per box for either variety of fruit. (105)

Cranberries continued to be a not unimportant Minnesota product throughout the period from 1850 to 1874, though as soon as agriculture developed they were greatly overshadowed by the grain export. 2,000 barrels of cran-

(98) Ibid., June 10, 1852.

(99) Minn. Daily Pioneer and Democrat, Jan. 1, 1857.

(100) Child, Hist. of Waseca County, pp. 104-105.

(101) Rochester City Post, Nov. 9, 1861.

(102) Daily Pioneer, Sept. 30, 1862.

(103) St. Paul Pioneer, Oct. 2, 1867.

(104) Minneapolis Tribune, Sept. 6, 1871.

(105) Ibid., Sept. 3, 1873.

berries were shipped from St. Paul in 1850. ⁽¹⁰⁶⁾ In 1850
 and 1851 the crop was injured by high water. ⁽¹⁰⁷⁾ The crop
 was better in '53. ⁽¹⁰⁸⁾ For 1859 it was said, "The cranberry
 crop was very light, owing to the high water in the spring.
 The reported shipment of 10,300 bushels is probably much
 less than the usual export." ⁽¹⁰⁹⁾ In 1861 a law was passed
 to prevent the sale of unripe cranberries, the sale of the
 fruit gathered between July first and September fifth being
 prohibited. ⁽¹¹⁰⁾ In 1869 there were 256,000 acres of cran-
 berry marsh in the triangle between the St. Croix and the
 Mississippi, and bounded north by the St. Louis and Prairie
 Rivers. The price was high, and the cultivation of the
 fruit in Minnesota was profitable. "Minnesota may be call-
 ed the Cranberry State. Many farmers make more money
 from their cranberry-meadows than from their wheat-fields." 111

(106) Blakely, Advent of Commerce in Minnesota, Minn. Hist. Soc. Coll., Vol. 8, pp. 387-398.

(107) Minn. Pioneer, Sept. 18, 1851.

(108) Ibid., Sept. 9, 1853.

(109) Wheelock, First Ann. Rep. for Year Ending Jan. 1, 1860, p. 109.

(110) Gen. Laws of Minn., 1861, Chap. 52, p. 177.

(111) Coffin, The Seat of Empire, pub. 1870, pp. 193-194.

CHAPTER IX.

BANKING.

In territorial days the term "bank" in Minnesota meant an establishment issuing notes to serve as currency. No bank of this character was ever chartered by the legislature of the territory. Several attempts to obtain such charters were made, among which were the St. Croix bank project, the Merchants' and Mechanics bank of St. Anthony and the Central American bank. These were in the years 1849 to 1853. But there was great opposition to such schemes. There was a large number of men in the territory who were familiar with the evil results that had come to other states, particularly Wisconsin and Iowa, because of the paper money issued by their banks. The newspapers in the territory, and especially the Pioneer, continually waged war against this form of banking. The vigilance was such that "wildcat" projects had little chance of establishment within the territory.

The first exchange and brokerage house was estab-

lished by Borup and Oakes in St. Paul.⁽¹⁾ This was in 1853. There was no opposition to such an institution. "That is what we want - men of capital, cash men and not paper banking institutions."⁽²⁾ This firm was closely followed by the banking establishments of Charles H. Parker, and Brewster and Company. There were thus three such institutions in St. Paul in 1853. During the next three years the number of such banks increased to about a dozen, there being ten advertised in the Pioneer early in 1857. In 1854 the banking firms of R. Martin, C. L. Chase and Co., and Tracy and Farnham, were established in St. Anthony. Only the first and last of these were doing business in 1855. In January, 1856, the banking house of Geo. H. Day was established, and up to 1857 several other banks were opened in St. Anthony, among which were Orrin Curtis, D. B. Dorman, and Graves, Town and Co. In Minneapolis, Snyder and McFarlane established the first bank on October 9th, 1855. C. H. Pettit followed in November and Beede and Mendenhall in August, 1856. Several other banks were opened in Minneapolis up to the time of the panic of 1857. "These banks were, in fact, actual commercial banks, for although

(1) Minn. Pioneer, July 1, 1853.
 (2) Ibid.

there was a great scarcity of money in the community, and at first almost no surplus funds, while interest rates were so high as to be almost prohibitive, the banks did to a greater or less extent receive deposits and carry on discounting operations⁽³⁾.

The interest rate on first class paper was 3 per cent per month or 36 per cent a year in 1854. On deposits, the banks paid from 12 to 18 per cent per annum in the same year.⁽⁴⁾ In 1858, \$7,000 was offered to loan on city property in sums to suit, at 30 per cent per annum.⁽⁵⁾ For several years preceding 1860 interest in the country districts ranged from 15 to 72 per cent per annum.⁽⁶⁾ The competition among the banks in St. Paul and St. Anthony was sometimes very keen. There were instances of as high as two per cent per month being paid for deposits (24 per cent per year). *At all these banks, the operations of discount were performed in a manner not essentially differing from present day banking except as to rates, which were often as high as 5 per cent per month, and 10 per cent per month after due.⁽⁷⁾

During this early period the state of the currency was at all times bad. There was much paper money in

(3) Eliason, Beginning of Banking in Minn., Minn. Hist. Soc. Coll., Vol. 13, p. 686.

(4) Minn. Daily Pioneer, Nov. 21 and Nov. 22, 1854.

(5) Minn. Daily Pioneer and Democrat, Adv., Jan. 6, 1858.

(6) Child, Hist. of Waseca Co., p. 110.

(7) Eliason, Beginning of Banking in Minnesota, Minn. Hist. Soc. Coll., Vol. 13, p. 689.

Minnesota of questionable soundness, brought in from other states. It was necessary to constantly use a bank-note detector. ⁽⁸⁾ The scarcity of specie and the need of a circulating medium made it possible for so many of the questionable notes to find their way into the territory. We have already noted how most of the specie in early days came from the government through the medium of Indian annuities. ⁽⁹⁾ We have also seen that payment was sometimes made in kind. ⁽¹⁰⁾

The panic of 1857 caused financial business to be at a standstill for some time. The business of all the banks was suspended. ⁽¹¹⁾ The hard times continued until 1862. And in the meanwhile Minnesota was admitted into the Union as a state. There were definite provisions in the constitution as to banking, and upon the basis of these provisions an act was passed in the legislature of 1858 authorizing and regulating the business of banking. Thus was the state banking system established, and it has continued to the present time. The National Banking Act was passed on Feb. 25, 1863. Some time afterward the law imposing a tax of 10 per cent on state bank note-issues was passed, taking effect July 1, 1866. The state banks were thereby driven out of the

(8) Ibid., p. 689-690.

(9) Supra, p. 37 and p. 207.

(10) Supra, p. 37 and p. 207.

(11) Wheelock, First Annual Report as Com. of Statistics, Jan. 1, 1860, p. 170, gives in a table the condition of the banks of Minnesota. Out of 16, ten had failed or were closing.

(12)
note-issuing business.

The constitution provided that all notes, bills, moneys loaned, and other property of banks should be taxed, "so that all property employed in banking shall always be subject to a taxation equal to that imposed on the property of individuals". (13) The legislature was empowered to pass a general banking law, by a two-thirds vote of the members, subject to the following restrictions and requirements:

- I. The legislature could not in any way pass a law sanctioning, directly or indirectly, the suspension of specie payments.
- II. Provision by law for the registration of all notes issued was to be made, and ample security in U. S. or state stocks (bonds) was to be deposited to redeem note-issues in specie. If the security depreciated at least ten per cent, additional bonds were required to be put up.
- III. Liability for double the amount of stock held, continuing one year after the sale of such stock, or its transfer, was laid upon stockholders in banks.
- IV. In case of insolvency, note or bill-holders of the bank were to be preferred creditors.
- V. Provision for recording the names of all stockholders, the amount of stock held by each, and the time and parties of transfer, was to be made in any banking law passed. (14)

The general banking law establishing the state banking system was approved July 26, 1858. It provided in detail for the organization and conduct of banks. All

{12} Conant, Banks and Banking. Encyc. Britannica, 12th Ed., Vol. III, p. 347.
{13} Article IX, Sec. 4.
{14} Ibid., Sec. 13.

plates for the making of bank-currency were to be held in the custody of the state auditor.⁽¹⁵⁾ All such notes were to be registered and counter-signed by him.⁽¹⁶⁾ To issue notes, a bank had to deposit state or United States stocks (bonds) with the auditor, upon which full interest of at least six (afterwards amended to five) per cent per annum was regularly paid. These were never to be taken over par value or above the current market rate in New York. On the security of these bonds, notes not exceeding the value of the security could be issued.⁽¹⁷⁾ In addition, personal bonds to the value of one-fourth the amount of the note-issue, or, in default of these, ten per cent. additional stocks, were given to the auditor, as additional security to indemnify note-holders in case of insolvency.⁽¹⁸⁾ The notes were to be registered with and countersigned by the auditor, and were to have engraved upon their face the words: "Secured by the pledge of public stocks."⁽¹⁹⁾ The procedure for organising a bank, its powers and duties, and the procedure in case of insolvency, were defined.

The statistics of banking in Minnesota in 1860 are very unsatisfactory. Wheelock, in his second annual report,

(15) Laws of Minn., 1858. Gen'l Laws, Chap. XXXII, Sec. 1 and 2, p. 69.

(16) Ibid., Sec. 4.

(17) Ibid., Sec. 5.

(18) Ibid., Sec. 6.

(19) Ibid., Sec. 7.

had nothing to say of banking. ⁽²⁰⁾ The United States census of 1860 simply stated that Minnesota had passed her state banking act, founded upon that of New York, in 1858, and that in 1860, \$50,000. in stocks were held by the state auditor, upon the security of which a circulation of \$80,000 was issued. ⁽²¹⁾ Times were hard in Minnesota from the panic of 1857 until 1863. This was the main reason why the establishment of banks was slow under the new act. Real security was now required, which it took actual cash to obtain.

In January, 1863, there were seven banks of circulation within the state, as follows: Bank of Minnesota, at St. Paul; Bank of Chatfield, at Chatfield; LaCrosse and La Crescent Bank, LaCrosse; Marine Bank, St. Paul; Peoples' Bank, St. Peter; State Bank of Minnesota, Minneapolis; and the Winona County Bank, Winona. ⁽²²⁾ Two of these, the Bank of Minnesota and the Marine Bank, were entirely new organizations. The circulation outstanding Jan. 1, 1863, was \$197,613, an increase of \$116,377 since Jan. 1, 1862. ⁽²³⁾

Three years later, it was stated that all the banks of the State were voluntarily relinquishing the bank-

- (20) As Com. of Statistics, for years 1860 and 1861.
 (21) Volume of Mortality and Miscellaneous Statistics, p. 293.
 (22) Auditor's Report, Ex. Docs. 1862, p. 590.
 (23) Gov. Ramsey's Message, Jan. 7, 1863. Ex. Docs., 1863, p. 21.

ing business under state laws, most of them reorganizing under the laws of the United States. ⁽²⁴⁾ There were fourteen state banks in the state, having a circulation of \$350,678, based upon securities to the value of \$367,770. ⁽²⁵⁾ Nov. 30th, 1864, there was a circulation of \$498,234 outstanding, of which \$145,565 was redeemed during the time to Nov. 30, 1865. At no time was over \$500,000 of circulation outstanding. The capital stock paid in by the national banks organized and doing business in the state at the close of 1865 amounted to \$1,560,000, or 1/35 of the taxable property of the state. ⁽²⁶⁾

In 1868 there were fifteen national banks in Minnesota, with total capital of \$1,659,300, loans and discounts of \$2,503,019, deposits of \$2,258,369, and total resources of \$6,039,152. One year later there were seventeen national banks, with total resources of \$6,440,989 and total capitalization of \$1,780,000. ⁽²⁷⁾ For purposes of taxation, shares of national bank stock were assessed at ⁽²⁸⁾ \$1,147,963 in 1868, \$984,744 in 1869 and \$938,031 in 1870. It was reported in October, 1870, that 18 national banks had been organized in Minnesota since the passage of the national

(24) Report of State Auditor, Ex. Docs., 1865, p. 198.

(25) Ibid., Appendix, Statement "D", p. 224.

(26) Ibid., p. 198.

(27) First Annual Report, Com. of Statistics of Minn., Ex. Docs., 1869, pp. 902-903. Finance Report of the U. S. Dec. 1415. Rep. of Comptroller of the Currency, 1869, p. 40.

(28) Report of Com. of Statistics, Ex. Docs., 1870, Vol. I., p. 1034.

banking act, of which 17 were in operation and 1 closed or closing. This last was the First National Bank of New Ulm, which was in voluntary liquidation. The total paid in capital was \$1,840,000, the bonds on deposit with the United States \$1,798,200, and the circulation issued \$1,667,950, of which \$1,578,450 was in actual circulation. In 1873 shares of national bank stock "and other capital used in the business of banking" were assessed at \$3,083,575, the similar assessment for 1863 having been \$1,533,766. In 1873 there were 33 national banks operating in Minnesota. 34 had been organized, of which two, the First National of New Ulm and the United National of Winona, had gone into voluntary liquidation. The total capital paid in was \$4,173,700, the bonds on deposit with the United States \$3,509,250 and the circulation issued \$3,851,290. In 1863 the circulation of national banks in Minnesota was \$198,494. The per capita circulation in Minnesota in 1863 was \$1.15, in 1873, \$7.57. The ratio of circulation to wealth in 1863 was 0.4 per cent and in 1873, 1.5 per cent. The ratio of circulation to capital in 1863 in Minnesota was 62.4 per cent, while in 1873 it was 75.0 per cent.

- (29) Report of Comptroller of the Currency, 1870. In Finance Report, U. S. Docs. Vol. 1451, p. 33.
 (30) Rep. of Com. of Statistics, Ex. Docs., 1873, Vol. I., p. 501.
 (31) Report of Comptroller of the Currency. In Finance Report, 1873, U. S. Doc. Vol. No. 1603, p. 73.
 (32) Ibid., p. 75.

The following abstract of the special reports of the Minnesota National banks to the comptroller, made October 13, 1873, shows the condition of the banks on that date:

Resources	33 banks.
Loans and discounts.....	\$7,018,735.83
Demand Loans.....	- - - -
U. S. bonds on hand.....	8,800.00
Other stocks, bonds, and mortgages...	878,791.83
Due from approved redeeming and reserve agents.....	672,469.88
Due from all other banks and bankers.	361,450.39
Exchange for clearing house.....	- - - -
National bank notes.....	304,777.00
Fractional currency.....	30,062.42
Special - coin.....	19,426.90
Gold Treasury Notes.....	- - - -
Legal - tender notes.....	1,131,332.00
U. S. certificates of deposit.....	- - - -
Clearing - house loan certificates.....	- - - -
Total	\$9,819,251 .64

Liabilities

Capital stock.....	\$4,150,000.00
Circulating Notes outstanding.....	3,103,889.00
Deposits of all kinds.....	6,170,519.34
Due to all banks and bankers.....	199,840.76
	<hr/>
Total	\$13,623,249.10 (33)

For the six months ending March 1, 1873, the national banks in Minnesota earned \$291,411 net. The ratio of dividends to capital was 4.66 per cent., and the ratio of earnings to capital and surplus 7.67 per cent. For the six months ending September 1, 1873, the net earnings of Minnesota national banks were \$375,305, the ratio of dividends to capital 6.50 per cent, and the ratio of earnings to capital and surplus 6.16 per cent. From September 1, 1873 to September 1, 1873, the national banks of Minnesota earned 13.83 per cent net on their capital and surplus. (34)

The following statement shows the condition of state banks in Minnesota in July, 1873. The number of banks was not given.

{33} Ibid., p. 143.
 {34} Ibid., pp. 118-119.

Resources.

Loans and discounts.....	\$740,405.
Overdrafts.....	- - -
United States bonds	50.
Other bonds, stocks, mortgages, etc.,.....	24,598.
Due from other banks.....	71,539.
Real estate	- - -
Other investments.....	5,753.
Expenses.....	8,709.
Cash items.....	- - -
Specie.....	- - -
Cash - legal tenders, bank notes, etc.....	69,699.
	<hr/>
Total	<u>\$920,753.</u>

Liabilities.

Capital stock	\$284,500.
Circulation.....	- - -
Surplus fund.....	4,500.
Undivided profits.....	25,632.
Dividends unpaid.....	- - -
Deposits.....	386,236.
Due to other banks.....	1,386.
Other liabilities.....	218,499.
	<hr/>
Total	920,753. (35)

It is evident that the great bulk of the banking business at this time was done by the national banks. In 1874 there were six state banks in Minnesota, with a total capital of \$580,000. These were: Farmers' and Mechanics' Bank of St. Paul, \$50,000; German American Bank, St. Paul, \$300,000; City Bank, Minneapolis, \$150,000; Bank of Duluth, \$80,000; Lake City Bank, \$50,000; and Dakota County Bank, \$50,000. (36) The Savings Bank of St. Paul, the Duluth Savings Bank, the Hennepin County Savings Bank, the Stillwater Savings Bank, and the St. Croix Savings Bank of Still water, all organized under chapter 23 of the General Laws of 1867, made reports to the auditor as to their condition. The Farmers' and Mechanics' Bank of Minneapolis had been organized in October, 1874, and the Goodhue County Savings bank of Red Wing was in process of organization. No reports were received from these. (37)

In 1873 the assessors' valuations of shares in national banks and other capital used in the business of banking were as follows:

<u>County</u>	<u>Valuation.</u>
Blue Earth.....	\$87,124.
Chicago.....	60.
Crow Wing.....	600.
Dakota.....	100,000.

(36) Report of State Auditor, Ex. Docs., 1874, Vol. I., pp. 130-133.
 (37) Ibid., pp. 127-130.

County

Dodge.....	\$9,000.
Fillmore.....	300.
Goodhue.....	65,000.
Hennepin.....	323,900.
Meeker.....	558.
Mower.....	35,000.
Nicollet.....	35,000.
Olmsted.....	95,000.
Otter Tail.....	14,000.
Ramsay.....	625,000.
Redwood.....	1,500.
Renville.....	600.
Rice.....	90,000.
St. Louis.....	92,500.
Scott.....	35,000.
Steele.....	25,000.
Wabasha.....	25,000.
Waseca.....	675.
Washington.....	127,500.
Winona.....	125,150.
Wright.....	108.
Total	\$3,083,575. (38)

CHAPTER X.

TAXATION AND PUBLIC FINANCE.

After the organization of Minnesota territory the taxable wealth grew rapidly. The following table shows the valuation of real and personal property from 1849 through 1873, with the ratios of increase or decrease.

<u>Year.</u>	<u>No. of assessed counties.</u>	<u>Valuation of real and personal estate.</u>	<u>Ratio of increase, per cent.</u>
1849-----	1 -----	\$514,956 -----	-----
1850-----	6 -----	808,437 -----	56
1851-----	3 -----	1,282,123 -----	59
1852-----	8 -----	1,715,835 -----	33
1853-----	6 -----	2,701,437 -----	51
1854-----	13 -----	3,508,518 -----	29
1855-----	18 -----	10,424,157 -----	197
1856-----	24 -----	24,394,395 -----	134
1857-----	31 -----	49,336,673 -----	102
1858-----	37 -----	41,846,778 -----	15decrease.
1859-----	40 -----	55,564,492 -----	15decrease.
1860-----	41 -----	56,755,408 -----	3
1861-----	44 -----	39,981,515 -----	8
1862-----	38 -----	29,832,719 -----	26decrease.
1863-----	39 -----	32,211,324 -----	8
1864-----	41 -----	41,222,264 -----	28
1865-----	42 -----	45,127,318 -----	9
1866-----	44 -----	57,974,352 -----	28
1867-----	49 -----	65,140,248 -----	14
1868-----	50 -----	75,795,366 -----	16
1869-----	49 -----	78,242,916 -----	4
1870-----	51 -----	86,940,910 -----	10
1871-----	53 -----	90,850,010 -----	4
1872-----	56 -----	101,522,357 -----	12
1873-----	68 -----	112,035,561 -----	11 1.

1. For 1849-60, Wheelock, 2nd. Rep. as Com. of Statistics, 1862, p.21. For 1861-69, Rep. of State Auditor, Ex. Docs., 1869, pp.742-745. For 1870-72, *ibid.*, 1872, Vol. 1, p.419. For 1873, Rep. of Com. of Statistics, Ex. Docs., 1874, Vol. 1, No.10, p.22. The percentage figures and number of counties are Wheelock's down to and including 1860. After that they are the writer's.

The rates of taxation levied on the basis of these valuations varied with the county and municipality in which the property was located. For territorial purposes the rate was one mill on the dollar, in 1850, as we have seen.² In 1869 it had risen, for state purposes, to 3 mills for general revenue, 1 mill for interest on the state debt, 1 mill for the sinking fund, and 2 mills for common schools. A total of 7 mills on the dollar.³ In 1873 the rate for state purposes was 4.5 mills, made up as follows:

General Revenue fund-----	3.75	mills.	
State Interest fund-----	.50	"	
Sinking fund-----	.25	"	4

Up to the time of the admission of Minnesota as a state and the inauguration of a state organization, a considerable share of the financial support of the government came from Congress. This was particularly true in the earlier territorial days. Up to about 1863, much difficulty was encountered in tax collection. The county treasurers were often lax in discharging their duties, the executive authority of the territory was in many instances lamely wielded, and then the difficulties of transportation and

2. Supra, p.40.

3. Report of State Auditor, EX.Docs., 1869, p.710.

4. Ibid., Ex.Docs., 1874, Vol. 2, pp.740-755.

of communication with outlying counties sometimes caused them to make no returns at all to the state authorities. It was true of the United States as a whole in the '50s and '60s that it was a country of long distances and dis-united sections. The far West could have little in common with Washington and New York when it took weeks to reach them, and nearly as long to communicate by mail as to go in person. It was not until the '60s that the telegraph came to help matters out. And what was true of the nation at large was equally true, in a smaller way, of a territory and state situated as Minnesota was. It was difficult to make government efficient, and prompt to exert its authority, in the distant counties. St. Paul was a comparatively long distance from the southwestern, the western, and the northern parts of the state, when the journey had to be made with horses over uncertain roads and when the telegraph and telephone were lacking. Add to these geographical conditions the point of view that was engendered in the people of the time, the point of view that is well illustrated by the statement, "the government which governs

least is the best government of all", and the causes for the comparatively large amounts of delinquent taxes in the days of the territory and the first three years of the state are apparent.

In 1851, out of a possible territorial revenue of \$832, \$271 was uncollected.⁵ In 1853 it was reported that \$711.87 of taxes were delinquent, out of a total amount levied of about \$2400.⁶ In 1854, \$913 of taxes were delinquent. Of the counties of Itasca, Hennepin, Dakota and Wabasha, against which taxes had been levied, only part of the taxes due from Wabasha had been received up to February, 1854.⁷ Out of nineteen counties, only five, Ramsey, Washington, Benton, Chisago and Hennepin, had made returns to the state auditor of their taxable property, as required by law. The legislature was asked to consider whether further legislation would not bring about a more prompt discharge of duty in delinquent counties.⁸ In 1855, out of 35 counties, all but 14 failed to send in returns of their taxable property.⁹ The following unpaid balances of taxes due the territory were against the accounts of counties:

5. Gov. Ramsey's Message, Jan. 3, 1852. Council Journal, 1852, p. 19.
House Journal, p. 27.
6. Territorial Auditor's Rep., Jan. 27, 1853, House Journal, p. 213,
Council Journal, p. 163.
7. Rep. of Terr. Treasurer, 1854. Council Journal, App., p. 36.
9. Gov. Gorman's Message, Jan., 1856. Council Journal, App.,
p. 10. Auditor's Report, *ibid.*, p. 17.
8. Rep. of Terr. Auditor, Council Journal, 1854, App., p. 28.

<u>County</u>	<u>Unpaid Bal. Due.</u>
Ramsay-----	\$466.98
Sibley-----	42.82
Scott-----	164.37
Stearns-----	102.54
Benton-----	786.45
Blue Earth-----	71.21
Chisago-----	466.98
Dakota-----	505.88
Fillmore-----	355.88
Goodhue-----	199.82
Hennepin-----	505.78
Houston-----	412.40
Le Sueur-----	56.68
Nicollet-----	198.14
	Total-----
	\$13,171.95

10

For 1859, the amount of delinquent tax had increased to \$149,799. Of this, Hennepin county was delinquent \$51,939, Ramsey \$14,996, Olmsted \$10,306, Dakota \$10,160, Winona \$9,872 and Washington, \$5,503.¹¹ Governor Sibley stated in his message of December 8, 1859, that it was highly necessary that the counties should be compelled to provide for more punctual payment of the amounts due the state treasury. Of the taxes due the state in 1858, considerably less than half had been paid. The consequence was that warrants issued upon the state treasurer by the

11. Report of State Auditor, 1859, House Journal, 1859-60, p.756. See also Gov. Sibley's Message, Dec. 8, 1859, *ibid.*, p.20.
 10. Gov. Gorman's Message, Jan., 1856. Council Journal, Appendix, p.10.

auditor, in accordance with legislative appropriations, depreciated in value. In the latter half of 1858 it was difficult for holders to realize over two-thirds of the par value of this state scrip. In many cases the state was charged an additional amount on necessary purchases, to cover the discount on the state warrants. "It is said, and I have no doubt truly, that the Treasurers of some of the counties have taken advantage of this state of things to buy up State warrants at low prices, and transfer them to the Treasurer of the State in payment of taxes due -the county treasurers themselves realizing a handsome sum from this unjustifiable proceeding".¹² To meet this evil a stringent law, making it a penal offense for county treasurers to pay into the state or county treasury funds other than the identical moneys received by them, was recommended. The trouble due to the issuance of state scrip continued, though it was somewhat abated by rigid economies inaugurated by Gov. Ramsey when he took office in January, 1860, until the state began to pay cash for all warrants in the latter part of 1864. At this time,

12. Gov. Sibley's Message, just cited, pp.21-22.

and for the first time in her history as a state, Minnesota's treasurer paid cash upon presentation of all authenticated evidences of indebtedness.¹³ The trouble with county delinquencies had been materially reduced and it became of little consequence in the affairs of the state as progress was made and prosperity and wealth increased. And as the railroads began to come it was easier to exert the authority of government swiftly and effectively. The government became more efficient and the people became accustomed to an authority that made itself felt.

The total receipts of the treasury, by years from 1850 through 1873, were as follows:

<u>Year</u>	<u>Receipts</u>	<u>Disbursements.</u>
Nov. 1850 to March, 1851-----	\$496.90 -----	\$492.90
Mar. 1851 to March, 1852-----	605.00 -----	600.00
Mar. 1852 to Feb. 16, 1853-----	925.00 -----	932.00
1853-----	116.81 cash-----	1,843 in warrants.
1854-----		1,937 in warrants.
1855-----	1,265.00 -----	3,664 in warrants.
1858 and 1859-----	379,250.00 -----	363,891 with appropriations of \$102,015 unpaid.
1860-----	139,522.00 -----	138,846

13. Gov. Miller's Message, Jan. 4, 1865. Ex. Docs., 1864, p.13.

<u>Year</u>	<u>Receipts</u>	<u>Disbursements</u>
1861-----	\$166,787	\$101,733
1862-----	216,362	184,535
1863-----	659,308	576,539
1864-----	377,157	402,952
1865-----	395,590	410,526
1866-----	450,861	461,265
1867-----	687,729	704,683
1868-----	785,314	762,315
1869-----	873,376	855,757
1870-----	640,215	595,905
1871-----	776,972	718,956
1872-----	783,481	736,361
1873-----	1,140,802	1,165,704

14

One cause for the unsatisfactory character of the early reports of the territorial auditor and treasurer, as well as an element contributing to laxity in tax administration, was the meagre salaries paid to these officers. Their respective salaries were \$100 per year. Governor Gorman called the attention of the legislature to these conditions and said, "It has been with the utmost difficulty that competent persons have been induced to accept and hold these offices." It was recommended that the salaries be increased to at least \$500 per year each. On the general subject of tax laws and administration it was said, "And it will be seen that your revenue laws in many par-

14. Reports of State and Territorial Auditors for years named. After 1859, found in Ex.Docs. Before 1860, found in appendices to House and Council Journals.

particulars are radically defective and inefficient. You will find also, that there exists a stern necessity for requiring more promptness and fidelity in the discharge of the duties of the several county officers, and you will materially subserve the interest of the people by providing for Auditors in each county."¹⁵

The ordinary expenses of the state government for 1861 and following were as follows, the figures including such items as public buildings, interest on loans, aid to agricultural societies, relief of soldiers, etc., in addition to executive, legislative and judicial expenses:

<u>Year</u>	<u>Total ordinary expenses.</u>
1861-----	\$118,249.88
1862-----	150,059.81
1863-----	152,609.89
1864-----	166,040.70
1865-----	242,132.40
1866-----	229,702.89
1867-----	364,082.89
1868-----	364,941.38
1869-----	413,798.41
1870-----	422,304.69
1871-----	487,192.00
1872-----	480,603.84
1873-----	560,145.02 18.

For the years 1858 and 1859 the current expenses were

15. Message of Jan., 9, 1856. Council Journal, 1856, appendix, pp. 3-4. House Journal, *ibid.*
16. 1861-1872, Report of Commissioner of Statistics, 1872. Ex. Docs., 1872, Vol. 2, p. 705. For 1873, Report of Com. of Statistics, Ex. Docs., 1873, Vol. 1, p. 501.

about \$149,594 annually.¹⁷ For 1860 they were \$134,333.¹⁸

The burden of Governor Ramsey's message of January, 1860, was reduction of state expenses. He said, "A thorough revision of all laws whereby the expenses of Town, County or State governments can be reduced, is imperative. It is to be regretted that such a scale of expenditure, for some or all of these governments, was adopted in the midst of the ruin following the revulsion of 1857, and that no change or reform has been attempted for full two years of sacrifices and distress. The necessity for your prompt action is therefore the more pressing."¹⁹ The legislature, following out these suggestions, reduced expenses in every department. The number of members composing the legislature was reduced one-half; a constitutional amendment limiting legislative sessions to sixty days was proposed, and ratified by the people; and the salaries of state officials were reduced.²⁰ The foundations of a reasonably sound fiscal policy were laid in the years 1860 and 1861. The way was paved for the return to cash payments in 1864.

A particularly interesting item of early public

17. Gov. Ramsey's Message, Jan. 2, 1860. House Journal, 1860, p.167.
 18. Auditor's Report, Ex.Docs., 1860, p.5. Doc. No. 2.
 19. House Journal, 1860, p.166.
 20. Gov. Ramsey's Message, Jan. 9, 1861. Ex.Docs., 1860; pp.5-9.

expenditures was that for public printing. In territorial days the public printing contract was a rich plum, earnestly striven for by the newspapers. There are indications that printing firms were established solely for the purpose of obtaining the contract, and the legislative votes on the question of public printing leave little room for doubt that much politics was played in determining the direction in which the vote was to go. C.K. Smith, early territorial secretary, was the target of much satiric and bitter criticism from the trenchant pen of Editor Goodhue of the St. Paul Pioneer, in 1850 and 1851, because of his favoring another establishment in the allotment of public printing. In his message of January 9th, 1862, Governor Ramsey, after commenting on the various economies effected by his administration, said, "In no direction are the fruits of the policy of retrenchment more conspicuous than in the item of printing, which now amounts to but one-seventh of the sum expended for that purpose in 1858; when, indeed, the printing bills largely exceeded the whole present cost of the State Government. At the same time the quality of the work has improved, and

the amount of useful publications greatly increased.²¹ The cost of the state government in 1861 was stated as \$70,615 and of public printing, \$12,355.²² The impression given by Governor Ramsey's statement should, however, be modified somewhat. The statement was true, for the printing bill in 1858 amounted to about \$75,000.²³ But a large proportion of the amount was for printing constitutional debates, and for the unusually great amount of other printing that was required by the long legislative sessions which were held to make arrangements for statehood and for organizing the various branches of state government. From 1861 to 1874 the expenditures for public printing varied from \$7,510 in 1861 to \$24,958 in 1872 and \$29,371 in 1873.²⁴

21. Ex. Docs., 1861, p.7.

22. Ibid., p.6.

23. Auditor's Report, House Journal, 1859-60, pp.757, 760-761.

24. 1861-1872, Rep. of Commissioner of Statistics, Ex. Docs., 1872, Vol. 2, p.705. 1873, State Auditor's Report, Ex. Docs., Vol. 2, p.736.