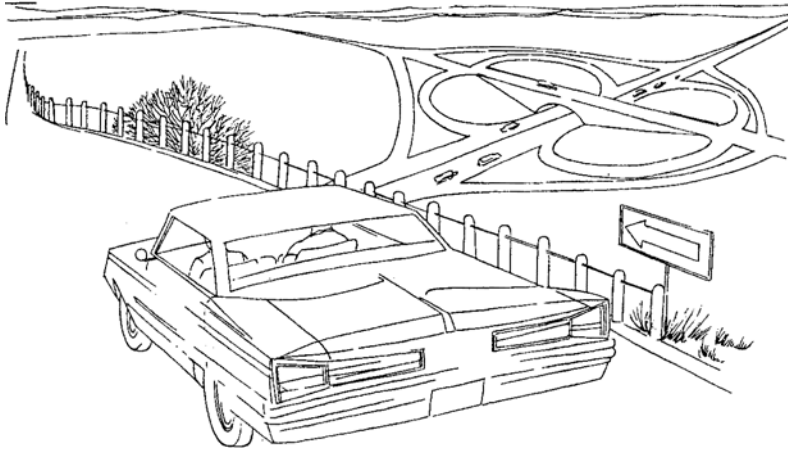


CHAPTER 20



Revolutionary Change in the Postwar Years

THE SECOND WORLD WAR, like the Great Depression and the First World War, was a cataclysm in human history. The world entered a new era—the age of the atomic bomb and the cold war, of space exploration and the population explosion. Life and thought in North Dakota were affected by these things, for even though the state was far from the main stream of action, it was still part of a world locked in deadly struggle between Communism and capitalism, a world threatened by nuclear destruction.

Continuity tied the state not only to such world trends but also to its own past. At the end of the war, North Dakota still was, as it had long been, a sparsely settled spring-wheat country dependent on outside markets. In spite of wartime prosperity, it still occupied a position of economic disadvantage because of its agricultural economy; it still suffered from isolation and the heavy transportation costs which isolation imposed.

The prosperous and optimistic postwar years, however, brought revolutionary changes to the state. North Dakotans made much progress in the age-long process of adaptation to the semiarid plains and prairie country. Many of them left the state, creating a more favorable ratio between population and land. Farms became larger. More tractors, trucks, and automobiles, as well as a gigantic highway-construction program, increased mobility and aided in the conquest of distance. Hard-surfaced roads made possible a beginning in school district

reorganization. Farming shifted to more beef cattle, more flax and barley; rural electrification made farm life easier. Rapid progress in soil conservation checked wind erosion and increased productivity. A great boom in construction—schools, churches, hospitals, and homes—raised living standards. These capital expenditures, along with massive federal spending for highways, rural electrification, Garrison Dam, and United States Air Force bases at Minot and Grand Forks (a consequence of the cold war), stimulated the economy of the state. Farmers' Union cooperatives grew amazingly, but conservative North Dakotans looked to economic diversification as the principal way of raising the state's relatively low income.

North Dakota's persistent efforts to attract industry met with little success. The oil industry, a strong stimulus to both the economy and the morale of the people, was a good start, but the market for North Dakota oil was limited. Cheap power from Garrison Dam's dynamos failed to bring factories to the Northern Great Plains, and Garrison diversion for extensive irrigation was still only talk in the early 1960's. However, the opening of the St. Lawrence Seaway in 1959, which brought ocean transportation nearer, seemed to modify the state's isolated position and to promise important changes in future years.

If economic diversification were slow in coming, the state did change in important ways. Even while the North Dakota Farmers' Union grew stronger, the state, like the nation, became more conservative. Yet prosperity and a strong desire for the standard American values made possible greatly increased public expenditures for highways, education, health, and welfare. And North Dakota, so long a one-party state, had two strong parties after the Nonpartisan League went over to the Democratic party in 1956.

POPULATION CHANGES

There was much that was old in postwar North Dakota. The long-time trends of out-migration and rural loss and urban gain continued. Thousands of people left the state and thousands more moved from the country and the small villages into the larger towns. North Dakota's population was 642,000 in 1940, 620,000 in 1950, and 632,000 in 1960. It declined 3.5 percent in the 1940's, grew only 2.1 percent in the 1950's. The natural increase would have been about 15 percent. By 1950 some 360,000 persons born in North Dakota were living in other states; by 1960 the figure had risen to more than 450,000, or 48.9 percent of all persons born in North Dakota and still living. Only Wyoming and Arkansas had larger percentages. The people who left North Dakota, seeking opportunities it could not offer, were often the better educated

and those in their most productive years. Thus by raising and educating those who left, North Dakota was actually subsidizing the richer states. Not all of the migrants were young. Congressman Otto Krueger, retiring to Lodi, California, found it “just like home” because so many North Dakotans lived there.

Population movements within North Dakota brought rural losses and urban gains. In each decade after 1930 the rural population (villages and farms) declined by about 10 percent, but the urban population (places of 2,500 or more) increased by 16 percent in the 1930's, by 25 percent in the 1940's, and by 34 percent in the 1950's. In 1960 some 35 percent of the population was urban, and 47 percent lived in places of 1,000 or more. Throughout the state only those counties with large towns or oil wells grew. In the 1950's, thirty-eight of the fifty-three counties and 66 percent of the towns and villages declined in population.

The distribution of population was slowly beginning to fit the resources of the physiographic divisions of the state. By 1960 the Red River Valley (about 10 percent of the state's area) had roughly 27 percent of the population, the Drift Prairie (40 percent of the area) approximately 39 percent, and the Missouri Plateau (50 percent of the area) about 34 percent. Although such percentages can only be approximations, they do show that in population, just as in climate, soil, grass communities, and economic activity, the Drift Prairie was a transition zone between the more humid Red River Valley on the east and the more semiarid Missouri Plateau on the west.

The continuing loss of population in the rural areas and the state as a whole was, of course, an adjustment to the environment and its attending economy. But fewer people meant increased per capita costs for community services. Those who remained simply had to pay more for schools, roads, churches, hospitals, and government. In the sparsely settled state, with only six persons per square mile (excluding the urban population), space itself created an additional cost which society had to pay. Thus it was more expensive for a thinly scattered population to provide what it needed. The same items of government, for example, cost twenty-two dollars per person in Billings County (population 1,777, or 1.6 per square mile) but only four dollars per person in Walsh County (population 18,859, or 14.7 per square mile).¹

AGRICULTURAL ADAPTATIONS

The loss of village and farm population was a result of the growing

¹William E. Koenker and Glenn W. Fisher, [Tax Equity in North Dakota](#), Bureau of Business and Economic Research, University of North Dakota, [North Dakota Economic Studies](#) No. 4 (Grand Forks, 1960), p. 12.

mechanization of farming and the increased use of automobiles. After the war, the number of tractors, combines, and trucks increased rapidly. In 1945, North Dakota had 1.05 tractors, 0.33 combines, and 0.52 trucks per farm; by 1959 it had 2.05 tractors, 0.98 combines, and 1.25 trucks per farm. Although mechanization was a national trend, North Dakota had more tractors and trucks per farm than any other state. From 1945 to 1960 the number of automobiles registered in the state increased 90 percent. By 1960, North Dakota had one car for each 1.8 persons, compared to one for each 2.5 persons in the United States. Automobiles, of course, increased the advantages of larger trading centers over smaller ones and so contributed to the decline of village populations.

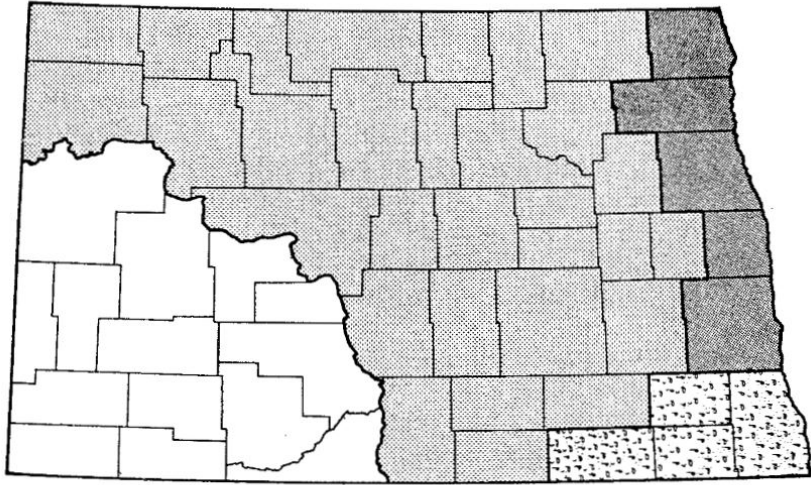
Automobiles, tractors, and combines increased the farmer's productivity by giving him more mobility. The results were larger farms, higher output, and more income. These changes, though long in progress, came more rapidly in the 1950's than ever before.

Many small farms disappeared. From 1945 to 1959 the number of farms fell from 70,000 to 55,000, and the average size increased from 590 acres to 755 acres. The number of farm workers also declined. There were about 124,000 in 1940, about 111,000 in 1950, and about 99,000 in 1959. Mechanization made hired help less important. In 1950 family workers supplied more than half the labor on 93 percent of the farms. The percentage of tenancy among farm operators also declined, from 28 percent in 1945 to only 19 percent in 1959.²

The elimination of small farms was wise, for it tended to make more of the farms large enough to give a farm family a decent living. Yet in 1959 there were still far too many small farms, both in North Dakota and throughout much of the United States. In the states of the Upper Middle West, probably two-thirds of all farms earned net incomes too low to give an adequate return for the labor and capital invested. In North Dakota over two-fifths had less than 500 acres in 1959. For much of the state, however, a father-and-son partnership, a typical arrangement, could handle from 640 to 1,280 acres in a grain-and-livestock operation, and some family farms had 2,000 to 4,000 acres. Such farms were much more profitable because they could make fuller use of expensive agricultural machinery.

Nearly three-fourths of the farms in the small grain-livestock region from the Red River Valley to the Missouri River were too small. Some figures on investment and income prove the point. In the middle 1950's

²Baldur H. Kristjanson, [*What about Our Large Farms in North Dakota?*](#) North Dakota Agricultural Experiment Station Bulletin 360 (Fargo, 1950), p. 21.



	Crops	Livestock
Wheat and Range	31	69
Central Wheat	61	39
Red River Wheat and General	79	21
Wheat-Corn Transition	45	55

FARMING AREAS OF NORTH DAKOTA

that region had about 34,000 farms, divided into three classes. The 8,000 farms of the first class had annual cash marketings of \$10,000 or more, an average investment of \$68,000, and an annual average net income of \$12,000. They were much more profitable enterprises than the other two classes of farms in the region. The 20,000 farms of the second class had annual cash marketings of \$2,500 to \$9,999, an average investment of about \$34,000, and an annual average net income of only \$3,500. The 5,600 farms of the third class had annual cash marketings of less than \$2,500, a capital investment of about \$18,000, and an annual average net income of less than \$500. Operators in the third class would have been much better off financially if they could have invested their capital in other ways and hired themselves out as farm laborers.

That possibility was not open to many of them. The readjustment which followed elimination of some of the small farms often caused hardship. The men forced off the land often lacked the education or vocational training necessary for other employment; the small towns, in turn, lacked employment opportunities. As farm families moved away, retail sales in the villages declined, and the villages themselves decayed. The reorganization of North Dakota agriculture—which would make possible full utilization of modern machinery and available labor and which would give each farm a gross cash income of \$10,000 or more—would bring about a revolutionary change in the state. Such a drastic revision in farm population would mean the disorganization of

community life and the death of many villages, as well as much suffering for those who had to take up new occupations in new places. Yet the steady growth of farm size, forced by the need to use expensive machines more fully, was moving in that direction.³

There were other changes. From 1950 to 1959, North Dakota farmers increased their use of commercial fertilizer sevenfold and doubled their use of commercial feed. They raised fewer chickens, turkeys, sheep, hogs, and dairy cattle. (The amount of milk and cream sold actually increased as artificial-breeding associations began to serve dairy farmers in forty-eight of the fifty-three counties by 1953.) They raised more barley, flax, and beef cattle. In general they depended more on crops and less on livestock than in earlier years, but by 1960 the fattening of beef cattle on rolled barley was increasing rapidly, bringing a more diversified agriculture. Probably a fifth of the farms had no livestock; wheat alone usually brought in about 40 percent of the cash farm income. Although federal restrictions reduced North Dakota's wheat acreage by more than a million acres from 1940 to 1960, the state planted 13.6 percent of the nation's wheat in 1940 and 13.4 percent in 1960. By the early 1960's, wheat yields had doubled since the 1930's, but national consumption remained almost exactly the same.

The great change, however, was rural electrification. In 1935 only 2.3 percent of North Dakota's farms had electricity from central power stations, the lowest percentage in the nation. Rural electric cooperatives received their first loan in 1936 and put their first line into operation in 1937 at Cando. Expansion came after the war. Rural Electrification Administration loans reached their peak in 1949, and by 1954 some 90 percent of North Dakota's farms had electricity. By 1960, twenty-four North Dakota cooperatives had borrowed \$119,000,000, built 53,000 miles of power lines, and brought electricity to 65,000 customers, including an estimated 52,000 farms. In 1954 the R.E.A. began to make loans for rural telephone systems in North Dakota. By 1960 it had lent \$23,000,000, and 36,000 farms had telephones. With electricity, the whole aspect of farm life changed; television sets, home freezers, electric milk coolers, and many other appliances lightened the work load and began to wipe out the differences between rural and town living.

At the same time, soil conservation was making rapid progress. It had begun in the 1930's with federal payments for planting shelter belts and following other soil-conserving practices. Then, under terms of a state

³Arvid C. Knudtson and Rex W. Cox, [*Upper Midwest Agriculture: Structure and Problems*](#), Upper Midwest Research and Development Council and the University of Minnesota, [*Upper Midwest Economic Study*](#), Study Paper No. 3 (Minneapolis, 1962), pp. iii-v, 1-4, 20-25, 38.

law passed in 1937, interested farmers began to organize soil conservation districts. By 1947 there were sixty-six districts, and by 1957, seventy-eight districts covered 98 percent of the state. Soon the more progressive farmers were planting trees in shelter belts, strip-cropping, cultivating their land on the contour, building dams and dugouts for livestock water, planting grass and using grass rotation, controlling grazing, and stubble-mulching their fields.

The United States Soil Conservation Service supplied plans and advice and lent heavy equipment. The North Dakota Association of Soil Conservation Districts established a tree nursery at Oakes in 1947 and another at Fort Lincoln in 1953. Every year, the Greater North Dakota Association honored the outstanding conservation farmer of each district. By 1960 some 35,000 farmers were cooperating with the districts, nearly 23,000 had complete conservation plans for their farms, and some 15,000 had applied essential treatments to eleven million acres, more than a fourth of the farm land in the state. Although much remained to be done, a revolution in the use of the state's greatest resource was well under way.⁴

Better use of the land paid off. A comparison of two periods of roughly equal rainfall shows that the average yield of wheat per acre rose from 10.9 bushels for the years 1919-1928 to 12.5 bushels for the years 1946-1955. Summer fallow often increased wheat yields by 50 percent or more, and new varieties of wheat, barley, flax, and hybrid corn also helped.

New varieties of hard red spring wheat and durum were especially important. In 1945, Thatcher and Pilot were the most commonly grown hard red spring wheats in the northwestern and western parts of the state, Rival and Regent in the more central and eastern counties. Mindum was the most commonly grown durum. By the late 1940's, however, Mida, a superior wheat released by the North Dakota Agricultural Experiment Station in 1944, occupied about 40 percent of the wheat acreage. But varieties once resistant to leaf rust were showing more and more leaf rust, and in 1950, Race 15B of black stem rust, not previously present in the area, caused much damage. In the early 1950's, Lee became the leading variety because it was resistant to leaf rust and had some tolerance to Race 15B. Then Selkirk, bred at the Dominion Laboratory of Plant Breeding at Winnipeg and released in 1955, became the leading variety because of its capacity for high yields and its resistance to Race

⁴North Dakota State Soil Conservation Committee, [*North Dakota: Twenty Years of Progress in Soil and Water Conservation*](#) (Bismarck, [1957]), pp. 2, 7-10.

15B. Since 1957 it has been grown on 65 to 70 percent of the wheat acreage. By 1959 new durums resistant to Race 15B—Langdon, Yuma, Ramsey, and Towner—occupied more than 90 percent of the durum acreage.⁵

Varieties of grain and farming methods were undergoing rapid change. Don L. Short, thinking about his father's failure in the 1930's and his own later success, said in 1958: "We know a lot more about farming and ranching than we did then. For example, we've learned a lot about how to use the country.... If you believe in this country, and treat it right and work hard with it, it will be good to you." On his ranch twenty miles north of Medora, Short practiced conservation by storing extra hay in good years and by taking care not to overgraze the range.

In Benson County, young John R. Beckstrand, also a believer in conservation, followed different practices. Receiving a medical discharge from the navy in 1944, Beckstrand, then twenty-three, began to farm near Warwick with 200 acres of rented land and a loan of \$500. Inventive and believing in hard work, he was soon getting high yields from land considered unproductive. By 1956 he was farming 2,400 acres and was worth \$131,000. That year, the United States Junior Chamber of Commerce honored him as one of the four outstanding young farmers in the nation. In 1964, 36-year-old Steve Reimers of Bordulac, Foster County, was similarly honored. After starting from scratch on rented land in 1950, he was farming 6,080 acres. The success of Beckstrand and Reimers was unusual, but many farmers were making big money.

THE FARMERS' UNION AND THE FARM BUREAU

Farmers strengthened their position by means of organizations. Many joined cooperatives to obtain greater bargaining power. By 1958 there were some six hundred cooperatives in North Dakota, not many more than in the 1930's. Their business, however, had grown enormously in the postwar years. From 1942 to 1958 the number of the stockholders increased from 70,000 to 216,000, assets from \$19,000,000 to \$136,000,000, and annual business from \$57,000,000 to \$273,000,000. The cooperatives, mostly elevators and oil companies, were strongest where the Farmers' Union was strongest (Ward and Williams counties), weakest where it was weakest (Oliver, McIntosh, and Kidder). Williston was the most cooperative town in the state; it even had a cooperative funeral home. The counties with weak cooperatives cast few votes for the Democratic candidates for President, and they also seem to have been

⁵Theodore E. Stoa, "History of Wheat Variety Changes on North Dakota Farms for Years 1945 to 1960," *North Dakota Farm Research*, XXI, 8 (November-December 1960), 17-21.

slow to form soil-conservation districts and to adopt summer-fallow practices.

Growth of North Dakota cooperatives was enhanced by the amazing success of the two large regional cooperatives of the Farmers' Union: the Grain Terminal Association (G.T.A.) and the Central Exchange. The G.T.A. began operations in 1938 with capital stock of only \$30,000 and handled 17,000,000 bushels of grain the first season. Soon it bought 138 rural elevators and 38 lumber yards from the long-established St. Anthony and Dakota Elevator Company and built huge terminal elevators at Superior, Minneapolis, and St. Paul. By 1947 it was handling 125,000,000 bushels of grain a year. Buying more country elevators from old line companies, it sold many of them to local Farmers' Union groups but also operated some itself. By the late 1950's its subsidiary, Great Plains Supply, owned 118 lumber yards, 45 of them in North Dakota. In 1957 the G.T.A. handled more than 150,000,000 bushels of grain, about one-fourth of the amount sold in the Minneapolis and Duluth markets. It had a capital of over \$33,000,000, 903 employees, 148 rural elevators (62 in North Dakota), and a total storage capacity in terminal and subterminal elevators or more than 20,000,000 bushels. Besides its own country elevators, 440 locally owned ones (186 in North Dakota) shipped grain to the G.T.A.

Through the G.T.A., members of cooperatives had some voice in the marketing of their grain; through the Farmers' Union Central Exchange, they secured supplies distributed by locally owned Farmers' Union oil companies. Organized at St. Paul in 1931, the Central Exchange had come to own oil wells, pipelines, refineries, oil-blending plants, fertilizer factories, and machinery warehouses by the 1950's. It was supplying 122 oil companies in North Dakota in 1956, as well as many others in the region. By 1960 it was doing an annual business of \$90,000,000. Other Farmers' Union cooperatives were concerned with livestock marketing and insurance.

Cooperative growth was largely the result of educational work by the Farmers' Union. In North Dakota the Farmers' Union itself grew steadily stronger—from 26,000 members in 1945 to 44,000 in 1959. It carried on a vigorous program: conferences on health and rural education; tours of Tennessee Valley Authority projects, regional cooperatives, and Washington, D.C.; publication of the *North Dakota Union Farmer*; and radio and television programs ("Focus on the News" began in 1957). In 1959 its receipts amounted to more than \$422,000. Its cooperatives deducted membership dues from the patronage dividends, making all of their patrons Farmers' Union members automatically. Moreover, the large regional cooperatives, and many local ones as well, paid a share of

their profits into the treasury of the North Dakota Farmers' Union.

The Farmers' Union platform summed up the thinking of the farmer liberals of the state. Its two principal planks were protection of the family-type farm and 100 percent parity income for family-farm production. The North Dakota Farmers' Union was friendly to organized labor. It favored a graduated land tax, progressive taxes on personal income, repeal of the sales tax, federal health insurance, and a Missouri Valley Authority. Yet many of its members did not support either the liberal platform or the cooperatives. In 1956, for example, President Glenn J. Talbott said that the business of the Farmers' Union insurance companies and the Central Exchange was only a fraction of the potential from the membership. He also noted that if all members patronized the cooperatives, the G.T.A. would market 75 percent of North Dakota's grain, not 25 to 30 percent.

Another farm organization, the North Dakota Farm Bureau, also grew rapidly in the postwar years. Its membership rose from about 3,000 in 1945 to over 15,000 in 1960. It was strongest in the Red River Valley and the northeastern counties, where about half the farmers were members. With headquarters in Fargo, it offered its members insurance, the *North Dakota Farm Bureau News*, a national newsletter, and a voice in agricultural policy. Where the Farmers' Union was Democratic and called for increased federal activity in many spheres, the Farm Bureau was Republican and talked of free enterprise and the individual. By 1959 it was asking for termination of marketing quotas and acreage allotments, stronger control of organized labor, and less federal spending. It also wanted taxation of the undistributed earnings of cooperatives. Farm Bureau leaders considered Glenn J. Talbott a socialist; Talbott and Farmers' Union leaders considered the Farm Bureau an ally of the United States Chamber of Commerce.

Thus North Dakota had two vigorous farm organizations. One stressed cooperatives and government price supports, the other better farming and free enterprise. The more liberal was stronger in the western portion of the state, the more conservative in the eastern portion. Probably the majority of the state's farmers were less liberal than the leadership of the Farmers' Union, less conservative than the leadership of the Farm Bureau. Although tension between the two groups permeated North Dakota life, liberal and conservative continually rubbed shoulders in the give and take of rural living.

THE ECONOMY

In the postwar years, farming produced most of the new wealth in North Dakota. There, more income came from agriculture and less from

manufacturing than in any other state. In 1946, for example, 46 percent of North Dakota's personal income derived from farming. The best crops and the best prices came just after the war. Wheat production averaged about 140,000,000 bushels, and gross cash farm income was over \$700,000,000 in 1947 and 1948. Beginning in 1949, however, the state had modest crops as drought and Race 15B of black stem rust cut down yields. During the 1950's, farm income generally fluctuated between \$500,000,000 and \$600,000,000.

Farmers were squeezed when farm prices went down and the cost of farm supplies went up. In 1947, the peak of farm prosperity, prices received by farmers stood at the index figure 301 (1910-1914 = 100), while prices paid by farmers stood at 230. But in 1956 prices received stood at 227, prices paid at 264. Thus net farm income had suffered a disastrous decline. In 1960, an average year, only 22 percent of the state's personal income came from farming.

Rising farm debt reflected the change. In the very prosperous years during and immediately after the war, farmers had paid off their debts. By 1949 the farm-mortgage debt was down to \$67,000,000, but by 1959 it was up to \$149,000,000. Although farming was becoming less profitable, the value of farm land rose steadily, from an average of about \$19 an acre in 1945 to nearly \$44 in 1958.

Farming was not very profitable in either North Dakota or the nation. In the nation in the mid-fifties, the median money income of farm families was only \$2,117, of other families \$4,705. In North Dakota the average net income per farm was only \$2,683. One study showed that the return for the labor of the farmer and his family might be as low as forty-nine cents an hour, the return on capital invested as small as 1.4 percent. Yet the income of North Dakota farms and farm families was much above the national average, ranking sixth in the nation in 1958. North Dakota farmers suffered in part because the consumption of their principal crop, wheat, was declining. In the United States the per capita consumption of wheat flour was 158 pounds in 1945, only 119 pounds in 1959. In the 1950's, North Dakota farmers put nearly three million acres in the Soil Bank, a larger percentage of farm land than any other state. Over 7,800 whole farms in North Dakota were in the Soil Bank.

The relatively low income of farmers, the dominant group in the state, made the wages and salaries paid in nonagricultural occupations, except mining, lower in North Dakota than in the nation. In 1958 the average in North Dakota was \$3,873, in the nation \$4,531. Inevitably, low farm income and lower-than-average incomes in nonagricultural occupations gave North Dakotans a lower per capita personal income than the national average, lower, in fact, than all but the southern states. In 1945

the per capita personal income in North Dakota was \$1,009, or 82 percent of the national average of \$1,234. In 1960 it was \$1,741, or 78 percent of the national average of \$2,223. Only in 1947 did per capita personal income in North Dakota, \$1,446, exceed the national average, \$1,316.

Many persons, however, believed that the government figures understated the net farm income and hence the per capita personal income of the state. If North Dakotans' incomes were actually below the national average, there was nevertheless much evidence of increasing economic well-being in the postwar years. The total personal income for North Dakota increased from \$549,000,000 in 1945 to \$1,104,000,000 in 1960. The United States Department of Agriculture's index number measuring the level of farm-family living rose for North Dakota from 111 in 1945 to 146 in 1954. All towns of more than five hundred people acquired sewage-disposal systems. By 1960, Blue Cross hospital insurance covered a third of the population. The production of electricity increased from 313,000,000 kilowatt hours in 1945 to 2,011,000,000 kilowatt hours in 1959. Electricity, tractors, trucks, combines, and other machines transformed farming. The greatest building boom in the history of the state brought new schools, hospitals, clinics, churches, swimming pools, business structures, college buildings, and homes, as well as thousands of miles of hard-surfaced highways. In some years the construction industry was second only to agriculture, and from 1950 to 1960, building permits in Fargo alone totaled more than \$73,000,000. In 1959 the National Municipal League and *Look* magazine named Fargo an All-America City. In 1959-1960 the Fargo-Moorhead metropolitan area led the United States in retail sales per household.

Progress like this, of course, sprang from the energy of an optimistic people. But it was also made possible by the economic stimuli of the oil boom and federal spending on rural electrification, Garrison Dam, highways, and the air force bases at Minot and Grand Forks. A large part of these expenditures went out of the state for turbines, electrical cable, cement, and supplies of all sorts, yet the gross sums are suggestive of the massive boost to the North Dakota economy: \$119,000,000 for rural electrification, \$294,000,000 for Garrison Dam, \$77,000,000 for interstate highways, possibly as much as \$650,000,000 in the oil industry, and probably some \$200,000,000 each for the air force bases. By 1960 the oil industry's annual payroll was some \$19,000,000, and the payroll at the Grand Forks air base was about \$1,000,000 a month.

Such expenditures helped to modify the state's economy. North Dakota remained, of course, primarily an agricultural state, but an ever larger part of its population went into nonagricultural employment, an

ever larger part of its personal income came from nonagricultural sources. Although the population remained virtually stationary, nonfarm employment rose from 83,000 in 1945 to 124,000 in 1960, an increase of more than 50 percent. During the same years, farm employment declined about 40 percent. Thus by the later 1950's, except in the summer rush season, there were more people working off the farms than on. Personal income from nonfarm sources increased rapidly, from \$320,000,000 in 1946 to \$759,000,000 in 1958, while personal income from farming increased from \$276,000,000 to \$344,000,000 during the same years. Manufacturing, however, supplied only 3 percent of the state's personal income.⁶

Lack of manufacturing, dependence on wheat, loss of population, and relatively low income worried North Dakota. The state's leaders felt that a more diversified economy was essential in order to provide more jobs and a more stable income, so North Dakota sought to attract new industries. The North Dakota Research Foundation, a government agency established in 1943 and headed throughout its existence by Alex C. Burr, worked to increase the use of lignite and other resources. Thousands of North Dakotans hoped that cheap power from lignite (reserves were estimated at a staggering 350,000,000,000 tons) would bring industry to the state. In 1951 the federal government's Bureau of Mines built the Charles R. Robertson Lignite Laboratory for lignite research on the campus of the University of North Dakota. Yet by 1960 only about 100,000,000 tons of lignite had been mined since operations began in 1884, and in the 1950's, when three-fourths of it was being used to generate electricity, production was actually declining.

North Dakotans made good progress toward economic diversification in the late 1950's. In 1957 the legislature created the North Dakota Economic Development Commission to replace the North Dakota Research Foundation, and emphasis shifted from research to promotion. The commission director, dynamic Lawrence Schneider, prepared much literature on industrial opportunities in the state and worked to aid businesses and communities in developing their potentials. Governor John E. Davis, creator of the new program, and the Greater North Dakota Association sponsored a "business climate" resolution which the legislature passed in 1959. "We need a political climate that will encourage the development of our state," Davis said. In June, 1959, Schneider and some members of the commission went to New York City to inform the nation's business leaders of industrial opportunities in

⁶North Dakota State Employment Service, *North Dakota Labor Market Trends* (July 1960); Koenker and Fisher, *Tax Equity in North Dakota*, p. 3.

North Dakota.

Although no large industry located in North Dakota, the commission did have some success in helping to establish small enterprises geared to local markets. By 1959, ninety-two towns had community development committees with funds of \$2,000,000. Potato-flaking and starch plants, poultry-and-egg enterprises, straw and cheese processing, and barley-pelletizing operations got under way. In 1960 the Dakota Salt and Chemical Company opened a plant near Williston. The Melroe Manufacturing Company of Gwinner (population 400), marketing its little Bobcat tractor-loader in every state as well as in Canada, England, Australia, and South Africa, sold over \$6,000,000 worth of farm machines in 1964. But plans for a \$15,000,000 fertilizer plant at Garrison Dam fell through, and Armour and Company closed its packing plants at Grand Forks and Fargo in 1958-1959.

North Dakota failed to attract industry largely because of its location at the center of the continent, far from markets and centers of population. To help the state compete in such distant markets, the railroads in several instances gave lower rates. "The railroads of North Dakota," said Vincent P. Brown, general freight manager of the Great Northern, "are quick to cooperate with new industry." Moreover, the St. Lawrence Seaway, opened in 1959, brought cheap water transportation to ports 2,400 miles inland, less than 300 miles from eastern North Dakota. Still, as the *Grand Forks Herald* said, "freight rates... stood out like an iron curtain to any inquiring industry."

THE HIGHWAY REVOLUTION

The shortage of industries contributed to the sparsity of population, which, in turn, increased the per capita cost of government services. So North Dakotans, although their incomes were relatively low, had to pay a larger proportion of them for such services than did the people of other states. By 1957, for example, North Dakotans were paying \$117 in state and local taxes for each \$1,000 of personal income, a larger sum than that paid by the people of any other state.

In the postwar years, public expenditures increased rapidly. Disbursements from the state treasury rose from about \$34,000,000 in the fiscal year 1945-1946 to about \$135,000,000 in the fiscal year 1960-1961, an increase of well over 200 percent, although personal income had increased less than 100 percent. The principal expenditures were for highways, higher education, welfare, and aid to the public schools. But two other large sums were paid out: \$28,000,000 as adjusted compensation to veterans of the Second World War and \$7,000,000 to Korean War veterans.

Highways got the most money. North Dakota had excessive mileage of rural roads and relatively few people to use and pay for them. In 1951 it had 73,000 miles, not counting 43,000 miles of prairie trails. Some 25,000 miles, however, carried 85 percent of all traffic. About 6,500 miles were in the state highway system, about 18,000 miles were county roads, and the remaining mileage consisted of lightly used township roads.

Obviously, many of the township roads were unnecessary. Even without the prairie trails, North Dakota had more than a mile of road for each square mile of area and by the 1950's more than a mile for each farm family. As farms became larger, some farm residences needed to be relocated so that a considerable number of the rural roads could be eliminated. "North Dakota must face the facts," Governor John Moses had said in 1941. "We are maintaining the largest highway system in point of mileage per car of any state in the Union."

The result was bad roads and the waste of millions of dollars. Federal grants, starting in 1916, could be used only for construction, but in the 1930's the state highway department had difficulty in securing money to match the federal grants and was in danger of losing them. In 1939 the federal Public Roads Administration termed half of the state's highway system "unsatisfactory." By the end of 1940, although nearly ninety million dollars had been spent on construction and maintenance, only seventeen hundred miles of roads in the state system had a hard surface.

The war slowed down construction; there was not even enough money for maintenance. Most of the state highways were gravel roads which needed much attention; poor design increased the cost of snow removal to as much as two hundred dollars per mile for a winter. When frost left the ground in the spring, the light bituminous pavement often broke up. With the capital investment being lost, the Public Roads Administration cut off federal funds late in 1946 until the state would provide for adequate maintenance.

North Dakota exerted a strong effort to raise the necessary money. In 1945 it sold some \$12,000,000 worth of highway revenue anticipation certificates; it repeatedly raised gasoline taxes and tried to check the widespread evasion of them; from 1943 to 1957 it transferred some \$23,000,000 from other state funds to the highway fund; it raised automobile registration fees; it even turned down half the requests from institutions of higher education for capital outlays, spending less than \$10,000,000 for such purposes from 1947 to 1957. By 1957, North Dakota and South Dakota ranked first among all the states in the amount spent on highways in proportion to personal income (\$51 for each \$1,000 of personal income). By the same measure, North Dakota ranked seventh

among the states in the amount spent on higher education.

The money thus raised speeded up construction. By 1951 the state had spent \$48,000,000 on construction since the war and had 2,329 miles of hard-surfaced roads. They were expensive, costing about \$30,000 per mile in 1950. Much progress had been made, but only a small part of the 25,000 miles of state and county highways were hard surfaced and 59 percent of them were judged "intolerable" by the Bureau of Public Roads.

Unfortunately, much of the new construction had been gravel or low-quality bituminous; such roads would soon have to be rebuilt. There was much dissatisfaction. Many legislators believed that the work had been done "without sufficient factual information or planning." In 1951 the legislature authorized an investigation, and the Legislative Research Committee hired the Automotive Safety Foundation of Washington, D.C., and Professor James C. Nelson of Washington State College to make a study. These experts concluded that the state system was too large. "To bring it within the financial limits of what the people are willing and able to purchase," they recommended that the system be cut to 4,121 miles by turning 2,472 miles of the less-traveled roads over to the counties. The proposed 4,121 miles of state highways, the study stated, would carry 60 percent of all rural traffic, reach all county seats, connect all major population centers, and serve every section of the state. Most of it should be given a hard surface, but a staggering \$134,000,000 was needed. The legislature, however, was unwilling to reduce the state system drastically.⁷

Much progress was made in the 1950's, however. The highway department, abandoning the low-quality bituminous surface, built a more durable, high-quality bituminous road. Each year, from twelve to fourteen million dollars went for construction. The main arteries, first paved in the 1930's, were rebuilt; many miles of gravel roads were given a hard surface. Each year, the mileage of gravel declined, the mileage of hard surface increased. In 1945 scarcely 25 percent of the state system had been hard surface; by the end of 1960 almost 80 percent of it was. At the end of the war, the state had two hard-surfaced east-west routes (U.S. Highways 2 and 10) and four partially completed hard-surfaced north-south routes (U.S. Highways 81, 83, 85, and 281). By the end of

⁷Automotive Safety Foundation, *Better Roads for North Dakota* (Bismarck: North Dakota Legislative Research Committee, 1952); Automotive Safety Foundation, *An Engineering Study of North Dakota's Roads and Streets* (Bismarck: North Dakota Legislative Research Committee, 1952); James C. Nelson, *Financing North Dakota's Highways, Roads and Streets* (Bismarck: North Dakota Legislative Research Committee, 1952).

1960 the state was covered with a grid of hard-surfaced routes, only twenty to thirty miles apart and running east and west, north and south. Except for the Badlands region, few parts of the state were many miles from a hard-surfaced highway.

The counties also improved the roads under their jurisdiction. They spent \$83,000,000 for construction from 1945 to 1959, most of it on gravel roads. From 1947 through 1959 the state highway department spent \$220,000,000 on construction, over half of it federal money. Together, the state and the counties invested approximately \$303,000,000. That sum, about \$479 per capita, was little more than the cost of Garrison Dam, yet it relieved the isolation which had always hindered the sparsely settled state. Postwar highway construction had brought a revolution to North Dakota.

Construction took a new turn in 1956 after Congress authorized an interstate system of divided, limited-access highways for which the federal government would pay 90 percent of the cost. By July 1, 1964, North Dakota had completed 242 miles of its allotted 570 miles in the interstate system, spending nearly \$102,000,000.

THE OIL BOOM

The discovery of oil on April 4, 1951, brought another revolution in North Dakota life. It came after many years of exploration. In 1916 the Pioneer Oil and Gas Company had begun drilling the first wildcat well three miles southeast of Williston. The next year, A. J. Collier of the United States Geological Survey discovered the Nesson Anticline along the eastern edge of Williams and McKenzie counties. In 1927 some Williston businessmen formed the Big Viking Oil Company and began drilling on the anticline; the firm ran out of money at 4,680 feet in the mid-1930's. The California Company, with ample backing and a capable technical staff, spudded in a well in 1937 about a quarter of a mile from the abandoned Big Viking hole. The following summer it gave up at 10,281 feet, having missed the productive Beaver Lodge Field by only three and a half miles. Soon a dozen major oil companies were assembling properties for exploration. They drilled eleven dry holes before the Amerada Petroleum Corporation discovered oil in April, 1951. In the first seventeen hours, the Clarence Iverson No. 1, the discovery well, produced over three hundred barrels of oil.

The discovery set off an exciting boom. Wildcat drilling mushroomed, and by the end of the year nearly two-thirds of the state was under lease. Crowds of strangers—oil operators and scouts, promoters, geologists, drillers, lease buyers and brokers, as well as unskilled labor—invaded the oil region. The newcomers turned granaries, sheds, and garages into

living and business quarters. They and their families jammed community services, crowded schools, wore out roads, and brought on a boom which meant dozens of new enterprises, ranging from lunch counters to oil-field equipment houses. Steel derricks dotted the plains; drillers and geophysical crews searched for the limits of pools; storage tanks went up beside the wells; gas flares lit up the night. Tioga, the new oil capital near the Clarence Iverson No. 1, grew some 250 percent in three years, and Williston had eight hundred persons living in trailers by the fall of 1953.

Oilmen and speculators sought drilling leases and mineral rights all over the Williston Basin. The basin, a saucer-like depression in the granite of the earth's crust, contained sedimentary strata which under-lay western North Dakota and parts of Manitoba, Saskatchewan, Montana, and South Dakota. In 1948 leases had gone for ten cents an acre, but even before discovery some were bringing as much as a dollar; after discovery most were sold for a dollar per acre plus large bonuses. In addition to the drilling-lease business, there was brisk traffic in the sale of mineral rights. Although some ill-informed land-owners sold their rights for as little as sixty-two cents an acre, others received from one hundred to seven hundred dollars, with a few tracts going for two thousand dollars an acre. Outside the oil fields, however, most mineral rights brought less than thirty dollars an acre.

Seismograph crews fanned out over the Williston Basin in search of oil. Some 150 companies, many of them one-shot combinations, drilled wildcat wells to find new pools, but Amerada Petroleum Corporation performed most of the exploration. Each year, a few of the wildcats struck oil (6 out of 58 in 1955, for example), and by 1959 they had found 77 oil pools in North Dakota. Because the oil lay so deep, sometimes at 14,000 feet, drilling was unusually expensive. The Clarence Iverson No. 1 cost Amerada \$721,000, and other wildcats cost half a million. Even after drillers found a pool, development wells cost some \$200,000 each. They found most of the pools on the Nesson Anticline, stretching north-south in a narrow, 73-mile-long belt from a point north of Tioga to northern Dunn County. But wildcatters also found oil off the anticline: near Westhope in Bottineau County, in northern Burke and Divide counties, and in less-productive pools in Stark and Billings.

The oil companies put much money into exploration and development, and oil production steadily increased. By the end of 1960 the oil industry had invested an estimated \$650,000,000 in North Dakota. By April, 1961, ten years after discovery, 2,806 wells had been drilled and 110,000,000 barrels of oil produced, worth, with the gas which accompanied it, some \$280,000,000. Oil production was then 2,000,000

barrels a month, and the state had an estimated 2,000,000,000 barrels in reserves. It stood tenth among the oil states.⁸

The obstacle was markets. North Dakota's remoteness, the lack of refineries, and the world surplus of crude ("We have oil running out of our ears," said C. E. Boone, vice-president of Amerada) posed serious problems. Important steps to solve them were soon taken. In the summer of 1953, Standard Oil of Indiana was building a 30,000-barrel, \$25,000,000 refinery at Mandan, a 157-mile crude-oil pipeline from Tioga to Mandan, and a 207-mile products pipeline from Mandan to Moorhead. The Signal Oil and Gas Company was building a \$17,000,000 natural-gasoline and sulphur plant at Tioga. Other firms built small refineries at Williston and Dickinson. The facilities at Mandan and Tioga soon furnished a market for North Dakota crude and also for the gas which came out of the wells.

Oil from the Nesson Anticline went largely to the refinery at Mandan, but companies with wells in Bottineau, Burke, Divide, and Renville counties had to send their oil by tank car to refineries in Minnesota and Wisconsin. There it competed with Canadian oil moving to the same refineries through pipelines, a much cheaper method of transportation. Marketing was difficult. Because of the world-wide surplus of crude oil, North Dakota wells could produce much more than their markets would take. The North Dakota Industrial Commission estimated the demand each month and gave each well a quota. At the end of 1959, for example, the quota was only twenty-eight barrels a day, although some wells could have produced four hundred.

The market, however, gradually expanded. The Soo and Great Northern railroads helped by reducing rates on tank-car shipments. By the end of 1959 the capacity of the Mandan refinery was up to forty-five thousand barrels a day, and the Minnesota and Wisconsin refineries were taking larger amounts of North Dakota oil. But the profits seemed modest. Oil from the northern pools was then bringing only \$2.09 a barrel at the wellhead, from the Nesson Anticline only \$2.95.

In spite of it all, the oil industry moved North Dakota toward a more diversified economy in the 1950's. In 1951, during debate over a 4.25 percent gross-production tax in lieu of other taxes on the new industry, one state legislator said that a higher tax would be "poor psychology, when we're trying to attract industry to our state."

GARRISON DAM AND DIVERSION PLANS

⁸Dominic Schaff, "[The History of the North Dakota Oil Industry](#)" (Unpublished M.A. thesis, University of North Dakota, 1962).

The outcome of long-maturing plans to harness the waters of the Missouri River for electrical power and irrigation was a distinct disappointment. Irrigation had long seemed a natural adaptation to the needs of the semiarid North Dakota country. Talk of diverting the waters of the Missouri eastward began as early as 1889. The first irrigation in the state was from works built in 1905 and 1906 by the United States Bureau of Reclamation on the Lower Yellowstone and on the Missouri near Williston.

Farmer interest in these projects lagged, and they were operated only intermittently. In the 1930's, however, drought stimulated new interest. The North Dakota State Planning Board believed that irrigation in the western sections of the state could check the loss of population, help local business, and bring greater stability but that it would not remove all of the hazards of dry-land farming. Work-relief projects created 312,000 acre-feet of water storage in western North Dakota, but it was more useful for livestock, recreational, municipal, and wildlife purposes than for irrigation. In the late 1930's the North Dakota Water Conservation Commission built three irrigation works to water some 15,000 acres.

The great hope for irrigation, however, lay in the diversion of water from the Missouri River. A number of people had taken up the idea in the 1920's, and in 1924, Sivert W. Thompson and the people of Devils Lake formed the Missouri River Diversion Association. By 1935 the Corps of Army Engineers was talking about a great earth dam across the Missouri near Garrison. In 1942, W. G. Sloan of the Bureau of Reclamation presented a plan to divert water from below Fort Peck Dam, in Montana, to irrigate more than a million acres, mostly in the Crosby-Mohall region in the northwestern corner of North Dakota.

After damaging floods on the Lower Missouri in 1942 and 1943, Colonel Lewis A. Pick of the Army Engineers drew up a plan for six giant dams on the main stream of the Missouri and ninety-nine or more on its tributaries. Pick's plan aimed at flood control and navigation, Sloan's at irrigation and hydroelectric power. Pick's plan appealed to the states of the lower river, Sloan's to the states of the upper river. The Farmers' Union, the *St. Louis Post-Dispatch*, organized labor, and President Franklin D. Roosevelt wanted a Missouri Valley Authority patterned after the Tennessee Valley Authority. When the M.V.A. bills appeared in Congress, the Army Engineers and the Bureau of Reclamation compromised their differences to form the Pick-Sloan Plan. Accepted by Congress in the Flood Control Act of December 22, 1944, it included both Garrison Dam for flood control and power and the Missouri-Souris Diversion Unit for irrigation.

By October, 1947, giant earth-moving machines were piling up the embankment of Garrison Dam. As the years passed, some 2,300 men (peak employment in September, 1952) shaped what was at that time the largest rolled-earth dam in the world—12,000 feet long, 210 feet high, 2,600 feet wide at the base and 60 feet at the top—in all, 70,000,000 yards of earth and 1,500,000 yards of concrete. In some years, 300,000 visitors came to see the great dam taking shape. In the spring of 1953, round-the-clock shifts of workmen dropped load after load of boulders into the channel, closed the dam, and diverted the river into the giant tunnels. In January, 1956, they put the first three of the five 80,000-kilowatt generators into service. By 1960, with \$294,000,000 spent, the great dam was virtually complete, and above it the muddy Missouri was turning into a blue lake which reached 200 miles upstream to Williston.

As work on the great dam went forward, the Bureau of Reclamation built three multiple-purpose dams (municipal water, flood control, irrigation, and recreation) at Dickinson, Heart Butte, and Jamestown at a cost of eleven million dollars. It also revived the Buford-Trenton irrigation project near Williston and began irrigation at Fort Clark. But benefits from these projects were small. Not all of the land in them was being irrigated, suggesting that irrigation was a marginal practice in a region in which the rainfall was adequate or nearly so much of the time. By 1959 some 48,000 acres were being irrigated in North Dakota, only two-tenths of one percent of the crop land of the state. Half the irrigated land was in private projects which pumped water from rivers and lakes.

The scheme for irrigation by diversion of the Missouri River, though authorized by the Flood Control Act of 1944, met frustrating delays. Sloan's original plan, called the Missouri-Souris Diversion Unit, provided for a canal which would carry water from below Fort Peck Dam to irrigate a million acres in the Crosby-Mohall region. In 1947, however, surveys began to reveal that drainage problems, caused by the unusual density of the glacial subsoil, made virtually all of the one million acres unfit for irrigation. Seeking suitable land, the Bureau of Reclamation found a million acres in the drainage of the James and Sheyenne rivers south and southwest of Devils Lake. The chosen areas, once covered by glacial lakes or glacial outwash, were small and intermingled with nonirrigable land. Moreover, this land had more rainfall and hence much less need for irrigation than did the Crosby-Mohall region.

In January, 1957, the Bureau of Reclamation finally reported its new plan, renaming it the Garrison Diversion Unit. Huge pumps were to lift water from Garrison Reservoir to Snake Creek Reservoir, from which the 73-mile McClusky Canal would carry it to Lonetree Reservoir on the

headwaters of the Sheyenne River. From Lonetree, canals would carry the water to the lands to be irrigated and also to Devils Lake. The plan called for 6,773 miles of main and lateral canals (a mileage in excess of the state highway system), 8 reservoirs, water supplies for 41 towns, 656 pumping stations, and 9,300 miles of drains. To be built over a period of sixty years, the project would cost an estimated \$529,000,000 at 1956 prices. (By way of comparison, in 1954 the value of all farm land and buildings in North Dakota was only \$1,500,000,000.)

The obstacle to the plan was, of course, the enormous cost. It was so great that the irrigators themselves, who usually paid for the whole cost of Bureau of Reclamation projects, could be expected to pay only 15 percent, even with payments spread over fifty years and bearing no interest charge on the capital invested. The towns receiving water supplies would pay something, and some millions could be charged to flood control and recreation and so come from federal taxes, but the Bureau proposed that more than 80 percent of the cost come from the surplus revenues of the Missouri Basin hydroelectric power plants. This meant that users of power from government dams throughout the Missouri Basin would be taxed to pay for the Garrison Diversion Unit. The power plants, the Bureau calculated, would have paid for themselves by the year 1994; their revenues could then be applied to the diversion unit and pay for it by A.D. 2015. The Bureau justified the colossal undertaking by an analysis of the indirect benefits which would, it argued, stabilize the economy of North Dakota. It predicted that completion of the diversion plan would increase the population of North Dakota by 95,000, increase farm income by \$55,000,000 a year, increase trade by \$144,000,000 a year, and create 1,699 new business establishments.⁹

Would the benefits justify an investment in irrigation works of more than five hundred dollars an acre in order to treble the production on a million acres? The cost of the Buford-Trenton works near Williston had been only thirty-eight dollars an acre, yet that was considered excessive by irrigators. North Dakota farmers had taken nearly three million acres out of production in the 1950's by putting them in the Soil Bank. Clearly,

⁹United States Bureau of Reclamation, *Garrison Diversion Unit*, 1960, 86 Cong., 2 Sess., *House Document* 325, pp. 84-85. Other sources on irrigation are North Dakota State Water Conservation Commission, *North Dakota Water Resource Development Projects* (Bismarck, 1955); North Dakota State Planning Board, *Irrigation in North Dakota*, prepared by Oscar Becker (Grand Forks, 1937); and North Dakota State Water Conservation Commission, *Development of Irrigation, Municipal Water Supplies, Electric Power, Flood Control in North Dakota* (Bismarck, 1948).

additional farm production was not very urgent. The one million acres to be irrigated made up only 5 percent of the crop land in the state. Since the irrigable land was scattered in small tracts, it would probably work out that about 15 percent of the state's farmers would each have from 120 to 160 acres of irrigated land on farms which would average more than a section in size. So, for the state, the question might be asked: would trebling production (the result of irrigation) on one-fifth of the land of 15 percent of the farmers make very much difference to the remaining 85 percent and the trading centers which served them?

It is obvious that the adoption of only slightly better farming methods or a small increase in farm-produce prices would bring a much greater benefit to the state as a whole than the completion of the Garrison Diversion Unit. For example, an increase of only 10 percent in productivity or a price rise of only 10 percent would mean an additional farm income of from fifty to sixty million dollars annually, the estimated increase in farm income which would result from the Garrison Diversion Unit. And such an increase in productivity or prices would benefit all farmers and their trading centers, not just 15 percent of them.

What about the individual farmer who might have a portion of his farm irrigated? Would he be better off by irrigating, or by using the capital irrigation would require to enlarge his dry-land farm to a size which would use both modern farm machinery and labor more economically? Each of the eight thousand or more farmers who would have some irrigated land would face a number of problems. Each would have to make a large investment, about \$77 an acre, to level the land and otherwise prepare it for irrigation. This would be in addition to paying, over a span of fifty years, 15 percent of the \$529 an acre (about \$80 an acre) which the irrigation works themselves would cost. Moreover, each farmer would need new managerial skills if he were to irrigate and dry-farm at the same time. An economic analysis by L. W. Schaffner of the North Dakota Agricultural Experiment Station showed that each farmer would need to find \$16,000 of new capital (largely for leveling the land and adding livestock) in order to benefit from completion of the Garrison Diversion Unit. Schaffner noted, however, that if the farmer invested the \$16,000 in expanding his dry-land farm, his return would be much larger than if he irrigated a portion of his original farm.

Although Schaffner's analysis raised serious questions about irrigation in a region which received adequate rainfall in at least three years out of every four, it was given little attention. No one in North Dakota publicly questioned the benefits of diversion, any more than he would motherhood, virtue, or patriotism. Any doubters remained silent. North Dakota's leaders seemed to see the plan as the solution to the state's

problems, the cherished dream of escape from pressing difficulties. Moreover, they felt that “in equity” Congress owed North Dakota the Garrison Diversion Unit, for the state had sacrificed some 550,000 acres to the Garrison and Oahe reservoirs. Few benefits other than recreation had come to the state from Garrison Dam. Flood control aided mostly the down-river states. Cheap electricity had not brought industry to North Dakota, although in 1960 three-fourths of the power from Garrison generators was sold to North Dakota companies or cooperatives.

In spite of all the support for diversion, its huge cost. delayed congressional approval of the plan. The Bureau of Reclamation reported the plan in January, 1957; Secretary of the Interior Fred A. Seaton adopted it in June, but he did not send it to the President and the Bureau of the Budget until October, 1959. To meet the objections voiced in Washington, the Bureau of Reclamation worked out a revised plan to irrigate only 250,000 acres at a cost of \$183,000,000. The acting director of the Bureau of the Budget, Elmer B. Staats, thought the economic justification of the plan was “at best marginal” because it depended too heavily upon secondary or indirect benefits. He pointed out that the direct benefits were much less than the cost and that too much of the cost was assigned to the enhancement of wildlife and fish values.¹⁰ The project finally reached Congress in 1960, and committee hearings were held. But in 1962 the Bureau of Reclamation raised the estimated cost of the reduced plan from \$183,000,000 to \$218,000,000. It had found the irrigable land to be more scattered than it had first thought. North Dakota Senator Quentin N. Burdick called the increased cost “a severe blow to this project.” Finally, in July, 1965, Congress accepted the plan, although it did not appropriate any funds for construction.

THE REPUBLICAN ORGANIZING COMMITTEE

When the war ended in 1945, North Dakota was both Republican and conservative. Republicans of the two factions, the Republican Organizing Committee and the Nonpartisan League, held all of the state offices and the congressional positions. There were only 7 Democrats among the 162 members of the state legislature. The more conservative Republican Organizing Committee dominated the political scene.

The election of 1946 revealed the weakness of both the Nonpartisan League and the Democratic party. In the primary, Governor Fred G. Aandahl (R.O.C.) won the Republican nomination for re-election over

¹⁰[*Garrison Diversion Unit, Missouri River Basin Project, Hearing before the House Sub-committee on Irrigation and Reclamation*](#), 86 Cong., 2 Sess., June 10, 1960, on H.R. 1891 and H.R. 1963, pp. 1, 49.

his Nonpartisan League opponent by a three-to-one margin. The fall election was a Republican sweep. Against Aandahl the Democratic candidate for governor, Quentin N. Burdick, could carry only two counties, and the R.O.C. took control of both houses of the legislature. There was more interest in the two senatorial contests. In a June special election, Milton R. Young easily retained the Senate seat to which Aandahl had appointed him after John Moses' death. In the primary, Joseph B. Bridston, endorsed by the R.O.C., attacked Senator William Langer for his vote against the United Nations, and *Life* magazine asked North Dakota voters to take Langer out of the Senate. But Langer beat Bridston by a narrow margin and in the fall election won over the Democratic candidate by better than two to one.

Conservative success led to attacks upon the Farmers' Union cooperatives in the 1947 legislature. Two of the anti-Farmers' Union bills authorized the state insurance commissioner to terminate fraternal insurance company licenses annually and to require all mutual insurance companies to maintain a 100 percent reserve on premiums. (In 1944 the state insurance commissioner, an old Leaguer, revoked the license of the Farmers' Union insurance agency, the National Union Security Association, but the revocation was rescinded in 1945 after the death of the commissioner.) A third bill applied the state corporation income tax to all surplus earnings of cooperatives not distributed to patrons in cash.

During the fight which followed, Senator Carroll Day, a Grand Forks attorney for several insurance companies, threatened Glenn J. Talbott with an investigation of Farmers' Union insurance activities which he said would give the organization a million dollars' worth of bad publicity. But Milton R. Young, himself a farmer, warned the Republican Organizing Committee against becoming "purely a businessman's party." Some R.O.C. legislators voted against the bills, and they were all defeated by narrow margins.¹¹

The 1947 attack upon the Farmers' Union brought that organization into politics. President Talbott asked Farmers' Union leaders: "Do we dare any longer to remain inactive in the selection and election of candidates for political office?" In June the leaders decided to form the Farmers' Union Progressive Alliance and to unite with like-minded groups. Early in 1948 the Farmers' Union, the Nonpartisan League, and organized labor formed the Committee for Progressive Unity, and the League convention endorsed a ticket representing the three groups.

¹¹Ross B. Talbot, "[The Politics of Farm Organizations in North Dakota](#)" (Unpublished Ph.D. dissertation, University of Chicago, 1953), pp. 167-170; *Grand Forks Herald*, February 28, 1947. The *Herald* has been used as the chief source for recent political developments.

Although the Farmers' Union-Nonpartisan League coalition could not prevent the re-election of Governor Aandahl for a third term, it did elect some state officials, a majority of the lower house of the legislature, and Usher L. Burdick to the House of Representatives. Burdick had not been in the House since 1945.

The Farmers' Union soon found its venture into politics disappointing. The *North Dakota Union Farmer* criticized some Nonpartisan League leaders for a lack of liberalism, saying that such men as Math Dahl had "divorced themselves from the true liberals" who made up the League. On the other hand, it complained that some R.O.C. legislators were trying "to appear" liberal. The 1949 legislature did defeat a bill which would prevent cooperatives from paying Farmers' Union dues for their patrons out of patronage dividends, like labor unions' check-off system.

Farmers' Union leaders decided to get out of politics, for their followers belonged to all political factions. Still, they wanted a union of liberals in the state and believed that the existing division of liberal strength was unrealistic. They favored the Democratic party as the "more progressive and liberal" on such issues as cooperatives, parity for farmers, national health insurance, and public power. The result was a new proposal. In January, 1950, a meeting of Farmers' Union county officers adopted a resolution urging the Nonpartisan League to file its candidates in the Democratic column for the coming election.¹² This proposal was eventually to change the character of politics in North Dakota and to make it really a two-party state. But in 1950 the Nonpartisan League emphatically rejected the idea. The convention voted it down, 220 to 48, and endorsed a slate of candidates most of whom opposed the Farmers' Union. The 1950 League platform did not support one Farmers' Union policy.

The Democratic party warmly welcomed the Farmers' Union, inviting all county presidents to attend the convention as delegates. It endorsed a slate of liberal candidates and adopted a platform close to the Farmers' Union 1949 statement of principles—the Brannon Plan, a Missouri Valley Authority, and repeal of the Taft-Hartley Act and the North Dakota antilabor laws. The Democratic candidate for governor was Obed A. Wyum, a Sargent County farmer active in the Farmers' Union; a candidate for Congress was Ervin Schumacher, a director of the Farmers' Union Grain Terminal Association.

The 1950 election, however, was a conservative victory. Wyum did not even win the Democratic nomination in the primary, and although a number of Nonpartisan League incumbents won Republican

¹²[*North Dakota Union Farmer*](#) (Jamestown), January 23, 1950.

nominations, they did not represent a liberal trend. In the fall election, all Republican candidates won by wide margins, and the election of Norman Brundsdale as governor, Milton R. Young as United States senator, and Fred G. Aandahl as United States representative, as well as R.O.C. control of both houses of the state legislature, made the outcome a solid conservative success. The re-election of Usher L. Burdick to the House of Representatives was the only liberal victory. Aandahl took the House seat held by William Lemke, the Prairie Rebel, who had died on May 30.

The election of 1952, except for the re-election of Langer to the Senate and Burdick to the House, was another conservative victory. Aided by Democratic votes, Langer easily defeated Aandahl in the primary for the senatorial nomination. Russian-born Otto Krueger took over Aandahl's seat in the House; Krueger was the first North Dakota German Russian to attain that distinction. Brundsdale won a second term as governor, but the Nonpartisan League took control of both houses of the legislature away from the Republican Organizing Committee.

AN ISOLATIONIST TREND

The election of 1952 in North Dakota showed that the state was moving back toward its earlier isolationist position. Immediately after the Second World War, both the state's leading newspapers and the North Dakota Farmers' Union had supported a bipartisan internationalist foreign policy. A poll in 1948 revealed that North Dakotans favored the Marshall Plan for aid to Europe.

There was, however, a continuation of isolationism. Senator Langer voted against the United Nations and both Langer and Representative Burdick voted against the Marshall Plan. Although Senator Young, the most internationalist member of the state's congressional delegation, at first supported foreign aid, both he and Langer voted against the North Atlantic Treaty. Lemke and Burdick voted against appropriations to arm the North Atlantic Treaty Organization. The state's opposition to universal military training had some of the earlier anticapitalist, anti-Wall Street overtones.

The Korean War, beginning in 1950, strengthened the isolationist trend in North Dakota as it did in the nation. During the war, the state legislature called for the evacuation of American troops from Korea; a senate resolution asked for the conscription of wealth, and Governor Brundsdale even wanted the withdrawal of army recruiters from North Dakota. When in the 1952 campaign Dwight D. Eisenhower promised to go to Korea to end the fighting, Adlai E. Stevenson failed to carry a single county in the state. It was clear that North Dakotans persistently

opposed war, whether it was against Imperial Germany in 1917, against Nazi Germany in 1939-1941, or against Communist Russia and China in the postwar years. Thus one antiwar citizen wrote the Nonpartisan League *Leader* on March 27, 1952: "Mud throwers of today... link us with 'commie fronts.' Yesterday we were pro-Nazi and before that pro-Huns."

Langer, when alarmed at the danger of war over Formosa, voted against the alliance with Chiang Kai-shek. A poll showed that by January, 1956, the state was overwhelmingly opposed to foreign aid. In the campaign of that year, the Republican state convention called the Democrats the war party, and Usher L. Burdick promised that there would be no more killing if Eisenhower were re-elected. Langer said: "The issue is: Shall we have more carloads of coffins?" Milton Young said that he opposed sending "our sons to the slaughter fields of Europe and Asia." In November, in spite of dissatisfaction with his farm program, Eisenhower carried the state easily.¹³

MOVING TOWARD A TWO-PARTY SYSTEM

The state, of course, was not entirely isolationist, just as it was neither entirely liberal nor entirely conservative. And by 1952 the traditionally liberal Nonpartisan League was itself divided into the "insurgents" and the "old guard." The insurgents were the more liberal, pro-Farmers' Union, pro-organized labor, and pro-Democratic party group. They looked upon the old guard as reactionary and wanted to take the League into the Democratic party. Gorman King, Wallace E. Warner, Anson J. Anderson, Ray Thompson, and Donnell Haugen were insurgent leaders; in 1952 they formed a Volunteers for Stevenson Committee.

The old guard, or "crowd," were the more conservative, anti-Farmers' Union, antilabor, and pro-Republican party group. They wanted to keep the Nonpartisan League in the Republican party; they supported Eisenhower for President. Ray Schnell, Albert Jacobson, Math Dahl, and Orris G. Nordhugen were old-guard leaders. William Langer, Usher L. Burdick, and Ralph Beede did not line up with either faction.

Both the Nonpartisan League insurgents and the Republican Organizing Committee wanted a two-party system. Working toward Republican unity, R.O.C. leaders held out overtures to the old guard, and in the 1953 legislature some of the old guard, deserting the League caucus, began to cooperate with the R.O.C. In April, 1954, the R.O.C. convention invited the old-guard Leaguers to join in a unity move. The

¹³Robert P. Wilkins, "Middle Western Isolationism: A Re-examination," *North Dakota Quarterly*, XXV (Summer 1957), 72-74.

convention did not endorse candidates to oppose old-guard incumbents seeking re-election. Brunsdale, running for a third term as governor, appealed for the support of Leaguers who were “Republicans at heart.”

For their part, the insurgent Leaguers and the Democrats drew closer together. The Democratic convention supported the constitutional amendment for a graduated land tax and adopted a thoroughly liberal platform for the 1954 campaign. Insurgent Leaguers and the Brotherhood of Railroad Trainmen supported Democratic candidates for offices where R.O.C. and old-guard candidates had the Republican nominations. But on election day the Republicans overwhelmed the Democrats by margins of nearly two to one. The following winter, a group of old-guard legislators worked with the R.O.C. in the house.

The fundamental realignment of North Dakota politics came in 1956. That year, the Nonpartisan League finally moved into the Democratic party, and all Republicans joined in one organization. In March the state Nonpartisan League convention, with the old guard absent, voted 173 to 3 to file its candidates in the Democratic column. It endorsed a full slate, including Wallace E. Warner for governor and Quentin N. Burdick for the United States Senate; it adopted a liberal platform—repeal of the Taft-Hartley Act, a minimum wage of \$1.25 an hour, 100 percent parity for family farms, and a graduated land tax on holdings worth \$20,000 or more. In May the Democratic convention accepted the Nonpartisan League’s candidates and adopted its platform. The Republican unity convention, R.O.C. and old-guard Leaguers, endorsed a ticket headed by John E. Davis for governor and Milton R. Young for the Senate. The ticket also included old-guard incumbents and Leaguers, such as Usher L. Burdick, who had decided to stay with the Republican party.

In spite of party realignment, the Republicans won the 1956 election. In the primary, 58,000 Democratic votes were cast, the largest Democratic primary vote in the history of the state. Yet in the fall the Republicans won easily. The Suez crisis, Langer’s bitter attack upon the Democrats as the war party, bad weather on election day (which cut down the farm vote), and Soil Bank payments of more than thirteen million dollars in 1956—all these helped the Republican candidates.

Even so, the move of the Nonpartisan League into the Democratic party added many votes to those usually cast for Democratic candidates. Before the move, Democratic candidates for the lesser state offices generally received fewer than 50,000 votes, although they had done better than that in 1954. Since the move, they have generally received some 90,000 votes. The Nonpartisan League apparently brought 40,000 votes to the Democratic ticket.

Both before and after the move, however, the candidates at the head

of the Democratic ticket always picked up a considerable number of what seemed to have been Independent or Republican votes, but which may have been Democrats who were not voting for the whole ticket. Thus in 1948, when most of the state Democratic candidates received about 50,000 votes, President Harry Truman received nearly 96,000 votes in North Dakota.

Many Nonpartisan Leaguers stayed with the Republican party after 1956. The example of William Langer and Usher L. Burdick, as well as that of old-guard leaders and years of loyalty to the Republican party, must have exerted a strong influence. Many of those who remained Republican were Leaguers of German Russian stock and lived in the strong League counties in the southwestern portion of the state. But elsewhere, many farm voters, strongly issue-oriented, moved into the Democratic party. Small-town voters tended to remain Republican.¹⁴

The result was that the union of liberals in the Democratic party still left that party a minority in North Dakota. The conservative leanings of the state were demonstrated by the outcome of the presidential elections, though isolationism and the threat of war complicated some of the contests. In 1948, both Republican factions, League and R.O.C., supported conservative Thomas E. Dewey. With the old radical William Lemke campaigning tirelessly for him, Dewey defeated Truman by 115,000 votes to 96,000, but received some 16,000 fewer votes than did the popular conservative Fred G. Aandahl for governor.

In 1952 the old-guard Leaguers supported conservative Dwight D. Eisenhower, the insurgent Leaguers the more liberal Adlai E. Stevenson. Although Langer did not openly declare for Stevenson, he rode through the state on Truman's train as he campaigned for Stevenson. Eisenhower defeated Stevenson in North Dakota by 192,000 votes to 77,000. In 1956, when all Republicans, including Langer and Burdick, supported Eisenhower, he defeated Stevenson by 157,000 votes to 97,000. In 1960, Richard M. Nixon defeated John F. Kennedy in North Dakota by a vote of 154,000 to 124,000. The percentages show the persistent but fluctuating Republican margin. Dewey had 52 percent of the North Dakota vote in 1948; Eisenhower had 71 percent in 1952 and 62 percent in 1956; Nixon had 55 percent in 1960.

Although the Democratic party was still the minority, the number of Democrats in the state legislature increased greatly. In 1955, before the Nonpartisan move into the Democratic party, there were only 5 Democrats among the 162 members of the two houses of the legislature.

¹⁴Ross B. Talbot, "North Dakota—A Two-Party State?" *North Dakota Quarterly*, XXV (Fall 1957), 99-102.

After the move, there were 28 Democrats in the 1957 legislature, 67 in 1959, and 62 in 1961. For the first time in its history, North Dakota was actually becoming a two-party state.

Moreover, the strengthened Democratic party began to have some success. Each fall election became a close contest instead of a two-to-one Republican landslide. Whenever an attractive Democratic candidate could add from 10,000 to 20,000 Independent or Republican votes to the some 90,000 votes cast for the rest of the Democratic ticket, he would win. Thus in 1958, Quentin N. Burdick became the first Democrat from North Dakota ever elected to the United States House of Representatives. His father, Usher L. Burdick then seventy-nine, did not seek re-election but campaigned for Quentin, saying bluntly: "North Dakota could not be worse off than they are under Republican administrations." The younger Burdick, a Fargo attorney close to the Farmers' Union, had the support of the A.F.L.-C.I.O. Committee on Political Education and the many Indians whom his father had befriended throughout a long public career. Miss Mary Louise Defender of Fort Yates, one of the first Indian girls to be named "Miss Indian America," was soon working in Burdick's Washington office.

In 1960, Burdick won William Langer's post in the Senate. Langer, haggard and underweight from diabetes, had been re-elected in 1958, beating the Democratic candidate without making a single speech or even an appearance in the state. After Langer died late in 1959, Burdick defeated John E. Davis, 104,593 votes to 103,475, in a special election held in June, 1960.

That fall, another Democratic victory came when William L. Guy won the governorship, polling more votes (over 136,000) than any Democratic candidate since John Moses received 173,000 votes for governor in 1940. Although the Democratic victories of Burdick and Guy were the only important ones, the other Democratic candidates lost by only narrow margins. North Dakota had become a two-party state.