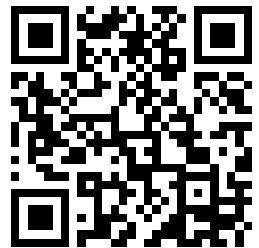
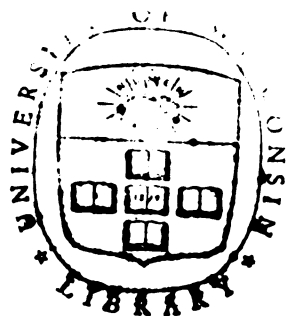

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WILLIAM WINDOM
1827 - 1890
HIS PUBLIC SERVICES
BY
GRACE ANNE WRIGHT

A THESIS SUBMITTED FOR THE DEGREE OF
MASTER OF ARTS

UNIVERSITY OF WISCONSIN

1911

THE
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CHAPTER 1

INTRODUCTION AND BIOGRAPHICAL SKETCH

The years from the end of the Revolutionary War to the election of Washington are known as the "Critical Period," because our national life swung in the balance during that time. To one other period may this same name be applied, when for a second time the Union was threatened with dissolution and destruction. Surely the twenty years between 1860 and 1880 were fraught with many danger of many kinds.

In the first critical period it was the sane, sound common sense and the judgment and foresight of our national leaders, the makers of our constitution, that saved our bark from shipwreck on the rocks of State Sovereignty and commercial rivalry. In the second case the exceptional leadership of Lincoln was not alone responsible for our weathering the storm of Civil War--we owe much to the wisdom of our Congress especially in solving the problems that followed the war.

We are not proud of all the chapters in the Congressional History of that period, nor are we filled with pride when we look over the careers of some of our legislators. But any nation might recognize with pride and gratitude the

work of such men as Charles Francis Adams, John Sherman, William B. Allison, James G. Blaine, Charles Sumner, James A. Garfield, Matt Carpenter, Carl Schurz, George F. Hoar, and a score of others. In this list of our national leaders Minnesota is glad and proud to claim the name of William Windom, her distinguished adopted son who served ^{his} state continuously in the national legislature with the exception of one year from December 1859 to March 1883. Minnesota is glad that in the period when the standard of political morals was very low, when such blots were made on the legislative history as the Credit Mibilier, The Salary Grab, the Caldwell Election Case and Sanborn Claims, she could send to Washington a statesman of such pure morals that his rectitude was never questioned.

The problems of the time were not only those of Slavery, War and Reconstruction, tho the latter furnished for years a fertile field of labor; but the question of developing the resources of the country, of bringing the West into commercial contact with the East, of disposing of the public lands to our greatest advantage, of safe finance, of immigration, of our policy towards the savage race - our national wards - all these and more claimed the attention and services of our lawmakers and upon these William Windom spent his efforts.

The ancestors of William Windom were Quakers and came to Virginia from England, moving later to Ohio and be-

coming pioneers of Belmont County. Here in 1817 Hezekiah Windom married the Quaker maid, Mercy Spencer, and subsequently two children were born to them, the younger, William, on June 10, 1827. The Windom home was a very humble one, but always a home of peace and purity; the mother always wore ~~the~~ Quaker garb and the children used the Quaker form of speech.

In 1837 the family moved ^{to} Knox County, which became their permanent home. Here amid the hardships and limitations of pioneer life William Windom grew to young manhood. There was not much chance to give the boy a fine education; money was lacking, for Knox County was so far away from the markets that the cost of transportation kept the purse empty. But he learned many valuable lessons here and became a strong sturdy man. There were few books to be had, but young William acquired a taste for learning and determined, like his great contemporary, Lincoln, to get an education and to become a lawyer. This was not a part of the plan of his parents who meant to have him learn "a good honest trade." Finally he won them to his way of thinking, took an academic course at Martinsburg, Ohio, followed by a thoro course in the law office of Judge R. C. Hurd of Mt. Vernon. In 1850, at the age of twenty-three he was admitted to the bar and began his practice at Mt. Vernon. To accomplish this took the united

1. From the biography of William Windom in a memorial volume published privately after his death. Kindly loaned the writer by Judge Windom of Duluth, Minnesota.

efforts of father and son, for Hezekiah Windom mortgaged his farm to furnish the funds. The mortgage was in the form of a loan which was paid out of young William's first earnings at the law. While at the Academy William taught school in winter and worked with his father and brother on the farm in summer. He also assisted the postmaster at Mt. Vernon.

Like many another live young man Mr. Windom was attracted to the new Northwest, just then opening up to settlement, and in 1855 he moved to Winona, a flourishing town of the territory of Minnesota. He hung out his shingle and became the law partner of D. S. Norton. Here, ^{he} maintained a legal residence to the time of his death.

Minnesota became a state in 1858 and Mr. Windom was elected, as a Republican, one of her first representatives. He was successively reelected to serve in the Thirty-seventh, Thirty-eighth, Thirty-ninth, and Fortieth Congress, a period of ten years, terminating in 1869. In that year he was appointed by the Minnesota Legislature to fill a vacancy in the United States Senate, caused by the death of his law-partner. In 1871 he was elected to the United States Senate for the usual six year term and he was reelected in 1877. He was Minnesota's candidate for the Presidency in 1880. In March 1881, he was appointed Secretary of the Treasury by President Garfield, but he retired on the accession of Mr. Arthur and was again reelected by Minnesota to fill his own unexpired term in the Senate. He closed his second term in that body in March 1883 and having failed of reelection he returned

to private life until President Harrison called him to the portfolio of the Treasury in March 1889, in which office he was serving at the time of his death.

In the House he served on the Committee on Public Lands, and as chairman of the Committee on Indian Affairs from 1860 to 1869. In the Senate, he also served on the Committee on Public Lands; and for four years as chairman of the Committee on Appropriations, a position difficult to fill at any time, but particularly so in the early seventies. As chairman of the Select Committee on Cheap Transportation to the Seaboard, he brought in a two volume report of great value to the nation.

CHAPTER 11

PUBLIC LANDS

When Mr. Windom entered the House in December 1859, he was appointed to the Committee on Public Lands, of which Eli Thayer was the chairman. It was fitting that the member from the new western state should be put on this Committee and Windom showed his point of view as to the use of the Public Lands in his very first long speech, which was delivered in a debate on the "Homestead Bill" on March 14, 1860. (1) Part of this speech follows and it gives the setting of his entire career.

"More than three months have elapsed since the Representatives of this great nation assembled at the Capital for the purpose of transacting the business of the country. Numerous subjects of vital importance to those whom we came here to serve stood out prominently before us and demanded prompt attention. Among these I may mention a law granting the public domain in limited quantities to actual occupants; the protection of the lives and property of our citizens by judicious appropriations for the improvement of our rivers and harbors; wise and prudent national aid to a Pacific railway by that route which is the most-feasible, and which will contribute most to the development of the resources of the nation, and to the encouragement of its great agricultur-

al, commercial and manufacturing interests; simple justice to the territory of Kansas, by her admission into the Union as a state without further delay; and a thoro, searching investigation of the alleged extravagance, profligacy and corruption of the present administration."

" I concede with pride that the public lands of the United States constitute a 'legacy of inestimable value'; but I maintain that this legacy belongs to the people and not to that intangible thing, called Government; and I will ever oppose to the utmost of my limited capacity that sentiment-already too prevalent-which would centralize the wealth of the nation instead of distributing it among the people. A state is great, rich, and powerful not in proportion to the mass of wealth which it may accumulate in its treasury, but in proportion as the men who constitute it are prosperous, honest, brave, and happy. The history of the world abounds in proofs of the fact that just in proportion as the state grows wealthy the people become poor. I claim that this 'legacy' spoken of by the honorable secretary (of the Interior) is not one to be used by the nation as such as a basis of public credit, and for the purpose of centralizing power in the hands of a few favorites of the government, but by all the principles of sound policy and justice, humanity and right, it belongs to the people, and that Congress is only the trustee of this splendid patrimony, and is in duty bound so to execute the trust that the rightful owners, the people,

may enjoy the full benefit of it."

"It is also said by this administration that it is but just and fair that those who take these lands should make some reasonable return in money. This objection may look very plausible, sir, to those who have been reared in luxury and ease; who occupy high offices in this city under the Federal Government and whose pockets are filled with this 'reasonable return'; but I would respectfully invite such persons to come with me to the pioneer settlements of the West, and if I mistake not, they will return wiser, if not better men. They will find there a people industrious frugal, intelligent, brave, generous, before whose sturdy blows the wilderness is rapidly disappearing, and the prairies waving with golden grain, but who, when the Government requires from them this 'reasonable return', are, in thousands of instances unable to meet the demand. Or if by denying their wives and children the common comforts of life, they can pay the last farthing demanded by this inexorable creditor-the Government-they are left destitute of the means of educating their children or improving and stocking their farms; and, from sheer necessity are compelled to mortgage them, and thus place themselves in the power of some remorseless speculator or Shylock, who finally sweeps away from them their humble homes and with them the hopes they have sustained during years of toil and privation. Then forced on by his unconquerable will and determination, the

pioneer strikes out further into the western wilds, toils and suffers, hopes and endures, till again the inexorable voice of the government official is heard and his homestead is again sold to increase the wealth of some speculator and to fill the insatiable maw of the public treasury."

One objection to the Homestead Bill was that it would encourage immigration. Windom said that the South feared immigration because it threatened its peculiar institution-the foreigner always opposes slavery. "Let the immigrant come to our shores, let him help us to cultivate our lands, build our towns and cities, railroads and canals, and enjoy with us the inestimable blessings of freedom; when the hour of peril to the country shall come-if come it must-you will ever find him in the future, as you have done in the past, true to the principles of liberty, and ready to bare his strong arm in the contest for the right."

"The strength of the nation is in agriculture. All the unnumbered millions of acres are utterly worthless until they are rendered valuable by the persevering industry of the settler, and every cent which is received from the sale of these lands is a tax imposed upon the industry of the occupant and the cultivator. The title of all that vast domain included within the valley of the Mississippi would have remained in the government without a bidder till doom's day if the bold and hardy pioneer had not erected upon them his cabin, brought them under cultivation, and thus made

them a source of profit and wealth to the nation."

"The country now known as Minnesota has for ages possessed the same salubrious and delightful climate; the same pure invigorating atmosphere; the same majestic rivers traversing her territory, from one extremity to the other; the same crystal streams, murmuring thru her flowery prairies, and the same beautiful and fertile soil. But of what value were all these things to the nation until the axe and plow of the pioneer took the place of the bow and scalping knife of the savage, and the toupee of the Indian gave way to the church, schoolhouse and the thriving village of the white settler? There was untold wealth hidden in her inexhaustible soil; but it was valueless to the government until drawn forth by the patient industry of the farmer.".....

"Their progress is in no way the result of your land system. Your policy has been to turn loose upon them, as on citizens of other new states a horde of speculators and 'sharks' who have entered large tracts of land and will neither improve it themselves nor permit others to do so; and who are now very contentedly waiting in their comfortable or southern homes until the labor of the settler shall have enhanced the value of their land.....Let this bill pass; let monopolies forever be destroyed; let every man who is willing to work have a homestead of his own; and before a quarter of a century shall have passed away, a score of mighty and prosperous states--the pride of the republic and

the admiration of the world--will leap forth from the great valleys and forests of the west like youthful giants rejoicing in their strength."

The bill passed in the House but failed to pass the Senate, because the Southern Senators had the idea that it was designed to aid immigration. (1)

In 1862 when the Homestead Bill was again before the House, Mr. Windom spoke in brief as follows:

"The system of selling large tracts of land to non residents and speculators is the direct curse which has ever been inflicted upon the West and has done more to retard the growth and improvement of that section of our country than all other causes combined. These evils have been recognized by the nation; and the loyal states, at the last general election, declared that they should no longer exist."

"Nothing can be further from the truth than the assumption that when these lands are granted to settlers in consideration of occupancy and improvement, they cease to be a part of the national wealth. They just as really, for all purposes of public credit and revenue, belong to the government after the issuance of the patent as before. And who does not know that just to the extent of their improvement the wealth of the country is enhanced and the basis of taxation and public credit enlarged?" (2)

1. Am. Hist. Rev. VI p. 297 Political Aspects of Homestead Legislation - Sandborn.
2. Cong. Globe - 42 -^{all} - p. 1033 - Feb. 28.

This bill granted:-

First: One hundred sixty acres to every actual settler twenty-one years of age, or the head of a family who was a citizen or had declared his intention of becoming such.

Second: By the Porter Amendment such persons should from and after January 1, 1863 be entitled to enter, free of cost, a hundred sixty acres of unapportioned public lands upon which said person might have filed a preemption claim, or which might, at the time (of) application was made, be subject to preemption at \$1.25 per acre or less. One hundred sixty acres to every person (regardless) who should enlist in military service to suppress the Rebellion.

Third: A bounty of thirty dollars in cash to each three months' soldier, while those who enlisted for the war were entitled to one hundred dollars. The bill was passed by a vote of 107 to 16, February 25, 1862.

In 1868 Mr. Windom succeeded in getting thru an amendment by which the settler might make the different affidavits required by the law before the clerk of the court of the county of which he was a resident--and not at the land office, often eighty or a hundred miles distant. Here again he showed himself very much the friend of the poor settler.

"This Homestead Law was made for the benefit of the poor man. It may seem a small thing to pay thirty dollars

or fifty dollars for a farm but to the frontier settler it is a great consideration. We ought to save them all we can."(1)

In 1872 when Mr. Windom was in the Senate, he worked hard for an amendment to the bill of 1862 to the effect that soldiers should have their time of service deducted from the time they have to stay on the land. (2)

In 1876 the public lands were being plundered and valuable timber land, not open to the public, was being robbed of its timber. (3) Windom brought in a bill to repeal section 2303 of the revised statutes of the United States making restrictions in the disposition of public lands in the states of Alabama, Mississippi, Arkansas, Louisiana, and Florida. He said in part:

"I think it is agreed by all Senators and Representatives from these states that so far as the object sought by the original act is concerned, it has been a failure. There have been but few of these lands taken for homesteads, but the Homestead Law has been used as a cover to enable dishonest persons to strip them of their valuable timber, defraud the government, and then desert them. I believe that if these lands are open to honest persons desiring to manufacture, the increased business which will result in those states will be of vastly greater benefit to the poor people residing there,

(1) Globe - 1868 - Jan. 15 - p. 539.

(2) Globe - 1872 - March 22 - p. 1885.

(3) Cong. Record Vol. 1V - p. 852 - Feb. 3, 1876.

by giving employment in the manufacture of lumber, than they will ever receive under the existing restrictions. I believe with my friend from Kansas that the Homestead Bill was originally passed for the benefit of agriculture. Having had some part in its original passage I know such was the intent of some of its promoters; but that it would ever operate upon such lands as those in the five states referred to I think no one anticipated."

On February 15 Windom replied with some spirit to an attack on Minnesota's destruction of timber. (1) He said "The Senator from Massachusetts refers to me as being from a state where timber has been destroyed by various means, suggesting that some of them were not quite proper. I want to say to the Honorable Senator that he has news on that subject which I have never received. I know of no destruction of timber by the people of my state. In fact they value it very highly. It is guarded as well as it can be. The destruction of timber in Minnesota arises from fires spreading over the government lands, and not from wanton waste by the people. I will add this by way of suggestion to the Senator when he and I meet to devise the best mode of increasing the growth of timber in this country, if he will agree to appropriate one-half the money it would take to set thousands of appraisers and markers to work over the swamps of the country, to plant out timber in the prairie portions of the country, he

(1) Cong. Record Vol. 1V - Pt. 11 p. 1087 - Feb. 15, '76.

would do vastly more benefit than by the expensive arrangement he now proposes. In my state we have planted out within the last year millions of trees on the open prairie. Societies have been formed in many counties and in the State Capital for the express purpose of encouraging their cultivation and the people of that state have taken great interest in the subject.

On the next day, February 16, Mr. Howe of Wisconsin advocated opening the timber lands to public sale and letting people bid as for other lands because "he felt assured the people of Wisconsin were honest enough not to speculate."

(1) Windom is "very glad to hear how honest the people of Wisconsin are in these public lands sales -- Wisconsin is exceptional--^{when these} men come over the Minnesota line they are not so honest." We compliment Howe on his constituency. He says further:-

"This bill does not open lands generally to private entry. It does not propose to allow large tracts to be taken, but it does propose to give those people of those states and territories who desire them for their own use, small quantities in an honest way by paying for them. I think it would be better to let companies who are actually manufacturing, or can show that they are prepared to manufacture certain quantities of lumber per annum to take a larger quantity of timber land than one hundred sixty acres

(1) Record 1V - 11 - 110 - Feb. 16, 1876.

for their own use. I do not wish any law that will tend to destroy the timber of the country; I wish to preserve as much as possible of it for the future and yet I say it to you that I believe it utterly impossible to prevent the people of the states and territories here named or of any other state from taking in some way so much of the timber lands within their borders as the demand of the present requires. We must provide for it in an honest way or they will be at liberty to take it. I believe the pine lands of this country are of sufficient importance to justify more attention than is given to them by Congress or has ever been. I would suggest a commission to investigate how to preserve them. But I apprehend Congress is not now ready to appoint such a commission. I certainly would vote for it with great pleasure."

In general then Mr. Windom's policy is an exceedingly liberal one--one that looks out for the interest of the settler at all times--always with the end in view of developing our public land for the benefit of the people.

CHAPTER 111

INDIAN AFFAIRS.

As the frontier line has been pushed ever westward from decade to decade, each new set of pioneers has had to battle with the savage occupants of the soil. On each successive frontier war has been fought--on the part of the original owners to maintain possession and on the part of the invaders to drive them out. Each new state has had its list of victims killed in cold blood by the merciless red men. Minnesota has been no exception to the rule.

No one who scans even casually the history of the Government's relations with the Indians can be proud of our record. Probably no department has had more fraud connected with it than that of Indian affairs--not always the fault of the men high in office--but of the agents between them and the Indians. Surely to no department have more millions been devoted. But what has there ever been to show for it? Not even peace until in very recent years. Possibly when the census bureau reported in 1890 that there was no longer any "West"--a similar statement might have been made of the Indian question. However, it is only without policy from 1860 to 1880 that this chapter deals--the years when as chairman of the Committee on Indian Affairs in the House and again of the Committee on

Appropriations in the Senate, Mr. Windom had something to do with shaping the laws.

In August 1862 occurred the outbreak of the Sioux Indians in Minnesota, where a strip two hundred miles long by fifty miles wide was devastated and fully one thousand men, women, and children cruelly butchered. (1) Most of this was in Mr. Windom's own district and naturally he felt deeply on the subject. This led to several bills to remove the Sioux from Minnesota and in their discussion the question of annulling all treaties between the Sioux and the United States and in giving aid to the sufferers was ably presented by Mr. Windom. (2) He said the United States held in trust for these Indians, \$3,301,000 on which interest at five per cent was paid. (3) If wrongs were committed it was to come out of this sum. Mr. Windom thought that the Indians should be dealt with strictly and punished because it was not possible to deal gently with them and let them get the impression that they could murder and go scot free. (4)

On the advisability of appropriating money to enable the Indian to help himself, there was a difference of opinion which shows in a debate in the House on May 29, 1868. (5)

(1) Minn. Hist. Collections Vol. Vlll p. 486.

(2) Cong. Rec. 43 Pt. 1 p. 3 Dec. 1, 1862.

(3) Ibid p. 104.

(4) Cong. Globe 43 Appendix p. 141 Feb. 25, 1863.

(5) Cong. Globe 44 11 996.

The bill up to that time was to appropriate \$84,500 to complete an irrigation canal on the Colorado Reservation, to break and fence the land, buy seeds, teams, tools and put up buildings. Mr. Windom said it would save money, "because it would furnish employment to the Indians in the Territory, tending to civilize them, for if they are kept at work, enabled to raise corn etc. they will be able to take care of themselves and we would save the cost of a military force there..... I know that this amendment contemplates the only policy which the United States can wisely pursue in regard to the Indians in that far-off country."

Mr. Windom would help the good Indians but he made a distinction between good and bad when a bill was introduced to appropriate \$100,000 for the Sioux and \$50,000 to the Winnebagos. The Sioux made Minnesota mourn in 1862 and he says "they do not deserve a great deal, but the Winnebagos are friendly--are good if there are any good Indians anywhere and ought to be given something for their very friendliness." (1)

Thaddeus Stevens who was the real leader of the House through this period always systematically opposed any appropriations for the Indians. On one occasion, Mr. Windom gave him a characteristic reply: "There is one thing in this discussion which strikes me as being somewhat peculiar. (2) It is that gentlemen who are so earnest in pleading the cause of these murderous Indians and are so anxious to make them

(1) Cong. Globe 44 111 2340 May 18, 1864.

(2) Cong. Globe 46 1 101 Dec. 20, 1865.

large gratuities when we own them nothing, should at the same time resist the other part of the proposition which is to keep innocent and unoffending Indians from starvation.

When gentlemen are pleading for Indians, I wish they would have some sympathy for the innocent as well as for the assassins of women and children."

This shows his sense of justice and again and again he tries to get help for the friendly Indians.

A joint resolution from the Senate, passed by recommendation of the Secretary of the Interior and Commissioner of Indian Affairs and reported by the Commissioner on Indian Affairs to the House --recommended the immediate appropriation of \$500,000 to aid destitute Indians held in the Southern Confederacy. (1) As usual Thaddeus Stevens opposed, this time because he said the money was to be used fraudulently to pay for quantities of flour bought improperly. Others suggested a combine between the agents and traders. Mr. Windom replied:- "If we wish to repeat against them the horrors of Andersonville Prison, then let this bill go over for three or four weeks. They are prisoners of war..... So far as these imputations of fraud are concerned, I do not know how much truth there may be in them; but I do know this, or at least I believe it, that if St. Paul were to come down and accept the office of Secretary of the Interior he would be accused of stealing in less than three months afterward."

There has always been much of fraud connected with our management of the Indians, and many a man employed in this branch of the service has been able to retire on a competency. The writer has been able to find no hint of any sort that Mr. Windom ever profited in this way.

By 1867, the government had obtained full control of the Indians person as well as his property and was the holder of large sums of money from the sale of his property. (1) During the Civil War the Indian problem had loomed up as it never did before, because our "extremity was the Indian's opportunity."

In Arizona, Oregon, California and on the great plains of the West, war followed war. Thousands of whites were massacred while the government spent millions vainly trying to subdue the hostile bands. It was evident that our policy must be changed and on July 20, 1867, Congress created a commission with a view to establishing^{ing} peace with certain hostile Indians." (2) The Commission of eight members, -- N. G. Taylor, Indian Commissioner, J. B. Henderson, Senators Sanborn, and Tappan, Generals Sherman, Harney, Terry and Augur-- was authorized to call together the chiefs and head men of such bands of Indians as were then waging war, for the purpose of ascertaining their reasons for hostility and, if thought advisable to make treaties with them, having in view the follow-

(1) Schurz, Carl Reminiscences Vol. III p. 384.

(2) Exec. Doc. 1868-69 Vol. 1 p. 46 Report of the Peace Commission.

ing objects:-

1. To remove if possible the causes of war.
2. To secure, as far as practicable, our frontier settlements and the safe building of our railroads to the Pacific.
3. To suggest or inaugurate some plan for the Civilization of the Indians.

The Thirty-ninth Congress had said:- "Henceforth no Indian nation or tribe within the territory of the United States shall be recognized as an independent nation, tribe, or power, with whom the United States may contract by treaty." (1) But it left no one the power to treat with the Indians, so in the next session, when war was going on with the Indians Mr. Windom introduced a resolution which was passed and gave the power to again treat with them. (2)

We had at this time treaties with nearly every tribe of Indians, because it had been our policy to consider an Indian tribe as another nation with whom we could treat. Accordingly when the whites wanted the farm lands of a tribe, the government simply took it, drove off the tribe, assigned new lands; considered that it held a sum in trust for the tribe as payment for the old lands, paid an annual interest-- but never kept either the terms or the spirit of the treaty. The Indian had a right to rise up in his wrath for he was not

(1) U. S. Session Laws 1869-71. p. 566. *Mar* 3, 1871

(2) Cong. Rec. 40 Session 1 July 15, 1867.

fairly dealt with. Mr. Windom believed that we were dishonest when we failed in our treaty relations. On an appropriation bill which was cut down by a million, on the basis that only "enough to carry out treaties is appropriated." Mr. Windom freed his mind on this subject:- "I am very glad that the Committee on Appropriations have kindly come to the conclusion to carry out Indian treaties. (1) I believe, Sir, and I propose to state it as broadly as I believe it, that because of the failure of the Committee on Appropriations to carry out Indian treaties at the time provided in said treaties by making the necessary appropriations in 1867 and 1868, they have caused a loss to the government of \$50,000,000 "

"I do not wish to criticize the action of the House, but its Indian policy, if it can be said to have any such policy, convinces me that we are far more ready to vote twenty, thirty, or fifty million dollars for Indian wars than to give one million dollars to keep the peace with them by carrying out in good faith our treaty stipulations.

"I propose in about thirty days to leave this Hall when I shall have no more responsibility on this question. But I want to say that the \$50,000,000 that have been expended in the last year or two for Indian Wars are entirely due to our breach of faith; and having said that much I do not wish to discuss the subject further."

Earlier in the year Windom had introduced a bill for

(1) Cong. Rec. 40th Cong. 1st Session July 15, 1867.

the Inspection of Indian Affairs which was unusual, to say the least. (1) It failed to pass but it brought up the question of transferring the management of Indian affairs to the War Department. The bill was so peculiar that I state its provisions:-

1. Five districts of Inspection.
2. Five boards of inspectors of three members each; one appointed by the President; one by the Secretary of War, an officer of the army; one by the President from those suggested by religious denominations.
3. Salary to each of \$4,000 per annum.
4. Duties--to examine conditions--whether moneys and goods are justly applied, examine books, accounts, and manner of doing business of the superintendents and agents, conduct of military forces towards the Indians etc.
5. Indian Superintendents and agents and chief inspectors to have judicial powers.
6. Salary of agents on reservations to be \$1,800.
7. No inspector can engage in trade with the Indians.
8. Any citizen can trade under bonds by law.

This bill would have kept the matter in the Interior Department. A substitute bill was introduced which gave the whole matter to the Secretary of War. This bill passed the

House but failed in the Senate and no action was reached until the next Congress when it was decided to leave it in the Department of the Interior, so Congress was with Mr. Windom. The question was hanging fire for a long time and numerous discussions took place on it. Mr. Schenk, who brought in the substitute bill referred to the Indian Bureau as "little better than a nest of thieves." He said:- "Mr. Windom's bill put together elements that went mix-- the politician, priest and the warrior--on one board. The politician to wink at the contracts made for cheating the Indian; the priest, to pray for the Indian to be cheated; warrior to kill him if he does not behave."

Henderson of Oregon said:- "Experience has proved that the Indians corrupt the militia and the militia corrupt the Indians. They work mutual corruption and the less they have to do with each other the better."

Mr. Windom, in showing the extra expense that would be necessary if the War Department had the management, said of the New Mexico Indians, who were under entire charge of the War Department, that the government spent in one year on six thousand Indians \$1,500,000. He told Thad Stevens it cost \$1,000,000 to kill one Indian, then he doubled the amount and read statistics. The government spent in 1864-65 \$30,530,942. General Scully's expedition cost nearly \$6,000,000 to kill one Indian and "we are not sure whether he was dead or alive." (1)

1/2 Cong. Globe. vol. 47. Pt II. p. 876.

When the Schenk Bill passed, Mr. Windom sarcastically moved that its title be changed to read " A bill to massacre the Indians and deplete the Treasury."

Just before he left the House, in a debate on Feb. 22, 1869, on the question of making appropriations to meet the treaties of 1868, Mr. Windom summed up his whole stand to that time. (1) He said:- "We are called upon tonight and in this Chamber to settle this most important and difficult question. We cannot dodge it. The Senate has tendered to us the issue. Our settlements have pressed the Indian back until he can go no further. One of our railroads already extends across the continent and others we hope will soon do so. The miner has penetrated every mountain, and on almost every prairie our pioneers and farmers are staking out their homes for settlement and cultivation. The question cannot longer be shirked. We have driven those Indians from the Atlantic seaboard to the mountains of the West. They can go no further. The returning tide of emigration already meets them from the Pacific coast. The march of civilization cannot be and should not be checked. We must provide for the wants of the Indian or fight him and we must act at once. Our action on this bill will decide this question. It has been asked whether the Indians have given up any lands. Look over this whole broad country from the Atlantic to the Rocky Mountains and you behold the lands those Indians have given up. They are not mere pensioners on your

bounty. You have thus far robbed them of everything. You have made treaties with them and you have violated them ever since the organization of the government and I believe the gentleman from Dakota (Mr. Burleigh) is not far wrong when he says that you have never kept one of those treaties from that day to this. We have taken from them all they had. A short time ago they had hunting grounds in the West, but now the iron horse is heard among them and the buffalo is disappearing. Either those Indians must starve or fight or we must feed them. The issue is fairly and squarely presented to this House and we must meet it. What shall we do?

"The gentleman from Massachusetts (Mr. Butler) says if we refuse to make these appropriations, what then? The answer stands out on every page of American History. The "what then" will be a troublesome and expensive Indian War. While I am not a defender of the Indian, still I believe there is not a civilized nation on the face of the earth which would treat the Indians as we have treated them.....

"They only know that you have pledged yourself by treaty to give them these provisions for which these appropriations are made and if you do not give them, they know of no other means of obtaining redress except by going to war. And, Sir, fight they will if we do not carry out the treaties made with them in 1868, and if they do we shall have on our hands an Indian War which will cost us hundreds of millions of dollars. As I shall not have after this another opportunity

to be heard on the Indian Question, I wish to put upon record this prophecy that if we fail to carry out these treaties such breach of faith will cost us from forty to fifty million dollars a year."

In 1872, in the Senate, when Mr. Windom was on the Committee on Appropriations, he maintained that "the Quaker Policy was the only policy to apply to the Indians." (1) This was Grant's idea and was carried out as far as possible. (2) Carl Schurz became Secretary of the Interior and was a staunch supporter of the peace policy advocated by Mr. Windom in the preceding remarks. In 1879 an adverse vote put an end to the project of transferring the Indian Bureau.

Mr. Windom had consistently fought for the rights of the Indians--and the maintaining them on their own land or on reservations. In 1876, in a discussion on a bill "to put Indian troubles under the jurisdiction of the United States courts exclusively and for the punishment of crimes committed against the Indians, the fact was brought out that the Sioux who lived in the Black Hills region were being molested because gold had been discovered there and the whites wanted it. (3) Mr. Windom always believed the Sioux to be a little worse than other Indians and so less deserving of help. He said:-

"The Sioux have not kept their side of the treaty.

(1) Cong. Rec. March 17, 1872.

(2) Schurz, Carl Reminiscences, Vol. III p. 384.

(3) Cong. Globe 4 11 1223 Feb. 23, 1876.

After four years they were to be self supporting but we have had to go on paying them, feeding them, rather than have war and now," he thinks, "^{the}nation ought to have the right in conscience and in law to say that the people of the United States shall take possession of these lands for mining purposes. Gold is not so plentiful that we should refuse to open up a rich mining region such as this promises to be..... I am not in favor of regarding rights which the Indians themselves have violated and turning our people out and denying them the privilege of developing this rich country."

Some thought this made Windom's policy inconsistent and mercenary to the Indians. To others like Allison of Iowa, who usually agreed with Mr. Windom on most points, it seemed the only possible course of national development.

When we analyze Windom's policy toward the Indians, we can see that he wished to give them absolute justice, to keep our promises to them in every case but not let them stand in the way of our development. "The Quaker policy" was always his interpretation of the best way to manage them.

CHAPTER 1V

TRANSPORTATION

Between 1850 and 1860 the movement of pioneers into the territories west of the Mississippi River went on apace, probably due to the discovery of gold in California and to the equally important discovery that grain could be raised in large quantities in Minnesota, Wisconsin, Iowa, and Dakota.

With the westward movement there has always been closely connected the problem of transportation, for no one has felt that it would be possible or of much value to open the resources of any area and make them profitable unless there were a means of transporting the surplus to less favored sections. And so, on each frontier the question of transportation has been as difficult to solve as that of the Indians. Each set of pioneers has demanded of the national government aid in this field. Early in our history, the statesmen, construing the Constitution loosely, aided in this work and built a national turnpike. Then when the majority in Congress believed that the Constitution granted no such power the states had to take up the building of canals. Again by 1850 the tide had turned and until 1871 Congress devoted millions to the building of railroads and gave away more millions in land. It was during this period that Mr. Windom entered Congress impressed

with the idea of the westerner that it is the duty of the nation to put the West into communication with the East. The writer believes if the votes in Congress on all the bills asking for land grants or appropriations of money to build and foster railroads could be examined we should find Mr. Windom's vote always in the affirmative. He was alive to the needs of his own state and her sister states. Today when public lands are not so plentiful we feel justified sometimes in speaking of the reckless generosity of Congress in railroad building, but there is always the other point of view. These roads had to be constructed in order to develop the West, get ride of the Indian problem and carry in settlers. We have heard James Hill called one of the makers of the nation, because he realized the very great value to our nation of connecting the Pacific coast with the East. The same breadth of vision was possessed by Mr. Windom. It is very much to the credit of the Congress of 1862, that when we were deeply involved in war, it could enact laws of such foresight as the Homestead Law, the law granting lands for the building of the Pacific railroads and law granting lands to the states out of which later grew the Agricultural Colleges. (1)

Mr. Windom was more closely connected with the Northern Pacific railroad than any other of the transcontinental routes, probably because it interested Minnesota more

(1) U. S. Session Laws Vol. Xll p. 387, 392, 489.

deeply. In his speech on the Northern Pacific railroad bill (1) on Jan. 5, 1864, he disclosed his whole policy and gave as reasons for advocating it the following:

The Northern Pacific route is superior to others because:

1. Geographical conditions and connections with waterways--St. Lawrence River and Puget Sound. Only 825 miles are necessary to be built at different points to make a complete steam route from ocean to ocean.
 - a. Shorter than the other two routes.
 - b. Gradients affect climate.
 - c. Excellent engineering facilities--can be worked from four directions.
 - d. Agricultural and mineral resources along the route are unsurpassed.
2. Necessity.
 - a. Military necessity--to control the Indians.

Treaties have failed--so has war--largely because it is so impossible "to get at" the Indian. If railroads are constructed troops can be speedily moved and self protecting settlements made. This is also the opinion of Generals Grant, Sherman, Hancock, and Sanborn.
 - b. As a measure of retrenchment. Save money on the carrying of mails, also save money to

the people on their business expenses.

c. As a revenue measure--will stimulate immigration. Immigration has kept pace with our railroad building. Immigration means a development of farms.

1. Because it will open to settlement the best portion of public domain.
2. Because it will influence the best class of immigrants by offering them the kind of land they want and in the climate they prefer.
3. Will be a means of developing our agricultural and mineral resources.
4. Will augment our imports and exports and thereby increase the public revenue.
5. A commercial necessity.

a. Because one road will not be adequate to the business of the country.

b. Because no other route will so certainly control the commerce of Europe and Asia.

"Development is the watchword of the century! In the world's great onward march America must keep step to the drumbeat of nations

or fall behind--a disgraced stragler from the ranks."

The bill as passed by Congress provided:- that \$2,000,000 were to be subscribed and after ten per cent of the subscriptions were paid in, ~~the subscriptions were paid in,~~ the subscribers were to elect directors. Twenty sections of land to each mile of the road in Minnesota and Oregon was granted and forty sections in the territories thru which it passed. There was no subsidy in government bonds--"no money to be drawn from the Treasury of the United States to aid in the construction of the said railroad."

Work must be commenced within two years, fifty miles must be completed each year and the road must be finished by July 4, 1876.

Again, in 1878, after the failure of J. Cooke and Company, who had financed the road, and after the reorganization of the company, when they asked for more time, Windom spoke at length:- (1)

"The bill before the Senate merely provides for an extension of time for the completion of the Northern Pacific railroad. It contains no new grants of land, and confers no additional or enlarged powers or privileges on the corporation. It does, however, impose certain new conditions, presumed to be in the interest of the public. First, it opens the land hereafter to be earned, to settlement at the price of \$2.50 per acre, thereby entirely removing the

objections that the grant ties up the public domain and withholds it from the people. Second, with the consent of the company it reduces the amount of the grant some seven million acres by changing the location of the line of the south side of the Columbia River and repealing the grant across the Cascade mountains. The Northern Pacific presents to Congress a stronger case than is usually made by corporations asking its favor. It comes with "clean hands" asking only the right to live and to complete the great work it has begun. It recognizes the fact that to construct a road in these times, over 1,200 miles of mountains and plains, without other aid than the wild lands whose practical value, however rich their soil may be, is solely dependent on the roads itself is a task of no small magnitude. The company as it exists today is in no sense a speculative organization. Its stockholders and managers are the men who having put their money into the road, now wish to finish it in order to save what they have already invested. They will be glad to have anybody take the task off their hands." There is not an iota of evidence that the directors of these companies, or any of them, managed this great work dishonestly, or ever attempted to make it the means of personal gain at the expense of the stock or bondholders.

"I am not too enthusiastic when I say there is probably no locality on the face of the globe that combines so many elements of successful and profitable wheat culture

as the valley of the Red River of the North. The Northern Pacific company have always acted upon the theory that thru the development of the country and thereby an increased volume of business, would be realized their greatest profits, and hence their charges have been moderate. The committee on railroads have certainly imposed all the conditions and restrictions on this company that ought to be imposed if there is any hope of securing means to build the road."

The Northern Pacific had much influence in making Minnesota as it did Montana and Idaho and it little behooves any loyal son of the Northwest to object because the road still owns very valuable lands. They were not worth much when granted and if they had not been given at that time, the development of the region would not have followed.

The reaction in Congress against appropriations and land grants to railroads set in with the spread of the Grange movement in the western states. And this movement was due to the abuses practiced upon the public by the railroad corporations. The whole country was up in arms over the wide grants of land by Congress. The situation briefly reviewed was this:- the farming class west of the Mississippi had demanded in no uncertain terms a means of getting their crops to a market; to meet this demand first Congress and then the state legislatures granted charters to the railroad companies. The charters were usually loose and the railroads

often received land and money to assist in building. The farmers along the proposed route were very glad to assist in getting the road thru and the building began. Then the incorporators, always with the natural desire of the speculator, wished to get some personal returns out of their enterprise so they issued and reissued stock promising huge dividends, and the stock sold. To pay the dividends the railroad came back upon the farmer and took it out of his profits, charging enormous rates. It became unprofitable for the farmer to try to raise a large crop, because by the time it had reached an eastern market, there was almost nothing to pay him for his arduous toil. The panic of 1873 helped to make the farmer's position an unenviable one. Prices went down on everything, his crops sold for less, but the freight rates remained high.

At last the farmers organized and all over the West-- in fact in every state--there were established lodges of the Patrons of Husbandry or Granges. (1) (2) These farmers were successful in electing Grange legislatures and in a number of states, notably Minnesota, Wisconsin, Iowa, and Illinois these legislatures made laws which absolutely controlled the railroads. (3) The Potter Law of Wisconsin was probably the most drastic of these measures.

E.W.

- (1) Martin -Hist. Grange Movement Phil. 1874.
- (2) Periam Jonathan. The Groundswell.
- (3) Journal Pol. Econ. 11 p. 237 Effect of Grange Laws.
Charles R. Detrick.

These Grange Laws operated differently from what the farmer had anticipated--he had looked for cheap transportation. As a matter of fact the Grange Laws really made it unprofitable for the railroads to run at all. In the second year of its operation in Wisconsin, no Wisconsin road paid a dividend--only four roads paid interest on their bonds. Railroad construction had come to a standstill. Roads could not be kept up. Foreign capital refused to invest in Wisconsin; the development of the state was sharply checked; men who had favored the law found themselves heavy losers.

The Supreme Court declared the Grange Laws legal but most of them were repealed because they did not furnish relief. (1) The movement against the railroads was a national one, and there were several organizations established to do away with the evils. Memorials were presented to Congress from all sides. The National American Cheap Transportation Association had Josiah Quincy of Boston for its president. (2) Its memorial to Congress in May 1873 stated abuses and asked for:- "Legislation to control and limit rates and charges of existing lines of transportation; to increase the capacity of our waterways and to aid such new avenues, water and rail, as our unusually increasing commerce demands, so the producer may be justly rewarded for his toil, the consumer have cheap products and our almost limitless surplus find foreign mar-

(1) The Nation Vol.24, p. 143 "Granger Decisions"
Supreme Court Decision Vol. 94, p. 161 - 164. 1876.

(2) Periam - The Groundswell p. 318.

kets at rates to compete with the world." (1)

At a meeting of the national agricultural congress at Indianapolis in May 1873, twenty-five states were represented. A report was presented on a transportation question which stated that "cheap transportation of persons and property is a national necessity; the West produces for the East and South; avenues of freight transportation are insufficient; rates are exorbitant; discriminations are unjust; new routes should be opened and old ones improved - specially water routes; the Southern Pacific and Northern Pacific railroads have been given grants of land and their construction should be secured as an aid to relieve the pressure of transcontinental transportation; narrow gauge railroads should be investigated; railroad corporations should be subject to legislative regulation; government should be reformed by excluding railroad magnates and servants." (2)

The following resolution was presented on the railroad system. Resolved: that abuses operate injuriously to the best interests of the farming class and call for reform; that farmers withhold their aid from the railroads; that we indorse and will support the doctrine set forth by some of our courts that a railway corporation in receiving and exercising the state right of eminent domain and receiving aid,

(1) N. Am. Rev. Apr. 1875, p. 423 - Granger
Movement, Chas. Fr. Adams.

(2) Periam. "The Groundswell" p. 327 - 332.

raised by taxation from public authorities, have thereby accepted and admitted itself to be a corporation with a public function and subject to the power from which it has received its charter in the limitations of its rates; that a railway is a monopoly controlling nearly all the transportation of the country thru which it passes; and that as competition cannot be relied on to fix rates, therefore it becomes the duty of the state to fix reasonable maximum rates, according to a fair remuneration to the transporter and without being an onerous charge to the producer and to the consumer; that since Belgium has succeeded in regulating the rates on railways by government lines, we ask an investigation of the proposition to control the rates on existing railways by trunk lines built and controlled by the state's authorities and run by fixed and uniform cheap rates; that consolidation should be prohibited by law; that wherever a railway corporation runs a line or lines in two or more states it is the right and duty of the general government to legislate the rates of freight and fare on such lines under power to control interstate commerce." This resolution was only one of hundreds. It foreshadows the interstate commerce law which did not come for another fourteen years.

All of this Granger movement must have had some effect if not a profound one upon Congress. It is difficult to say to what extent individual members were affected by it.

It would seem a bit hard for a man who had been advocating large grants to railroads to begin to urge placing restrictions upon them and yet public opinion has made more than one legislator change his mind. In the case of William Windom it may be safe to assume, tho the writer can find no direct evidence, that Granger influence in Minnesota and the nation caused him to introduce the following resolution in the Senate on Dec. 29, 1872:- (1) "Whereas the productions of our country have increased much more rapidly than the means of transportation and the unprecedented growth of population, and products will in the near future demand additional facilities and cheaper ones to reach tidewater; and whereas, in his message, the President of the United States invites the attention of Congress to the fact that it will be called upon at its present session to consider "various enterprises for the more certain and cheaper transportation of a constantly increasing surplus of southern and western products to the Atlantic Seaboard, and further says:

"The subject is one that will force itself upon the legislative branch of the government sooner or later, and, I suggest therefore, that immediate steps be taken to gain all available information to insure equitable and just legislation. I would therefore suggest either a committee or a commission to be authorized to consider this whole question and to report to Congress at some future day for its better guid-

(1) Ringwalt, J. L. Development of the Transportation System in the U. S. p. 233

ance in legislating on this important subject." Therefore, Resolved:- that a committee of five be appointed to whom shall be referred that part of the President's message relating to transportation routes to the seaboard." (1) The resolution was adopted and on Dec. 16 a committee of seven was appointed consisting of William Windom chairman, Senators Sherman, Conkling, Ames, Lewis, Casserly and Norwood.

In March Congress gave the authority to sit during the recess and at such places as they might designate; to have a stenographer and to send for such persons and papers as they might need - the expenses to be paid out of the contingent fund of the Senate. The Committee brought in its report on April 24, 1874. It was accepted and ordered printed. (2) *of Mr.* Windom had no other work to his credit, this report might serve as a memorial to his ability.

In his introduction Mr. Windom outlines the work of the committee and names the subjects considered.

1. The annual price of wheat and corn 1868 - 1872 at Chicago and Milwaukee and points west of these cities; Buffalo, Montreal, New York, St. Louis, New Orleans and Liverpool.
2. Quantity of grain received and shipped from all the lake ports; ports on the Ohio and Mississippi river and
 - (1) Senate Journal, Dec. 9, 1872.
 - (2) Senate Document, no ____ . Report of Select Committee on Cheap Transportation to the Seaboard. 2 vols.

ports on the Atlantic and Gulf Coast.

3. Total shipments of grain to the states on the Atlantic seaboard; quantity distributed between the western and eastern borders of these states; total quantity consumed in the New England states; total quantity exported; also shipped to the Gulf states and exported there; quantity exported to Canada and also from the Pacific coast to foreign countries.
4. Shipment of grain from the West by lakes and St. Lawrence river; by lakes, Erie Canal and Hudson; by lakes to the east end of Lake Erie, thence by rail to seaboard and by the "all rail" lines from Lake ports and interior points in the west to the East and to the South; and the quantity shipped southward to the Mississippi River.
5. The average annual freight rates, from point to point; from points on the Mississippi to Chicago and Milwaukee; from Chicago to Buffalo; New Orleans to Liverpool, New York to Liverpool, Montreal to Liverpool.
6. Great Britain being the principal grain importing country, very full information in regard to the sources of her supply, the quantity received from each country for 13 years, the rates of freight from each country to England for a period of 10 years, and the average prices in the English markets of wheat and corn imported from each country during a period of 13 years. Information obtained from the latest

reports of trade and navigation and by the British Board of Trade thru United States consuls at London and Liverpool.

7. Some general facts as to the commerce of the Pacific Coast.
8. One of the most important branches of work to take the attention of the committee was the improvement and construction of water lines of transport.
 - a. The proposed Caughanwaga and Lake Champlain route from St. Lawrence to New York.
 - b. The Erie Canal.
 - c. James River and Kanawha Canal, Richmond to the Ohio.
 - d. Oswego and Oneida Canal route, Oswego to New York.
 - e. Atlantic and Great Western Canal, Tennessee River to Savannah, Georgia.
 - f. Proposed ship canal across the peninsula of Florida.
 - g. Improvement of the Ohio River.
 - h. The improvement of the Mississippi above the Falls of St. Anthony; between St. Paul and St. Louis and between St. Louis and New Orleans.
 - i. Improvements at the mouth of the Mississippi.
 - j. Wisconsin and Fox Rivers Improvement.
 - k. The Illinois and Hennepin Canal.
 - l. The Niagara Ship Canal.
9. Inquiries of the committee in regard to railroads embraced the following:

- a. Combinations between different lines.
- b. Consolidations of lines.
- c. Fast freight lines.
- d. "Stock watering" or the capitalization of surplus earnings.
- e. Competitions between railroads and water lines.
- f. Relative cost of the various methods of transportation.
- g. Regulation or control of existing railroads by the state or the national government, involving the question as to the limitation of the powers of Congress under the commercial clause of the Constitution.
- h. The construction of one or more double track freight-railways by the government to be operated by it or leased to parties who shall operate such road or roads subject to government control.
- i. The chartering of freight railroads to be constructed and managed by private corporations, such roads to receive aids from the government and to submit to government regulation with regard to their rates of freight and the facilities which they shall afford.

A thorough elucidation of these topics involves a study of railway abuses in all their various

phases and the whole question of the economy of transport by rail and by water. The committee do not pretend to have exhausted the subject but hope they have stimulated the interest of Congress to inaugurate measures productive of great benefit to the country."

From this it will appear how very heavy and how far reaching was the work of the committee. In general its conclusions summarized on page 240 to 254 of Vol. 1 of the report are, that cheap transportation can be obtained thru competition under governmental control and operating thru cheaper means of transportation than are now provided; that such cheaper means of transportation can only be provided by the construction of double track freight-railroads or by the improvement and creation of water ways. It further recommends that laws be made providing for the publication of rates, prohibiting combinations of competing lines and "stock-watering" and the establishing of a national bureau of information whose duty it shall be to obtain and publish annually such facts relating to interstate commerce as would enable Congress to legislate intelligently on the subject.

On May 13, 1874, the committee, acting on its report, made the following resolution saying that "the committee had come to the unanimous conclusion that the following are the most feasible and advantageous channels of commerce to be created or improved by the national government in

case Congress shall act on this subject: (1) namely,

1. The Mississippi River.
2. A continuous water line of adequate capacity from the Mississippi to the city of New York via the northern lakes.
3. A route adequate to the wants of commerce thru the central tier of states from the Mississippi river via the Ohio and Kanawha rivers, to a point in West Virginia and thence by canal and slack water or by a freight railway to tide-water.
4. A route from the Mississippi river via the Ohio and Tennessee Rivers to a point in Alabama or Tennessee and thence by canal and slack water or by a freight railway to the ocean.

And whereas the said committee expressed the opinion that among other benefits and advantages the completion of the system of improvements suggested by them will affect a permanent reduction of 50% in the cost of transporting fourth class freights from the valley of the Mississippi to the seaboard and a similar reduction in return freights, thereby insuring remunerative prices to the farmer of the west, cheaper food to the manufacturer and laborer at the east and the cotton planter of the South, enhancement by many hundred of millions in the value of western and south-

(1) Cong. Rec. IV, p. 3828, May 13, 1874.

ern lands and a large increase of the exportation of cotton and cereal products; and whereas the report of said committee recommends that careful surveys and estimates be made upon such portions of said routes as may be necessary, to determine the cost of each and to enable Congress at its next session to enter upon the said system of improvements, if upon the completion of such surveys and estimates the same shall be deemed practicable and expedient; therefore, resolved:- that the committee on appropriations be and are hereby instructed to report amendments to the pending river and harbor bill, making appropriations for completing the surveys and estimates of each of the improvements recommended by said select committee upon the four routes indicated in said report.

This resolution was debated June 3, 4, and 5th and met with many objections. Mr. Saulebury thot if passed it would commit the Congress to internal improvements. Mr. Carpenter, of Wisconsin, was for it because it did involve a scheme of internal improvements. (1) Mr. Oglesby of Illinois objected to it because he said water routes couldn't compete with railroads - were not quick enough. Mr. Pratt brought up the objection that there were so many unemployed now - in the ninth month of the panic - that the government should not spend so much money in surveys. Mr. Windom replied that that was a good reason - to put them to work as soon as possible. The resolution was agreed to

by a vote of 43 to 6. The Windom report was commented upon by the newspapers of the country from different points of view both at the time it came out and later. The Chicago Tribune, in an editorial on April 27, 1874, made an adverse criticism to the effect that there was some doubt as to the right of Congress under the Constitution to engage in this business. There was also a question as to whether the Northwest would really benefit by either of the routes suggested by the committee. The Tribune thinks the whole scheme is visionary, and besides it would be a very great expense to the national government.

The St. Paul Press (Republican) on April 28, 1874, replied to the Chicago Tribune's attack upon the Windom report and said: "The Tribune clearly sees that the moment these new water routes are opened to the commerce of the West the commercial supremacy of Chicago is at an end. The policy of Chicago, therefore, is to fight the only policy which will emancipate the country from the chains of the railroad monopoly, whose chief citadel is Chicago."

The St. Paul Pioneer (Democratic) of the same date prints the full text of Windom's speech accompanying the submission of his report to the Senate and has a long editorial giving the substance of the speech and commenting thereon, in which it says:

"Whatever be the fate of the recommendations made to Congress by the senate transportation committee, one thing is certainly gained, viz: a contribution to the knowledge of

the people on the whole subject of transportation, of absolutely incalculable value and of a thoroughly exhaustive nature. Whether as regards the evidence accompanying the report, which covers and includes all the ramifications of the subject, or the deductions derived therefrom, or the conclusions and recommendations of the committee drawn from the vast volumes of evidence, the document is a compendium of vitally important information which will pass into the records of the country as a standard of never-failing value, and furnish figures, facts and arguments for editors, writers and politicians until the system of transportation therein recommended shall have become a part of the policy of the people and a crowning glory to the great and prosperous nation having the wisdom, the courage and the perseverance to carry it to a successful end."

The report brought about very few results in the way of procuring speedy action of Congress on the subject of new railway regulations, or in stimulating the construction of a new cheap thru-freight railway by the United States government or in obtaining appropriations for the construction or improvement of canals. But indirectly the influence of the proceedings of the committee may have intensified the efforts of the east and west trunk lines to reduce their charters for moving their commodities from the northwest to the seaboard to a very low figure. And for some reason Congress did very much increase its appro-

priations for river and harbor improvements with remarkable rapidity.

The Philadelphia Press of Jan. 1, 1891 said:

"As chairman of the remarkable joint committee on Transportation to the Seaboard, Mr. Windom gathered facts and laid down principles which have profoundly affected the construction of public works and legislation on continental traffic. Twenty years ago when Mr. Windom took up this work neither the Mississippi jetties nor the Sault Canal had been built and but one Pacific and three trunk lines were in existence. The relation between land and water routes was wholly misunderstood and the need of the latter generally denied. His labors transformed the opinion of that small class which studied these questions and gradually leavened public opinion. The steady approach apparent on all sides toward an organized system of railroads and waterways - the former built by private capital and under Federal supervision and the latter improved by Federal capital but left free as to rates - is in large measure due to Mr. Windom's efforts."

The New York World of Feb. 3, 1891 said: "Mr. Windom's report is a monument to his indefatigable labor. It effectually put an end to the movement to give to the government control of the railroads of the country. It so fully displayed the intricacy of the business that ever since it was published, the most eager of the corporations have hesitated as to the policy of putting politicians in charge of it."

On Feb. 2, 1891, the Milwaukee Sentinel said:
"Perhaps nobody has foreseen as Mr. Windom did the future of water transportation in the United States..... He outlines what will one day be realized - a general development of waterways that will reduce the cost of transportation, and enable the United States, with its ever-increasing agricultural products, to commend the world's markets in the face of all possible competition from India and the agricultural regions of South America."

Harper's Weekly, Feb. 7, 1891: "Mr. Windom's committee did some of the most important work ever accomplished in Congress. One of the results of its labors was the adoption of the jetty system at the mouth of the Mississippi."

On March 18, 1885 in a debate in the Senate on the appointment of the committee which later brought in a report on transportation known by its chairman's name as the Cullom Report Senator Hoar said:(1) "I think Senators who have attended to the subject will agree generally that the most valuable state paper of modern times to this country is the report made by the late Senator and Secretary of the Treasury, Mr. Windom, from the committee on "Transportation routes to the seaboard" on the general question of the relation of the railroads to the commerce of the country and the means of controlling the railroads in the interests of commerce. That most instructive, valuable, and profound report brings the

(1) Cong. Rec. Mch. 18, 1885. p.

subject down to the year 1873." (1)

Of course, Mr. Windom's efforts to improve transportation did not end with this famous report. Throughout his senatorial career he pushed the best interests of his section - always working for Minnesota. On June 20, 1874 he put thru an appropriation of \$200,000 to save the Falls of St. Anthony and benefit navigation above and below the Falls. (2).

In the next year came the Fox and Wisconsin Canal and for this Mr. Windom worked so strenuously that Minnesota grew jealous and thot he gave Wisconsin too much attention. (3). On June 10, 1878, he made one of his best known speeches. (4) It was on the passage of a House bill making appropriations for the construction, repair, preservation and completion of certain public works on rivers and harbors and for other purposes. (5) He gave special attention to two of the water routes, the Mississippi river and the northern water route.

"The Valleys of the upper Mississippi and Missouri are now the battle grounds of commerce, between the eastward and southward movements. The forces on the side of the southward movement are the trade interests and enterprise

(1) Cong. Rec. Mach. 18, 1885.

(2) Rec. 2, VI, 5295.

(3) " 3, II, 1668.

(4) " June 10, 1878. p. 4358 - 4366.

(5) H. R. Bill No. 4236.

of St. Louis, north and south railroads, cheap transportation on the river, capital and commercial enterprise of New Orleans and the new competitive interest and influence of large steamers at their docks. On the side of the eastward movement are the invincible courage and enterprise of Chicago, east and west railroads, great transportation interests involved in the northern water line, Canadian capital and the transportation interests on the St. Lawrence, capital and commercial enterprise of New York City and vast ocean tonnage at her wharves. Chicago and New York on the one hand and St. Louis and New Orleans on the other are now marshalling these tremendous forces for the impending struggle. This contest will involve directly one-third of the people of the United States and indirectly the interests of all the rest. In the contest, competition in transportation will be evoked to the fullest extent and the two water routes will bear by far the most important part. In this competition lie the possibilities of remunerative prices for the products of agriculture, of cheaper food to the consumer, of the development of vast areas of country hitherto inaccessible and of our control of the markets of Europe. The best interests of the whole country therefore require that both these rival water lines shall be put in the highest practical state of efficiency. My chief purpose to-day is to speak in behalf of the improvement of the Mississippi route, but I cannot forget that either will lose half its value, if the competitive power of the other be withdrawn or

impaired. Let us inquire what must be done to make both practicable and at the least cost.

Northern Route.

1. Free harbor and terminal facilities at New York.
2. A practically free canal.
3. Improvement at the Sault Ste Marie.
4. Duluth Harbor and other lake ports improved.
5. One or more artificial waterways connecting the Mississippi with the lakes.

"Shortly one-half of the grain crop will be grown west of the Mississippi--nearly one-half of the wheat is raised there now. When these crops reach the western bank of the river they will refuse to bear the burden of railroad transportation further and will be transported to barges and steamers for New Orleans. The two hundred miles of costly railroad transportation from the Mississippi to the lakes will very soon prove an insuperable barrier to the eastward movement from all the vast sections of country west of the river. There are three natural routes. Two of them, the Hennepin Canal in Illinois, and the Fox and Wisconsin rivers I suggested before. The third is by way of the St. Croix and St. Louis rivers from the Mississippi to Lake Superior at Duluth. This last will give the most direct route from the great wheat center of the continent to the lakes and should ~~be~~ at once be carefully surveyed with a view to early improvement. This section of the northwest is tributary to the lakes by

by geography--the rich and fertile country traversed by the Union Pacific Railroad the Red River Valley, and the vast area drained by streams tributary to Lake Winnipeg.

"The Red River Valley will be the center of the wheat area, near the point where the two greatest water lines of the world converge and where competition will always be sharpest. Land will rise in value. Everything points to a great future for this section--soil, climate, character of population, tide of immigration, great fertility, but it is an enormous area, so colossal that the mind does not readily grasp it."

"William H. Seward comprehended something of the vast extent and grand future of these highlands in the center of the continent when in 1860 speaking from the steps of the ~~courthouse~~ ^{state capitol} in St. Paul he gave expression to his enthusiasm in these prophetic words:- "I have never until now occupied that place where I could grasp the whole grand panorama of the continent for the happiness of whose present people and of whose millions of millions it is the duty of an American statesman to labor. Here is the central place where the agriculture of the richest regions of North America must begin its magnificent supplies to the whole world. On the east, along the shore of Lake Superior, and on the west stretching in one broad plain, in a belt across the continent is a country where state after state is yet to rise and whence the productions for the support of human society in other crowded states must forever go forth. I now believe

that the last seat of power on the great continent will be found somewhere within a radius not very far from the spot where I now stand, at the head of navigation on the Mississippi River and on the great Mediterranean Lake." Nature has supplied the country with a chief outlet to the sea--the grandest artery of commerce on the globe."

"I wish I could impress on the Senate the importance and value of this work as it lies in my own mind. Its execution is, I am sure, only a matter of time, but its advantages are so certain and so great in comparison with its cost that I am unwilling to await the slow processes by which such works are usually consummated. May we not at least hope that Congress will appropriate enough money at this session to complete the surveys which have already disclosed such remarkably favorable conditions, so that if deemed practicable the work of construction may be inaugurated at an early day. "

During the last year he was in the Senate Mr. Windom labored strenuously for the Hennepin Canal.

Not only this nation, but the European nations as well have contemplated a passage way across or thru the Isthmus of Panama. Different views have been held as to the application of the Monroe doctrine to this undertaking. While Mr. Windom was in the Senate a project was agitated by a great many people, which, to the present day, seems impractical ^{seems impracticable} if not foolish--the construction of an isthmus ship canal. The Senate resolution was as follows: - That the

interests of the people of the United States of America and the welfare and the security of their government are so involved in the subject of the construction of ship canals and other ways for the transportation of sea-going vessels across the isthmus connecting North and South America that the government of the United States, with the frankness which is due to all other peoples and governments, hereby assert that it will insist that its consent is a necessary condition precedent to the execution of any such project, and also as to the rules and regulations under which other nations shall participate in the use of such canals and other ways either in peace or in war. (1) This was amended and these words added by Mr. Hoar:- "That the commercial and other interests of the people of the United States require the provision of one or more of such ways without further delay, and that it is the duty of this government to take immediate steps for securing the same."

On this subject Mr. Windom said:- "I stand upon broader ground and assert the American doctrine (not the Monroe Doctrine) under no circumstances shall a foreign government or a company chartered by a foreign government have control over an isthmian highway. If we deny to the rest of the world the right to break down this isthmian barrier between the two great oceans we must be prepared to remove it ourselves. It does not comport with

(1) Rec. 10, 111 2212-2215 Feb. 28, 1881.

our honor or our national traditions to stand stubbornly blocking the world's progress. Our mission is to lead not to obstruct. Look at the map. A narrow neck of land obstructs. To avoid it the 1,200,000 tons of wheat raised in California and Oregon last year are compelled to seek a European market by a costly and tedious voyage of 14,000 miles around Cape Horn.The time has come when this barrier is about to be removed. The wonder is that it has been permitted to remain so long. If we do not remove it somebody else will. It is now too late to discuss the question as to whether there shall be a ship transit way across the isthmus. The necessities as well as the spirit of progress have decreed it; and powerful as we may be, we cannot resist that decree. The question will shortly be how can we best control and regulate the colossal railway corporations of this country? I cannot answer that now, further than to say that wherever and whenever it can be done by the competitive power of corporate combination and monopoly we shall have provided the safest surest and best possible regulator. I do not hesitate to declare that I am in favor of wise and judicious expenditures to develop our magnificent resources, expand our foreign trade and restore our lost ocean commerce."

In 1883 Mr. Windom left the Hall of Congress having worked faithfully to the advancement not only of Minnesota but of the whole Northwest. Some of his ideas on

on transportation were put into effect; some have yielded all that he predicted; others, like the Fox and Wisconsin Canal, have not been of great value. The era of water transportation is still in the future. When it comes Mr. Windom's name cannot escape the first place in the list of those who predicted the future.

CHAPTER V

FINANCE

It is in the field of finance that most people will longest remember William Windom especially in connection with the refunding operations when he was Secretary of the Treasury in 1881 and again in connection with his last public utterance on the silver question, delivered in New York only a few minutes before his death. The financial legislation of Congress from 1860 to 1880 as well as Mr. Windom's vote on the different measures furnishes an interesting study. He voted for the issuing of Treasury notes on February 12, 1862, (1) altho he took no part in the debate. Secretary Chase's plan for a system of national banks which became a law February 25, 1863 met with his approval.(2)

He was in the good company of such men as Blaine, Allison, Voorhees, Thurman and others in 1873 when he voted to discontinue the coinage of the silver dollar. (3) And these same men in the Senate on February 15, 1878 later confessed that they did not know they were demonetizing

(1) Cong. Rec. Feb. 12, 1862.

(2) Cong. Rec. Feb. 25, 1863.

(3) Cong. Rec. Feb. 13, 1873.

silver, although they none of them felt that they had committed any "Crime." (1) The silver dollar was dropped from the coins of the United States because it had been out of use for many years and this act simply registered in the form of a law what had really been the unwritten law of the land for forty years. (2) It had been worth more than the gold dollar and hence was not used. As a matter of fact the law of 1873 did not demonetize silver but the law of 1874, commonly called the "Revision" did take away the legal tender value of silver coins exceeding five dollars. (3) There was no surprise and very little discussion of the matter in 1873-1874 and had not silver fallen very much in value on the markets of the world between 1875-1878 there would have been no wail of protest from any part of this country. The act of 1873 had only a small part in bringing about the fall of silver. It was due to many causes--the action of the Latin Union of Europe, the mining of much more silver in the United States, the discovery of more gold mines and the use of much gold in other ways than as money, all contributed to make silver drop in value. (4)

In the Congressional Session of 1876 many silver bills were introduced, showing that the West was alive to the situation and wanted a hearing.

(1) Cong. Rec. Vol. VII Part 11 p. 1063 Feb. 15, 1878.

(2) Rep. of Comp. Knox 1876 p. 54.

(3) Cong. Rec. June 20, 1874.

(4) Bolles Financial Hist. of U. S. Vol. III p. 379-80.

When Congress decided to resume specie payments on January 1, 1879, the Westerners began to clamor for a law that would give silver a chance--hence the free coinage agitation. This culminated in the act commonly known as the Bland-Allison Act of 1878 by which the silver dollar was restored to its former place as a full legal tender. (1) The act provided for the purchase by the government each month, of not less than \$2,000,000 worth, and not more than \$4,000,000 of silver bullion for coinage into silver dollars at the rate of 412 1/2 grains of standard silver for each dollar. The amount of the purchases was left to the judgment of the Secretary of the Treasury. This act also provided for an issue of silver certificates against the deposit of silver dollars, and it is largely in this form that the silver has come into circulation, tho the certificates are not, themselves, a full legal tender. The debates on this bill took up many hours and days in the Senate and House. The bill was vetoed by Hayes on the ground that the dollar to be coined was not really worth a dollar--was not an "honest dollar." In the debate in the Senate Mr. Windom showed that he agreed with the President.

Many amendments were made to the original bill--
The Bland Bill as it came from the House. Originally it contained a free coinage clause and this was taken away first. Other amendments--to fix the number of grains in the dollar

(1) Cong. Rec. Vol. VII Pt. 11 p. 1410-11 Feb. 28, '79

at 425 instead of 412 1/2; at 420 grains; at 440 grains; to limit the legal tender power of silver dollars of 412 1/2 grains to \$20-- were lost. (1) On all of these amendments Mr. Windom voted yea.

On the question of the number of grains in the dollar Mr. Windom said:- "The time when we shall cease to coin depreciated dollars is postponed too long. Any vote I shall give today will be at least with the hope that the silver dollar to be coined will be equal to the gold dollar. Some Senators tell us, doubtless in good faith, that the silver dollar of 412 1/2 grains will be equal to the gold dollar. They assume that the mere act of coining ninety-two cents worth of silver and making it a legal tender will advance its value its value from ninety-two to one hundred cents. I am very much afraid it will do no such thing. If the depreciation of silver could be attributed wholly to the act of demonetization by the government, the proposed remonetization might be expected to reinstate the former value; but unfortunately for that theory, there are many other causes for its decline even more potent than that. I am therefore willing to give evidence of my disposition to make a full sized honest dollar by voting for the amendment of the Senator from Pennsylvania." (Mr. Wallace)

Right here he shows his modesty or possibly he was sarcastic when in replying to a question of Mr. Thurman he said:

(1) Cong. Rec. Vol. VII Pt. 11 Second Session
45th Congress pp. 1076-1110.

"I will answer, but I beg to assure the Honorable Senator from Ohio, in all modesty and candor, that he can apply to no poorer source for information on this subject." "I will try to answer the question but will first say that I am probably the only man in this body who is conscious of the fact that he does not know anything about financial matters."

Just before the final vote, after months of discussion Mr. Windom said:- "Mr. President, at the close of this long and weary session, I can presume to give only a few words in explanation of the vote I am about to give. (1) The amendments I have voted for have mostly been defeated. We are now brought face to face with the question whether we shall have the double or the single standard. I favor the former. I believe in the remonetization of silver, but most deeply regret that the Senate is unwilling to make a dollar of 420 grains or at least to give to the country some assurance that if 412 1/2 grains will not make a dollar worth one hundred cents it shall be made so by future legislation. On this point, however, we may trust our successors or ourselves when it shall be demonstrated that 412 1/2 is not enough to constitute a full equivalent to the gold dollars of the commercial world. Mr. President I am thoroughly convinced that this measure as we are about to pass it, will prove a disappointment to both friend and foe. It is not freighted with a tythe of the blessings anticipated by its advocates, nor of the evils prophesied by its enemies.

(1) Cong. Rec. Vol. VII, 11 pp. 1111-1112.

It is, in my judgment, neither the panacea for all our financial troubles nor a Pandora's box from which should spring unnumbered and immeasurable ills. I fear it will not give life and vigor to our prostrate industries nor employment and food to the unemployed and hungry. But I am hopeful it will neither tarnish our national honor, nor further paralyze our national energies.

"In my judgment the most important question is how we can most speedily dispose of the question in such a way as will give the country financial rest and quiet. I firmly believe that, had this agitation never occurred, our greenback and bank note currency would have been at par with gold today, and that the hoarded gold in the country would by this time have been unlocked and flowing freely into the channels of business. But this could not be. The question has assumed such importance before the American people that in my judgment, there can be but one result. The measure must and will be tried. The people are suffering from an almost unprecedented prostration of business. The unemployed and suffering poor are counted by hundreds of thousands if not by millions. To millions more, the past is full of sorrow and the future well nigh hopeless. They have been told that by the demonetization of silver one half the metallic money of the country was stricken down and hence all their woes; that this act was done in the interest of capital for the purpose of enhancing its power and value by depressing labor and all other property; that it was

accomplished by a conspiracy of capitalists and clandestinely carried thru Congress. All these charges have been most triumphantly refuted, but they continue to be repeated all the same. From the causes just mentioned and many others a public sentiment has been created which will only be satisfied with the trial of the thing it demands. It will continue to demand this measure or something like it until it has been fairly tested and, as I fear, "found wanting". If this bill be defeated now, the question will be carried into the fall elections, and for another year, more doubt and uncertainty will hang over our own financial affairs, causing even wider distress and ruin than we have already experienced. I can see no evils, even in the House Bill, at all comparable to those which would follow from another year's agitation. For myself, I do not intend that any act of mine shall contribute to such deplorable results. It is evident that the bill will pass the Senate by an overwhelming majority. If it shall have a two-thirds vote the whole country will regard the question as settled for the present at least, and will begin at once to adjust its business to the new order of things. With no very sanguine expectations as to the measure itself in its present form, but hoping that I may contribute something toward the settlement of this question I shall vote for the bill." The bill passed by a vote of 48 to 21.

(1) The selection of Mr. Windom for the office of

(1) Harper's Weekly, Mch. 26, 1881.

Secretary of the Treasury was a surprise to most people. He was suggested to President Garfield by John Sherman, (1) a sure and certain authority on finance. Mr. Windom certainly proved himself a very able and efficient secretary, tho he had only a few months in which to demonstrate what he could do.

The Congress which closed March 4, 1881, had failed to provide for refunding the large amount of bonds that fell due on or before July 1st. Unless some means were devised a special session would have to be called to meet this situation. Using his power as Secretary of the Treasury which at that time was almost unlimited, he resorted to what Sherman calls an ingenious experiment, which answered the purpose of refunding. There were called in for absolute payment on July 1st, about \$200,000,000 of bonds, mainly six per cent of 1861, but permission was given to the holders to have them continued at the pleasure of the government at the rate of ~~three~~ three and half per cent per annum provided the holders should so request and the bonds be received at the treasury by May 10, 1881. There were presented for continuance on these terms \$178,055,150 of bonds, leaving \$24,211,400 to be paid out of the surplus for which the treasury had ample resources. (2)

(1) Sherman, John. Recollections Vol.II, 806 - 817.

(2) Rep. Sec. Treas. 1881. Also Proceedings of American Bankers Association p. 26.

Then Windom gave notice that the coupon 5% bonds of the loans of July 14, 1870 and Jan. 20, 1871 would be paid on August 12, 1881, with a similar privilege of continuing the bonds at 3½% if the holders presented them by July 1, 1881. And he also offered to receive for continuance any uncalled for registered bonds of that loan to an amount not exceeding \$250,000,000, the remainder of the loan being reserved with a view to its payment out of the surplus revenue. This plan worked out beautifully but there was no precedent for it in governmental finance and it met with incredulity until it was found to have been a success. Some of the comments which follow indicate the estimate of its success.

The Philadelphia Press said:- "Secretary Windom deserves unstinted praise for the initial act of his administration of the national finances. He has substantially completed the refunding of \$195,000,000 six per cent bonds without any refunding act, without the intervention of banks or syndicates, without paying commissions or employing agents, and without distributing the business of the country in the smallest degree. So quietly and cleverly has his brilliant financial conception been carried into effect that the country scarcely noted anything concerning it except the publication of his plan and the announcement of its consummation. So complete has been Mr. Windom's success that even his critics are silent."

The Chicago Tribune concluded an article on the

success of these refunding operations by saying:- "Mr. Windom will retire from the Cabinet after only six months' service with a reputation which will place his name along with those of Hamilton, Gallatin, Chase, and Sherman in the history of American finance."

The London Economist, the highest financial authority in Great Britain, said:- "Secretary Windom is to be complimented upon the ingenuity of his scheme, and the judgment he has shown in putting it into execution."

The Public, a leading financial paper of New York, said:- "The success of Senator Windom's plan cannot be called astonishing, and yet no triumph so remarkable has ever been achieved before in the finances of this or any other nation. The entire simplicity of Mr. Windom's plan and its perfect adaptation of means to ends have made results which would have been called incredible two months ago, and which are without a parallel in the world's financial history, appear perfectly natural and easy of belief. For nine days the government borrowed over \$30,000,000 a day without withdrawing as much as a single dime from the banks or the loan market, and yet this unprecedented feat does not excite wonder."

Wall Street Daily News:- "It has been the singular good fortune of our government to have had the services, as minister of finance, from the time of Alexander Hamilton down to Mr. Windom, of men of signal ability, broad

views, wide comprehension, and an integrity which forbade their making profit out of their position. There is certainly no other nation in the world which can point to a line of succession which scandal has tried in vain to smirch, and which has always proved able to meet any emergency, though some have arisen which would have appalled any man not imbued with profound patriotism and confidence in the great American people. Chase was the father of the legal tender, Sherman the master of resumption of specie payments, Windom the author and successful agent of a refunding scheme at which a minister with the resources of Europe at his command would have quailed."

When President Harrison selected Mr. Windom for the portfolio of the Treasury, his choice was approved by the nation, tho at the time it was said sometimes that the appointment was an act of political diplomacy.

The "silver coinage" had not been an issue in the campaign of 1888, by the time Congress met in December, 1889, it was the subject most agitated. (1) The situation may have been as follows: In both the House and the Senate the Administration had a majority of eight - but there were 18 Senators from "Silver States" west of the Missouri. These same silver Senators did not favor a high protective tariff. The tariff bill was to be the first question and without them the tariff would be lost. Their support possibly might be

(1) Noyes, A. D. Thirty Years of Am. Finance.

given if a free silver bill or measure was passed. It is also possible that the Administration did not want free silver, but compromised and made a concession to the farming communities who called for a larger money circulation. At any rate Mr. Windom prepared a bill which was introduced by Mr. Merrill in the Senate in January. It is considered a radical measure, its object being, as its author said, to create an artificial market and so raise the value of silver. (1) The bill was modified by Mr. Sherman and finally passed, being known as the Sherman Silver Law, the purchasing clause of which was repealed in 1893. Mr. Windom in his report of the Secretary of the Treasury for this year shows a decided leaning toward free silver, but escaped going over to that side, because he more strongly advocated bimetallism. (1) His greatest service as Secretary of the Treasury in Harrison's cabinet was probably in freeing or adding to the currency in circulation, the sum of \$98,000,000 and in preventing a dangerous silver inflation. According to all authorities a panic was narrowly averted at this time. Mr. Windom himself thinks it was checked because he was able to use \$75,000,000 of the surplus. But he says that this might at another time be a dangerous use of power by the Secretary of the Treasury. (2)

(1) Report of Sec. of Treas. 1889 - 90.

(2) His last speech. See later p.78

Throughout his life Mr. Windom had advanced views on all subjects that dealt with the interchange of commodities and the building up of our merchant marine. This brought him into more or less close contact with Boards of Trade and Commerce in many cities of our land - especially New York where he had made his home after retiring from the Senate. As Secretary of the Treasury, the immigrant laws came under his supervision and he had given much time not only to bettering the condition of the immigrant, but to the stopping of abuses practiced upon immigrants on landing, and the enforcing of the laws excluding criminals and undesirable people. Among his reforms, after transferring the immigration business at the port of New York to national control, were the banishment of runners and harpies from the immigrant station and the complete suppression of the sale of intoxicants on the government premises.

So it was with pleasure that he accepted the invitation of the New York Board of Trade and Commerce to be present at and to address their annual banquet.

The session of Congress had been a tax upon his strength, but he said this invitation would give him an opportunity to urge measures which he thought of very great importance to the nation.

In company with the Secretary of the Navy, Gen. Tracy and the Attorney General, Honorable W. H. Miller, also guests at the banquet, he went from Washington to New

York. At the banquet held at Delmonicos were assembled prominent men from all parts of the country.. Mr. Windom was the guest of honor and in due season he was introduced by the toastmaster and spoke upon the sentiment, "Our Country's Prosperity dependent upon its Instruments of Commerce". He had worded it thus, because he meant to speak of transportation and money as being absolutely interwoven. The speech was probably the best effort of his life and was delivered with a truly oratorical power, which many did not know Mr. Windom possessed. His audience was wildly enthusiastic and when the Toastmaster would have introduced the next speaker insisted on giving three more cheers for Mr. Windom, to which he bowed his thanks. He must have been conscious that he had won the approbation not only of those present but also of those who would next day read the address.

Just as the next toast was announced, a change came over Mr. Windom's countenance and to the horror of all present, Mr. Windom's life flickered out right there and then, death being instant and painless. It was a dramatic and fitting close to such a life of service.

His words of wisdom must have made a profound impression in any case, but their effect was enhanced because of the death of the great financier. The next day the price of silver fell in London - tribute to the force and cogency of the arguments of Mr. Windom.

In brief Mr. Windom said:-

"No nation has ever fostered more liberally, or protected more carefully, its internal and coastwise trade, than we have done, and the resultant magnitude and prosperity of our domestic commerce is, I believe, without a parallel in the history of the world.

Commodities are interchanged among our own people with greater facility, and at cheaper rates (distance being considered), than in any other country on earth.....

Of course, I do not claim this this marvelous development of wealth is due to railroads and ships, but without them it would certainly have been impossible. But for these instrumentalities of commerce, the rich farms of the West and South, and even of the Middle States, would have slumbered in primeval silence, and the myriads of shops and factories would never have existed. Were the ship and the railroad withdrawn, business would be paralyzed, and desolation would reign supreme over more than half of our broad domain.

"Contrast these grand results of our liberally-developed domestic commerce, operating upon our protected industries, with the present shameful condition of our foreign carrying trade, which has not only been sadly neglected, but sometimes treated with actual hostility by the government.

"There was a time when we stood first among the nations in shipbuilding, and Great Britain alone excelled us in ocean tonnage. Now, so far as foreign trade is concerned, our shipyards are comparatively silent, and our flag has al-

most disappeared from the high seas. The fault was not with the founders of our government. They fully appreciated the value and the necessity of a strong and healthy merchant marine, and left on record no doubt of their purpose to protect the interests of the Republic on the water as well as on the land.

"Voicing the national pride in 1825, Daniel Webster said: "We have a commerce which leaves ^{no} sea unexplored; navies which take no law from superior force." How like bitter irony these words would sound in 1891!. . . The American people ask no odds against any in the world. Give them an even chance and they will distance all competitors, but how can they be expected to compete unaided against foreign shipyards and shipowners, backed by the power and the treasuries of their governments? In my judgment, the remedy is plain and easily applied. If we would regain our lost prestige, reinstate our flag upon the ocean, and open the markets of the world to American producers, we must make the contest with the same weapons which have proved so successful in the hands of our rivals. Aid to our merchant marine is not aid to a class, but to the whole people, - to the farmer, the merchant, and the manufacturer, quite as much as to the shipbuilder and the shipowner. But it will cost money. Will it pay? Yes, a hundred fold. . . .

"Is it not high time these vast interests receive attention? Have we not tried the do-nothing policy long enough? Shall we give that protection and support to our foreign mar-

ine that other nations give to theirs, and which we freely give to all our other great interests; or shall we accept as inevitable our present shameful position? I regret to say that the uniform, record of indifference, if not actual hostility, during the last fifty years, affords little reason for encouragement.

"Reciprocal liberty of commerce" is a high sounding seductive phrase, but the kind of liberty our foreign shipping interest has enjoyed for the last fifty years is the liberty to die under unjust discriminations of the London Lloyds' Register Association, the crushing power of European treasuries, and the utter neglect and indifference of our own government. Reciprocity itself is a most valuable thing, if kept within the lines of protection; but reciprocity by which we surrender our merchant marine to our rivals, or give away a home market worth ten times more to us than all the other markets of the world, in the vain attempt to grasp an uncertain market abroad, is a policy freighted with immeasurable disaster....

"Pardon a few words with reference to the instrument by which commodities exchange ownership. It is an essential to commerce that the currency with which it is conducted be adapted, both in quantity and quality, to the wants of trade as that the vehicles of transportation should be adapted to their purposes. If the circulation be deficient, trade is crippled; prices fall; obligations are dishonored; distrust is created; and commercial panic and disaster ensue. If, on the other hand, circulation be redundant, prices become tem-

porarily inflated; wild speculations are stimulated; debts are recklessly contracted; credit is dangerously expanded, and for a time trade seems to float upon the high tide of success; when, suddenly, the failure of some large firm or banking-house discloses the true situation, and the entire fabric of fictitious prosperity falls with a crash even more disastrous than can be produced by a deficient circulation.

The ideal financial system would be one that should furnish just enough of absolutely sound currency to meet the legitimate wants of trade, and no more, and that should have enough elasticity of volume to adjust itself to the varying necessities of the people. I know this seems difficult of attainment, but I believe it is substantially possible. Could such a circulating medium be secured, the gravest commercial disasters which threaten our future might be avoided. These have always come when unusual activity in business has caused an abnormal demand for money, as in the autumn, for the movement of our immense crops. There will always be great danger at those times under any cast-iron system of currency, such as we now have. Had it not been for the peculiar conditions which enabled the United States Treasury to disburse over \$75,000,000 in about two and a half months last autumn, I am firmly convinced that the stringency in August and September would have resulted in widespread financial ruin. Like commercial conditions will frequently occur, but it is not at all probable that they can be encountered,

and their consequences averted by like action of the government; nor is it desirable that such power should be lodged with the Secretary of the Treasury.

"I am thoroughly convinced that a better method can be devised, which will, in a large degree place the power of expansion and contraction in the hands of the people themselves. The opportunity for securing such a currency may be found in our bonded debt, which should, in my judgment, be in part exchanged for inter-convertible bonds, bearing a low rate of interest, and always interchangeable for money at the will of the holder.

"The quality of circulation is even more important than the quantity. . . . The nation that attempts to conduct its foreign trade with a currency of uncertain value, or of inferior quality, is placed at a fearful disadvantage. It would seem superfluous to impress this universal and well-known experience, were it not too apparent that this nation has been in danger of repeating the costly experiment with just such a currency. The tendency of events has recently been in that direction, and the apprehension of danger created thereby has caused the loss, since Dec. 1, of over \$24,000,000 of gold from the treasury, and of probably a much larger amount from the circulation.

"Believing that there is not enough of either gold or silver in the world to meet the necessities of business, I am an earnest bimetallist, and concede to no one a strong -

er desire than I feel for the free and unlimited coinage of silver, as soon as conditions can be reached, through international agreement or otherwise, by which such coinage shall be safe. But it is my firm conviction that for this country to enter upon that experiment now, and under existing conditions, would be extremely disastrous, that it would result, not in bimetallism, but in silver mono-metallism. Such an experiment would, in my judgment, prove a greater disappointment to its advocates than to any one else. They insist that it would expand the circulation, and permanently enhance the value of silver. I believe it would produce a swift and severe contraction, and eventually reduce the market value of silver. Let me briefly suggest some of my reasons for this belief:-

"Free and unlimited coinage of silver by the United States, while the other great nations pursue an opposite policy, would invite all the owners of that metal, throughout the world, to exchange $371\frac{1}{4}$ grains of pure silver, worth everywhere 100 cents. Nearly all the nations of Europe are anxious to exchange their silver for gold, and they would at once accept so tempting an offer.

"Would our own people await the arrival of these silver argosies from Europe before acting? Not unless the Yankee has lost his quick scent of danger and forgotten his cunning. Bank depositors, trust companies, the holders of United States notes and gold certificates, would instantly lock up all the

gold at command, and then join the panic-inspired procession to the treasury, each and all anxious to be in time to grasp the golden prize before it is too late. Probably before the swiftest ocean greyhound could land its silver cargo in New York, the last gold dollar within reach would be safely hidden away in private boxes, and in the vaults of safe-deposit companies, to be brought out only for a high premium for exportation. This sudden retirement of \$600,000,000 of gold, with the accompanying panic would cause contraction and commercial disaster unparalleled in human experience; and our country would at once step down to the silver basis, when there would be no longer any inducement for coinage, and silver dollars would sink to their bullion value.

"When the silver dollar ceases to have more value than the bullion it contains, there will be little inducement to coin our own silver, and the cost of transportation will prevent its coming from abroad. How, then, will unlimited coinage either expand the circulation or enhance the value of silver?

"As if determined to omit nothing which might accelerate these results, the advocates of the present free coinage insist that it shall not await the slow process of mint operations, but that the printing-press shall be set to work providing certificates to be issued for silver bullion at one dollar for $371\frac{1}{4}$ grains.

"When this consumation shall be reached, as surely it will

be if unlimited coinage be adopted under existing conditions, the too ardent and impetuous lovers of silver will sadly realize the truth uttered by the wise king of Israel: "He that loveth silver shall not be satisfied with silver."

"Mr. President and gentlemen, my subject has tempted me to impose upon your patience. I will close by merely calling your attention to one other thing which I deem very important both to our commercial and financial interest, viz: the passage of the bill now pending in Congress for the establishment of an international bank, to facilitate our exchanges with Mexico and Central and South America. New York is destined, at no distant day, to become the financial as well as the commercial centre of the world, and such an institution would in my judgment be a long step toward that end, as well as a most valuable instrumentality for the promotion of commerce with those countries.

"Give us direct and ample transportation facilities under the American flag, and controlled by American citizens; a currency sound in quality and adequate in quantity; an international bank to facilitate exchanges, and a system of reciprocity carefully adjusted within the lines of protection -- and not only will our foreign commerce again invade every sea, but every American industry will be quickened, and our whole people feel the impulse of a new and enduring prosperity.

CHAPTER VI.

PERSONALITY AND CHARACTER.

No account of Mr. Windom, however long or short, would be complete without reference to the personality and character of the man. As some one has said: "His blameless character was his chief political asset." (1) Even his enemies agreed as to the real worth of his manhood, and at the time of his death, the whole nation mourned the passing of one of nature's noblemen, a Christian gentleman. The expressions of grief rung with a note of sincerity, and one of the most eminent of his colleagues in the Senate spoke of him as his ideal of what a President of the Nation should be. To quote a few of the statements made about him. Said Wm. M. Everts:

"In Mr. Windom's character were combined not only the public qualities which fitted him for affairs, but certain personal traits, which, if present greatly assist, and if wanting seriously embarrass, the full power and efficiency of these greater qualities. Uniformity of firmness and good temper are by no means common; and if to these are

(1) Minn. State Historical Collection, 1908. p. 268.

added the grace of sympathetic courtesy, a statesman is with these well equipped for all diversities of conduct and of character with which his manifold duties bring him in contact. In this combination Mr. Windom was singularly fortunate."

John Sherman's letter to Mrs. Windom speaks his high regard:

"I knew him as well as one man can know another, in social life, in political struggles, in the rivalry of ambition, and I can say of him that I never knew one more faithful to his convictions, more honorable in his intercourse, more sincere in his friendships, a truer friend and a better patriot, than Mr. Windom."

Senator Hoar was equally enthusiastic in his commendation:

"I have valued Mr. Windom ever since I first knew him, as one of the very wisest and ablest of our public men. He was always courteous and kindly, always desirous of obliging his associates in public life, and willing to defer reasonably to their wishes. I never heard from any of his associates in the Senate a word concerning Mr. Windom which did not imply the highest respect for his ability and the kindest feeling towards him personally."

Said H. G. Davis:

"Mr. Windom's life was without a stain, a model for all men, and the world is better for his having lived in

it."

In the New York Independent of February 12, 1891, appeared an article from the pen of Gen. A. B. Nettleton, then acting Secretary of the Treasury, in which he said:

"While the peculiar accessories of his death tended to create a profound impression and to call forth a widespread regret coupled with something akin to intense compassion, yet the universal and spontaneous manifestations of sorrow and affection, which has seldom been equalled in the case of any citizen since the founding of the republic, means more than this. Their expressions of genuine grief have not been limited to any section, party, or creed, and they testify to something deeper than a passing interest in sudden decease of a high official. They show beyond question that Mr. Windom, the incorruptible and intrepid public servant and the unassuming and gentle-hearted Christian citizen, had a most unusual hold upon the popular regard. A rarer spirit, a more valuable life seldom pass.

"The man Mr. Windom was greater than the Legislator and Finance Minister whom a nation mourns. His pure and reverent life, in the midst of masculine activities and political struggles, is an invaluable protest against the gospel of pessimism which blights this generation, -- an object-lesson to the young which cannot be too widely studied. He was a partisan and yet a patriot; he regarded political

organizations as instruments for promoting good government, and not as fetiches to be worshipped; he fought his battles with virile energy, yet harbored no resentments; he was as sweet-spirited as a woman, yet none ever suspected him of effeminacy; through nearly 30 years of strenuous public life, mainly in stormy and corrupting times, he carried a stainless name, and dying, left no enemy who was not also the enemy of his country's welfare."

The Pittsburg Leader of January 30, 1891, remarked that it is a noteworthy fact that, thruout his long term of office, he enjoyed almost entire immunity from the aggressions usually incident to political activity in this country. No further testimony than this is needed to establish the fact that Mr. Windom was a man of exceptional integrity and purity of life. "

In a conversation with a nephew of Mr. Windom, (1) Mark Hanna once said: "You value highest your uncle's ability as a financier, but I want to tell you he was more than that - - he was what very few men in public life have been - - a servant of the Lord Jesus Christ - a consistent Christian." And Mr. Hanna told how several gentlemen had been desirous of getting some scheme - a trifle questionable in character - before Mr. Windom. Mr. Hanna obtained for them an interview but so busy was the Secretary of the Treasury, that it had to be at his breakfast time.

(1) Judge Windom, of Duluth.

As was Mr. Windom's custom, he asked a simple grace before each meal. These gentlemen who had so wanted to speak of their project said never a word about it, and the meal ended. When they had left Mr. Hanna asked them what was the matter and they could not explain. It was the influence of Mr. Windom's simple blessing that made their own ideas seem wrong and sordid.

It is a wholesome thing for the youth of the country to know, not only that the poor boy may become president, but that the boy and man of absolutely honest life can rise to a position of public trust and honor - - retain his sense of right and wrong thru the years of public service, and die with no stain upon his memory.

The writer is indebted to Judge Windom for nearly all of this chapter.

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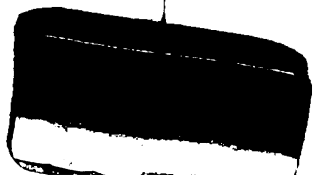
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