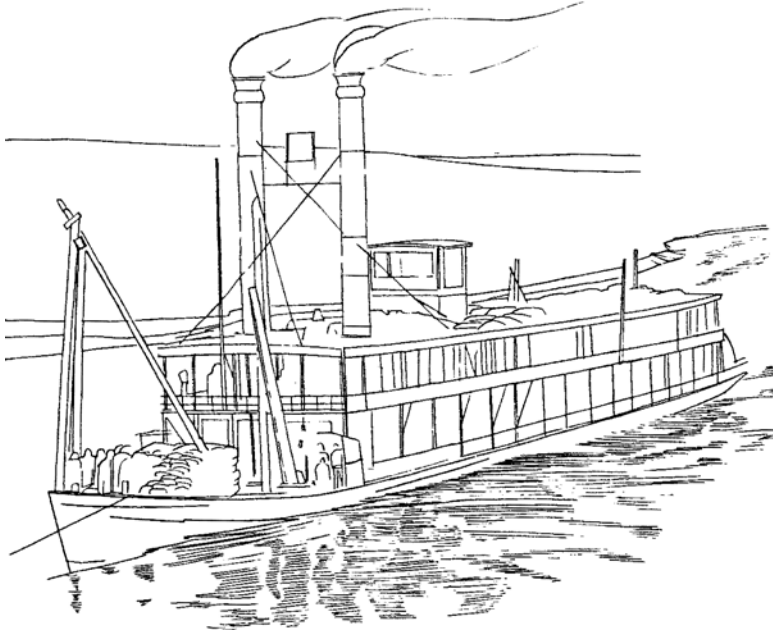


CHAPTER 6



The Beginnings of Settlement

THE FIRST PORTION OF NORTH DAKOTA to be settled was the valley of the Red River of the North. Except for the Selkirk colonists and the metis about Pembina, agricultural settlement came with the advance of the American frontier. When restless farmers, seeking cheap land, had taken over southern Minnesota, they turned next to the fertile lands of the Red River Valley.

Their coming was stimulated by the opening of a new transportation system. Remoteness was a crucial problem at the Selkirk settlement. Its people, métis and white, wanted easy access to outside markets. At first they were supplied by way of Hudson Bay, but that was costly and the Hudson's Bay Company itself sought a cheaper route. St. Paul, more accessible than the Bay, wanted to make the Selkirk colony its commercial hinterland. When the cheaper route to the Selkirk settlement by way of St. Paul won out over the more costly one by way of the Bay, the valley of the Red River became a trade route. Cart trails, the steamboat line, and then the railroad ran through it. These opened the portion of the valley south of the international boundary and brought in settlers.

The process advanced in three steps. The first as the growth of the metis settlement at Pembina and St. Joseph. There the metis had freer access both to St. Paul and to the buffalo herds on the American side of the boundary. The Pembina-St. Joseph settlement was also an American

gateway to the Selkirk colony to the north. The second step was the use of the St. Paul route by the Hudson's Bay Company; this brought the steamboat to Red River and a stage and freight line to connect the river with St. Paul. The third step was the creation of the province of Manitoba. In 1869 the Hudson's Bay Company turned its territory over to the Dominion of Canada, which organized the province and opened it to settlement. This stimulated steamboating on the Red River and the beginning of a railroad from St. Paul to Winnipeg. The agricultural settlement of eastern North Dakota followed.

PEMBINA AND ST. JOSEPH

The movement of the farming frontier into the Red River Valley followed the settlement of southern Minnesota. Congress organized Minnesota Territory in 1849, and in 1851 the Sioux ceded the southern half of the territory to the United States. When steamboats on the Mississippi River connected St. Paul with railroads at Galena and Rock Island in 1854, it was only a thirty-hour trip to Chicago. Settlers came pouring into southern Minnesota, and by 1857 the territory had more than 150,000 people.

The growth of Minnesota was important for Pembina. Norman W. Kittson's trading post was the center of activity, but in 1848, Father George A. Belcourt, a Catholic priest, built a mission nearby. He put up a large, two-story frame house and a log church with a cross, planted a garden, and gave the place an air of comfort.

Father Belcourt had been driven out of the Selkirk settlement for siding with the metis against the Hudson's Bay Company in the struggle over free trade. He wanted to build up a settlement of metis and Chippewas south of the international boundary, and many of the metis attached to the priest, followed him there. After the flood of 1851, Father Belcourt and Kittson chose a new site for the settlement thirty miles to the west, on Pembina Mountain. The new settlement, named St. Joseph for Belcourt's mission and located on the site of present-day Walhalla, became larger than Pembina.

The metis at St. Joseph lived a civilized life. They built one-story houses along the Pembina River, planted fields of barley and potatoes, secured a reaper and thresher, and built a gristmill and a sawmill. Grasshoppers and floods damaged or destroyed the crops, and pemmican ling remained the staple food. The largest house at St. Joseph, twenty-eight by fifty feet, served as a chapel, a school, and the home of the Sisters of the Propagation of the Faith (a religious community of metis organized by Father Belcourt). In 1853 the United States Commissioner of Indian Affairs gave five hundred dollars in support of the school.

Twice a year the metis went to the plains with Red River carts to

hunt buffalo. They often came into conflict with the Sioux on these hunts, and sometimes the Sissetons harassed St. Joseph itself. The metis also complained about British subjects hunting on American soil. For a time in the 1850's, the United States Army stationed a company of soldiers at St. Joseph.¹

Minnesotans were much interested in Pembina and St. Joseph. Pembina County, with boundaries reaching west to the Missouri River and east to Lake Itasca, was one of the original counties in Minnesota Territory. IN 1851, Charles Cavileer of St. Paul, an adventurous saddle maker, became customs collector at Pembina. He hindered Norma Kittson's competitors by assessing customs duties on the goods they brought across the line to trade for furs. Presently, he was in business with Kittson. He became identified with the region, spending the remainder of his life there. Cavalier and Cavalier County are named for him.

The people of Minnesota soon saw to it that mail service linked St. Paul and Pembina. At first, letters would go north with a cart train. Then, in 1853, both the government of the United States and that of the Selkirk settlement established official mail service to Pembina. Once a month a lone mail carrier made the trip from St. Paul, on horseback in summer, by dog sled or on snowshoes in winter.

Minnesotans wanted a military post at Pembina and a cession of the Indian lands of the region. Both desires were long frustrated. When Congress finally appropriated funds, the army located Fort Abercrombie on the Upper Red River near present-day Wahpeton, a useless location for the people of Pembina County. It did not establish Fort Pembina until 1870. When Alexander Ramsey, the first territorial governor of Minnesota, made a treaty in 1851 by which the Pembina and Red Lake bands of Chippewas ceded some five million acres, the United States Senate refused to ratify it on grounds that the region was too remote. The treaty would have strengthened the settlement, for the government could then had given the metis fee-simple titles to their farms. The United States did not buy these lands until 1863.

Influential Minnesotans like Henry Hastings Sibley made good use of the Pembina-St. Joseph representatives in the territorial legislature until Minnesota became a state in 1858. Each winter, Norman Kittson and Joseph Rolette traveled by dog sled to the legislative sessions. In 1857, Rolette, by means of an unscrupulous stratagem, blocked the removal of the territorial capital from St. Paul to St. Peter, although both

¹Vernice M. Aldrich, "Father George Antoine Belcourt, Red River Missionary," *North Dakota Historical Quarterly*, II (October 1927), 50-52; Moses K. Armstrong, *The Early Empire Builders of the Great West* (St. Paul: E. W. Porter, 1901), pp. 179-181; Sister Mary Aquinas Norton, "[Catholic Missions and Missionaries among the Indians of Dakota](#)," *North Dakota Historical Quarterly*, V (April 1931), 155-159.

houses of the legislature had passed the removal bill.

Minnesotans were also interested in the fur trade of the region. Metis cart trains brought much wealth to early St. Paul, and such men as Kittson and Sibley were heavily involved in the trade at Pembina. But in the 1850's the fur trade was dying. Fur-bearing animals were thinning out, and the Chippewas were decimated by disease, starving, and demoralized. Moreover, land cessions meant cash annuities for the Indians, and this destroyed the Indians' incentive to hunt. Such conditions meant heavy losses. Kittson tried to save himself by stopping credit to the Chippewas and metis. His own creditor, Pierre Chouteau, Jr., and Company of St Louis, had on its books over \$400,000 in credits to many traders, much of the amount old and of doubtful value. With such gloomy prospects, Chouteau, Sibley, and Kittson withdrew from the fur trade in the early 1850's.²

A NEW TRANSPORTATION SYSTEM

A new kind of trade began to develop between the Selkirk settlement and St. Paul in the 1850's. Pembina was a gateway for that trade. Before Kittson retired from Pembina in 1854, he began to do business with the Selkirk settlement in a manner which was somewhat different from that of the fur trade. He sold groceries, such as coffee, tea, and sugar, as well as hardware, stoves, reapers, and other agricultural implements. He also did a banking business, cashing checks for English sportsmen and transferring funds for the Catholic clergy.

But it was Sir George Simpson, the governor of the Hudson's Bay Company, who made the Selkirk settlement a hinterland of St. Paul. The route from England by way of the Hudson Bay was long and costly. By one calculation, goods could be brought by way of St. Paul for \$94 to \$110 a ton, compared to \$155 by way of the Bay. In winter of 1857-1858, Simpson arranged with the United States Treasury to bring English imports to the Selkirk settlement by way of St. Paul, sealed in bond and paying no duty. The next summer, Red River carts in charge of James McKay carried the company's imports from St. Paul to Fort Garry. Simpson made the Burbank brothers his agents in St. Paul. He gave them and Russell Blakely a five-year contract to carry five hundred tons of merchandise per year from St. Paul to Fort Garry.

²Alvin C. Gluek, Jr., "[The Struggle for the British Northwest: A Study in Canadian-American Relations](#)" (Ph.D. dissertation [later published], University of Minnesota, 1953) pp. 55, 72, 75, 132-139, 142-147; William W. Folwell, [A History of Minnesota](#) (4 vols.; St. Paul: Minnesota Historical Society, 1921-1930), I, 247; "Address Delivered by Charles Cavileer before a Meeting of Old Settlers at Grand Forks, December 10, 1891," [North Dakota History](#), XII (October 1945), 206 n.; Clarence W. Rife, "[Norman Kittson, A Fur-Trader at Pembina](#)," [Minnesota History](#), VI (September 1925), 244-245.

St. Paul, suffering from the Panic of 1857, rejoiced at Simpson's action. Businessmen congratulated each other in the streets; newspapers Blakely recalled, began to talk about how the city should use "this good fortune." At the same time, the discovery of gold on the Fraser River in British Columbia and the recommendation of a committee of the British Parliament that the valleys of the Red and Saskatchewan rivers be opened to agricultural settlement promised a bright future for St. Paul.

Simpson, who had testified before a committee that the country was unfit for settlement, wanted a steamboat on the Red River to cut freighting costs. In the fall of 1858 the businessmen of St. Paul sent Russell Blakely, who ran steamboats on the Upper Mississippi, to see if the Red River were navigable. When he reported favorably, the St. Paul Chamber of Commerce offered a thousand dollars to the first person who would put a steamboat on the Red River in the spring of 1859. Anson Northrup, who had a boat on the Mississippi at Crow Wing, agreed to do it for two thousand.

In March, Northrup gathered sleighs, thirty-two teams of oxen, and a crew of sixty men. They dismantled Northrup's *North Star* at Crow Wing, loaded the machinery, cabin, and lumber for a new hull on the sleighs and moved 150 miles through the snow and cold to Lafayette, a townsite opposite the mouth of the Sheyenne River. Six weeks later they launched a new boat, the *Anson Northrup*, and steamed down to Fort Garry, where they received a wild welcome. "Each turn of the engine," write Bishop Taché of St. Boniface, "appeared to bring us nearer by so much to the civilized world."

The steamboat was to connect with a stage and freight line from St. Cloud to the Red River. In the spring of 1859 the Burbank brothers, Russell Blakely, and Allen & Chase (who had the mail contract to Fort Abercrombie) organized the Minnesota Stage Company. Blakely took charge of its freight and stage operations to the Red River. The company had a thousand miles of stage lines, the principal ones running from St. Paul to Dubuque, Prairie du Chien, and Superior.

In June, Blakely, cheered by the people of St. Cloud, led a road-building party west to Fort Abercrombie. The fort, a hastily built collection of log cabins put up in 1858, stood on the Red River about twelve miles north of Wahpeton. In three weeks Blakely's men made a passable road with bridges and way stations. It ran up the Sauk Valley, through Sauk Center, Alexandria, and Breckenridge, to Fort Abercrombie, a distance of 152 miles. The new route aroused much interest. Manton Marble, editor of the *New York World*, Joseph Wheelock, editor of the *St. Paul Press*, and James W. Taylor traveled over it to Fort Garry that summer.

Northrup, however, having made one trip to Fort Garry and having collected his two thousand dollars, refused to operate the steamboat. Simpson and James McKay came to look it over at Fort Abercrombie. Simpson urged the Burbanks to buy it, and they paid Northrup eight

thousand dollars, a bad bargain because the boat, built of green pine, was in poor shape with a cracked boiler head.³

Simpson, the Burbanks, and Blakeley worked together to make the new transportation system effective. Simpson's man McKay built warehouses at Georgetown (at the mouth of the Buffalo River, so named in honor of Sir George Simpson) for goods awaiting trans-shipment. Above Georgetown the water would often be too low for the steamboat. Simpson had his goods shipped from London to Montreal and from there by a combination of railroad, lake boat, and river steamer to St. Paul.

Blakely organized wagon trails from St. Cloud to the Red River at Georgetown. Each had a captain and crew and traveled some fifteen miles a day. The freight was largely Hudson's Bay goods, but Blakeley also hauled for independent traders. The stagecoach ran regularly, leaving St. Cloud twice a week on the four-day trip to the Red River. The line gave clean accommodations in log cabins along the way.

The *Anson Northrup* (renamed the *Pioneer* in 1860) had room for only eighteen cabin passengers. In 1862 the Burbanks replaced the *Pioneer* with a new boat, appropriately named the *International*. It was 137 feet long and rated at 133 tons. The Burbanks charged more than the Red River carts, but their service was faster and more regular. They charged \$4.80 per hundredweight from St. Paul to Fort Garry. The cost from Liverpool was \$8.50.

The new transportation system worked well in 1860 and 1861. When the Chippewas protested that the steamboat frightened game and fish, the Burbanks placed Norman Kittson in command of the *International*. He had known the Chippewas for sixteen years and might conciliate them. Then, in 1862, the Sioux, killing hundreds of settlers in southern Minnesota, stopped the traffic on the Red. They murdered stage drivers, carried off merchandise, burned way stations, and wiped out some of the tiny out posts on the Red River, burning a hotel at Breckenridge. Travelers and settlers sought shelter in Fort Abercrombie, the steamboat stopped running, and for two months no mail was carried to Fort Garry.

In 1863 and 1864 soldiers were stationed at Pembina to watch Sioux refugees who had fled to the Selkirk settlement. In 1863 and again in 1864 the *International* made only one trip to Fort Garry. Hundreds of Red River carts re-entered the trade; in 1865 a train of 1,200 reached St. Paul.

³Russell Blakely, "[Opening of the Red River of the North to Commerce and Civilization](#)," [Minnesota Historical Society Collections](#), VIII (1898), 46-56; Arthur J. Larsen, "[The Northwestern Express and Transportation Company](#)," [North Dakota Historical Quarterly](#), VI (October 1931), 46-49; Fred A. Bill, "[Early Steamboating on the Red River](#)," [North Dakota Historical Quarterly](#), IX (January 1942), 69-72.

The Sioux had wrought the destruction, but the Pembina and Red Lake bands of Chippewas were also sullen. The only Chippewas in Minnesota not receiving annuities, they wanted to sell their lands in the Red River Valley to the United States. When the Sioux uprising prevented a council for a treaty, they plundered a Hudson's Bay Company train led by Norman Kittson and threatened to stop the steamboat. Finally, in September, 1863, Governor Alexander Ramsey in a council at the Old Crossing of the Red Lake River, bought their lands. They agreed to sell ten million acres in northeastern North Dakota and northwestern Minnesota for \$500,000, to be paid over twenty years. The ceded land extended from the international boundary on the north to the mouth of the Sheyenne River on the south. Its eastern limit was the upper reaches of the Thief and Wild Rice rivers, the western limit the Sheyenne River.

The Indian troubles and the consequent stoppage of traffic nearly ruined the Burbank brothers, who were also disappointed because no progress had been made in opening Assiniboia to settlement. In 1864 they sold the *International* to Norman Kittson, who acted for the Hudson's Bay Company. Thereafter it carried only company goods. In 1867 the Burbanks sold the stage line to Russell Blakely and C. W. Carpenter.

Before the Sioux uprising temporarily closed it, the new transportation system had begun settlement on the Minnesota side of the Red River Valley. The proprietors of earlier townsites began to take a new interest in them. In 1859 the speculators holding Breckenridge (Sibley was one of them) planned a hotel and sawmill. Others staked out townsites along the stage route. The Minnesota Legislature organized counties in the Red River Valley, and federal surveyors ran township and section lines. German settlers pushed up the Sauk Valley.

The new transportation system also stimulated business in St. Paul. By 1859 the Red River settlers were spending \$100,000 a year in that city. Fur sales grew there (\$198,000 in 1861), and customs duties collected at Pembina increased from \$1,748 for the fiscal year ending July, 1862, to \$6,102 for the year ending July, 1865.

The Selkirk settlement also experienced a boom. The number of independent traders there increased. After the floods of 1861 the traders, many of them Americans, put their stores beside Fort Garry, and Winnipeg, at first called McDermotstown, came into being. Their imports from St. Paul began to include a greater variety of goods—a printing press for the settlement's first newspaper in 1859, stoves, reapers, and other items.⁴

⁴Roy P. Johnson, "[The Siege at Fort Abercrombie](#)," *North Dakota History*, XXIV (January 1957), 11-15; Ella Hawkinson, "[The Old Crossing Chippewa Treaty and Its Sequel](#)," *Minnesota History*, XV (September 1934),

ST. PAUL'S AMBITIONS FOR A NORTHWEST HINTERLAND

The trade with Winnipeg nourished St. Paul's ambition to secure a commercial hinterland in the British Northwest. Its chief spokesman was James W. Taylor, the prophet of St. Paul's future. Phi Beta Kappa (Hamilton College), lawyer (reading law with Salmon P. Chase), newspaper writer, Taylor had come to St. Paul from Ohio in 1856. While still the librarian of that state, he had lectured to the Ohio Assembly on the Selkirk colony. He believed that the Saskatchewan Valley would become an agricultural region and that the trade of the region tributary to the Red River—the valleys of the Assiniboine and Saskatchewan—was of the greatest importance to the commerce of Minnesota.

Taylor spread his ideas by means of newspaper articles, speeches, and reports. Indeed, he became so enthusiastic that his friends began to call him Saskatchewan Taylor. For the St. Paul City Council, he outlined a plan for a transcontinental railroad from British Columbia through the Saskatchewan Valley and Pembina to St. Paul. Taylor worked with others to promote the building of railroads from St. Paul to the Red River at Pembina or Breckenridge.

Both Taylor and the businessmen of St. Paul believed in reciprocity with Canada. In 1859, President James Buchanan appointed him as special agent of the United States Treasury to investigate the relations of the United States and the British Northwest. Taylor used his position to defend the reciprocity treaty of 1854, which lowered tariffs between the United States and Canada.

Taylor's plans were aided by the rapid growth of Minnesota after the Civil War. Its population increased nearly 80 percent from 1865 to 1870, when it reached 439,706. Railroads and settlers pushed toward the Red River Valley. By 1869 the land offices at St. Cloud and Alexandria were the busiest in the state, and farms were scattered along the east side of the Red River as far north as Georgetown.

Customs collections at Pembina increased to \$19,448 in 1868. By 1870 trade with the Selkirk settlement probably amounted to a million dollars a year. Minnesota asked the federal government to improve the road from St. Cloud to Fort Abercrombie and Pembina. The state's leaders worked for the settlement of the American portion of the Red River Valley by creating land offices, conducting surveys, and seeking more aid for the Northern Pacific Railroad.

As traffic down the valley increased, Taylor, editor Joseph Wheelock, and United States Senator Alexander Ramsey began to

talk about annexation. They felt that trade with St. Paul was Americanizing the Selkirk settlement, which had had no direct intercourse by the old canoe route with eastern Canada since 1821. They believed that if the United States did not annex the British Northwest, St. Paul would lose her richest hinterland forever. When the reciprocity treaty expired in 1866, Taylor proposed a plan of union with all of the British provinces. In return for admission of the provinces as states and territories, the United States was to pay the Hudson's Bay Company ten million dollars, build canals to improve the St. Lawrence-Great Lakes water-way, and construct a Pacific railroad for the region.

A railroad, Taylor thought, was an absolute necessity for the British Northwest. Canada could not finance it; Britain would not. He felt that the promise of a railroad by the United States would win the people of the Selkirk settlement over to annexation. Taylor's proposal was introduced in the House in 1866, and Senator Ramsey introduced a similar resolution in 1868. The Minnesotans' argument was geographical. Nature had made St. Paul the outlet for the Canadian West, they said, by creating an impassable barrier to railroad construction in the waterlogged country between Lake Superior and the Red River.⁵

THE CREATION OF MANITOBA

The leaders of eastern Canada resented St. Paul's annexation proposals and entered into a contest for the British Northwest. They feared that by means of annexation the United States would get behind them and cut them off from the Pacific. Early in 1869 the government at Ottawa reached an agreement with the Hudson's Bay Company by which the Northwest would be united with the Dominion of Canada. The Hudson's Bay Company was to be paid £300,000 and allowed to retain title to two sections in each township and some fifty thousand acres about its fur posts. In turn, it would give up all other proprietary and governmental rights to the Dominion and "all other privileges, franchises, powers, and authorities."

The reign of the great company was at an end; the fur trade was giving way to agricultural settlement. Ottawa, however, did not consult the people of the Selkirk settlement about the transfer, nor did it give them any assurance about their rights or land titles. Late in 1869 the metis, led by Louis Riel, rose in rebellion. They stopped the entry of the lieutenant governor at Pembina, broke up a surveying

⁵Ruth Ellen Sanborn, "[The United States and the British Northwest, 1865-1870.](#)" *North Dakota Historical Quarterly*, VI (October 1931), 13-16; Gluek, "[Struggle for the British Northwest.](#)" pp. 312-345, 408-430.

party, and established a provisional government at Fort Garry.

The Minnesota expansionists thought the rebellion offered an opportunity. They believed that the great majority of the metis and other Red River settlers, isolated from eastern Canada and drawn to St. Paul by trade, favored annexation by the United States. Americans Enos Stutsman and Oscar Malmros became Riel's intimate advisers. Stutsman, a prominent leader in Dakota Territory and a man of force and culture, was an agent of the United States Treasury at Pembina. Malmros, a friend of Alexander Ramsey, was United States consul at Winnipeg. Malmros's office became the center of an American annexationist party.

The first issue of Riel's newspaper, *The New Nation*, spread the ideas and slogans of American annexationists. Stutsman was supposed to have written the bill of rights for Riel's government. On December 30, 1869, James W. Taylor went to Winnipeg as a secret agent of the United States Department of State.

But the annexation drive failed. The Minnesotans grossly exaggerated the desire for annexation among Riel's followers. Riel himself was loyal to the queen, and eastern Canada soon satisfied the demands of the metis. In 1879 the Manitoba Act created a new province, guaranteeing rights and land titles, a representative government, and a voice in the Dominion. It also made allotments of land to the metis and other old settlers.

Rapid growth followed the creation of Manitoba. A census in 1870 showed a population of nearly 12,000. There were 558 Indians, 5,757 metis, 4,083 English half-breeds, and 1,565 whites. In 1871 a considerable immigration from Ontario began, and by 1881 the population had reached 66,000. The Red River Valley was the sole route by which these new settlers entered Manitoba, by which they imported all their necessities from the outside world, and by which they exported whatever they had to send to an outside market.

The Canadian Pacific Railroad, begun in 1875, did not connect the Red River with Fort William—and hence with eastern Canada—until 1882. Its first train from Montreal to the Pacific Coast went through in June, 1886. Until 1882, then, St. Paul held Manitoba as a colonial hinterland, and development of the Red River Valley was stimulated by traffic between the two. James W. Taylor, the great advocate of a hinterland for St. Paul in the British Northwest, accepted a post as United States consul in Winnipeg; he would do what he could for the lost cause of annexation. While he was consul, first Jay Cooke of the Northern Pacific Railroad, then Donald A. Smith, Norman W. Kittson, and others representing the Red River Transportation Company, and finally the Canadian Pacific Railroad, paid him an allowance to supplement his modest salary. Taylor, a genial gentleman and popular speaker in the city, was consul at

STEAMBOATING ON THE RED, 1871-1878

When the Hudson's Bay Company turned Manitoba over to the Dominion of Canada, a new era began in the Red River Valley south of the international boundary. The opening of Manitoba to settlement placed several steam boats on the Red and hastened the building of railroads from St. Paul to that river. The steamboats and railroads soon brought in settlers.

From 1859 to 1871 there had been only one steamboat on the river. After 1864, Norman Kittson ran the *International* for the Hudson's Bay Company, carrying only company freight, and the Red River cart trains continued to go to St. Paul. In 1866, at Kittson's suggestion, James J. Hill became the St. Paul purchasing and forwarding agent of the independent merchants at Winnipeg. By 1870, Hill, Griggs & Company were doing a large flatboat business on the Red River.

Hill, a Canadian immigrant, arrived at St. Paul in 1856 and began to work on the water front as a shipping clerk for steamboat lines. An energetic youth as well as a voracious reader, he gained a knowledge of both business methods and the transportation problems of the region. He also became expert in hustling patronage. Hill saved his money and built up a reputation for integrity and judgment. Always ambitious, he was in business for himself by 1865—transferring freight from riverboat to railroad, warehousing, forwarding merchandise, and dealing in fuel. He was soon an agent for the St. Paul and Pacific Railroad and also had a contract to supply it with fuel. All of this was unplanned preparation for relieving the remoteness of North Dakota—Hill's contribution to the history of the state.

It was Hill who began the expansion of steamboating on the Red River. In 1871 he and some partners launched the *Selkirk*, built at McCauleyville, and began to compete with the *International*. That spring, the *Selkirk's* first two trips practically paid for it. Kittson made the *International* a common carrier, but competition did not last long. Before the 1872 season opened, Hill and Kittson, old friends, placed both boats under Kittson's management, calling the monopoly Kittson's Red River Transportation Line. In the winter of 1871-1872, Kittson built the *Dakota*, the third boat on the river. In 1874 he added the *Alpha* and the *Cheyenne*; in 1875 some outsiders built the *Manitoba* and the *Minnesota*.

⁶W. L. Morton, *Manitoba: A History* (Toronto: University of Toronto Press, 1957), pp. 115-145, 175-177, 216; Gluek, "[Struggle for the British Northwest](#)," pp. 275-285, 356-358, 391-397.

All were stern-wheelers and most of them something over a hundred feet long, with a beam of from twenty to thirty feet. Their carrying capacity ranged from ninety to nearly two hundred tons, and they generally towed a barge or two. In April, 1875, a reporter counted five steamboats, six barges, and eleven flatboats at the Moorhead levee.

They ran from points on the upper river to Winnipeg, carrying freight brought by the Northern Pacific to Moorhead, the usual head of navigation. In low water, however, teamsters had to haul the freight by wagon fifty miles down the river to Frog Point, at the foot of Goose Rapids. The river was generally too shallow for the boats between Breckenridge and Moorhead, but below that point Goose Rapids—twenty-two miles of boulder-strewn water—was the only obstacle to navigation. In the fall of 1872 a branch of the St. Paul and Pacific Railroad reached the Red Lake River at Crookston, and that point replaced Moorhead as the principal place of transshipment. When the railroad was built nine miles down the Red Lake River to Fisher's Landing in 1875, it replaced Crookston as the chief shipping point.

The steamboats improved transportation. They burned wood and apparently ran only in daylight. They could make the downriver trip to Winnipeg in sixty hours and the return to Moorhead in four days, a distance of 410 miles, though only 210 by land. The river dropped 194 feet in that distance. The steamboats and their barges carried much freight and many passengers—a thousand passengers and four thousand tons of freight in 1872 alone. Some of the people were Dukaboor and Mennonite immigrants; freight included rails for the Canadian Pacific Railroad, grain, machinery, and livestock. In May, 1875, the *Manitoba* arrived at Winnipeg with 102 cabin and 181 deck passengers as well as 365 tons of freight. At times customs collections at Winnipeg amounted to more than \$50,000 a month. In 1877 the *Selkirk* and its barges took a locomotive (the famous *Countess Dufferin*, now a museum piece at the Canadian Pacific's Winnipeg station) and several flatcars down the river.

The freight and passenger rates on the river were set by a monopoly. In 1874, Kittson, Hill, and their associates (including the Hudson's Bay Company) organized the Red River Transportation Company with a capital of \$100,000. It owned all the steamboats on the river and made a profit of 80 percent its first season.

Winnipeg resented its dependence on the monopoly. In 1875 some Winnipeg, St. Paul, and Moorhead merchants, feeling themselves to be exploited, built the *Minnesota* and *Manitoba*, the largest boats yet placed on the river. The new concern, the Merchants International Line, cut rates but could not survive. The *International* sank the *Manitoba* in a collision (perhaps no accident), a heavy loss,

although it was raised and put in service again. The new boats were soon sold to the Red River Transportation Company. In 1875 the rate on first-class freight from St. Paul to Winnipeg (railroad and steamboat charges combined) was two dollars per hundredweight; first-class passenger fare (berth and meals) was twenty-four dollars.

Through railroad connections brought about the decline of steam-boating. Late in 1878 a branch of the Canadian Pacific from Winnipeg was completed to the international boundary at Emerson and a branch of the St. Paul and Pacific, building north that year from Crookston to St. Vincent, met it. This ended through steamboat traffic. Some of the boats were sold to a Winnipeg corporation and used on the Assiniboine and Saskatchewan rivers. The *International*, after eighteen years on Red River, was broken up at Grand Forks in 1880.

Yet some new boats were built to haul wheat to railroad shipping points—the *Grandin* in 1878 and the *Grand Forks* as late as 1895. The last boat disappeared from the river in the spring of 1912 when the *Fram* broke from its moorings at Grand Forks and sank. Red River steamboats, playing a part in the development of Minnesota and Manitoba, also started the settlement of the Red River Valley. Moreover, they interested James J. Hill in that new country and laid the foundation for his fortune. He was to become the key figure in the railroads of North Dakota.⁷

THE ST. PAUL AND PACIFIC RAILROAD

Steamboating expanded when railroads from St. Paul reached the Red River. It was the railroads which really opened North Dakota to the outside world, overcame its remoteness, and made it a hinterland of St. Paul and Minneapolis.

Railroad construction required capital from western Europe or the eastern United States. St. Paul could not supply it, but promoters, using land grants as bait, might talk outsiders into risking their savings. Too often, however, large sums went into the pockets of the promoters or were wasted in mismanagement. When the money was spent, with little railroad construction to show for it, securing more capital became very difficult, and completion of the railroads was long delayed.

The promoters financed construction through the sale of bonds (evidence of the railroad's debt); they divided the stocks (evidence of ownership), among themselves and the bond purchasers as a free bonus. They could sell the bonds, although these bore a high rate of

⁷Fred A. Bill, "[Steamboating on the Red River](#)," *North Dakota Historical Quarterly*, II (April 1928), 201-216; Bill, "Early Steamboating on the Red River," *ibid.*, IX (January 1942), 69-85.

interest, only at a large discount. They believed that construction of the railroad would increase the value of the land grant, that the sale of land would pay off the bonds, leaving the promoters with a valuable property that had cost them little more than some persuasive talk. Owning the railroad, they would then be in a position to exploit the settlers whom the road served. Only dishonesty and mismanagement prevented the scheme from working out as the promoters had planned.

Such, in brief, was the history of the early Minnesota railroads. They were to serve three needs: (1) to connect St. Paul with Lake Superior for cheap water transportation to the east; (2) to connect St. Paul with the Red River and Winnipeg—its most promising hinterland; and (3) to connect the rich agricultural region of southern Minnesota—the first portion settled—with the Mississippi.

On March 3, 1857, Congress gave Minnesota about six million acres of land to subsidize railroad construction on routes which Congress itself specified. The grant was six sections for each mile of railroad; in 1865, Congress increased it to ten sections. In May, 1857, Minnesota chartered four companies to build the roads and receive the land grant. By far the largest grant went to the Minnesota and Pacific Railway Company. It was to build two lines to the Red River: the main line through a fertile region to Breckenridge and a branch to St. Vincent through a less fertile region by way of Crow Wing.

No construction, however, took place until 1862, for no bonds could be sold in the depression years after the Panic of 1857. Then the St. Paul and Pacific Railway Company, chartered in 1862 as successor to the routes and grant of the Minnesota and Pacific, laid ten miles of track from St. Paul to St. Anthony. Every year thereafter saw some construction by one of the companies, and by 1865, Minnesota had 210 miles of railroad.

In a few years the St. Paul and Pacific reached the Red River. Its promoters, led by Edward H. Litchfield of New York, sold \$4,480,000 worth of 7 percent bonds at an unknown discount to some Dutch investor. In 1866 they built the branch line 76 miles up the Mississippi to St. Cloud (at \$20,000 per mile, a reasonable cost to build and equip a prairie railroad at that time, the face value of the bonds could have built nearly 240 miles of railroad instead of 76). From 1867 to 1871 the promoters sold \$13,500,000 worth of bonds and built the main line from St. Paul to Breckenridge, a distance of 207 miles. That is, they sold over \$65,000 worth of bonds for each of the 207 miles of railroad actually built.

Then came a change of ownership. In December, 1870, the Northern Pacific, just getting its own construction underway, bought most of the stock of the St. Paul and Pacific for \$1,500,000 in second-mortgage bonds and \$500,000 in cash. The Northern Pacific could

use the St. Paul and Pacific's projected branch to St. Vincent as a feeder to its own transcontinental line.

In 1870, Congress allowed the St. Paul and Pacific to change the route of the St. Vincent branch to a more fertile region. The new route, instead of going north to Crow Wing, went west from St. Cloud up the Sauk Valley, through Alexandria and Fergus Falls, and then north to Crookston. In 1871 its promoters sold bonds to Dutch investors for almost nine million dollars to build up the St. Vincent branch and also a branch from St. Cloud up the Mississippi River to Brainerd.

Much of the money was wasted. In 1872 the contractors for the St. Paul and Pacific completed 143.5 miles of track. One section ran 35 miles from St. Cloud to Melrose; another went 4.5 miles north from St. Cloud; and a third, detached from the rest of the St. Paul and Pacific, ran 104 miles from a point 12 miles south of Glyndon to a point north of Crookston. It would serve as a branch of the Northern Pacific, which went through Glyndon. Before the 1872 season was over, the nine million dollars—enough to build and equip more than 350 miles of railroad—had disappeared; the contractors were demanding arrears of half a million, and their workmen, unpaid for two months, were threatening to destroy the bridges. There was a general disappointment and disgust.

The affairs of the St. Paul and Pacific were a complicated maze which led to bankruptcy. In 1866 it had become two separate entities: the First Division, which controlled both the main line from St. Paul to Breckenridge and the branch from St. Paul to St. Cloud, and the St. Paul and Pacific proper, which controlled only the St. Vincent Extension. In 1871 the First Division leased the St. Paul and Pacific proper for ninety-nine years. In the summer of 1873 the St. Vincent Extension could not pay interest on its bonds, and the court placed it in the hands of a receiver, Jesse P. Farley. Likewise, the First Division could not pay interest on its bonds, but the court refused to allow the Dutch bondholders to foreclose on the land grant, the security for the two bonds. To help the railroad, Congress extended the time allowed to earn the land grant by completing construction.

The whole experience was disappointing. By the end of 1872, Minnesota had only 1,906 miles of railroads. Yet in addition to the millions of dollars put up by the purchasers of their bonds, the Minnesota railroads had received 11,250,000 acres of federal lands, 11,250,000 acres of state lands, and \$1,561,000 worth of municipal bonds. These subsidies, figuring the land at \$2.50 an acre, were worth about \$34,500,000.⁸

⁸Folwell, [*A History of Minnesota*](#), II, 37-45, 330; III, 45, 61, 441-450.

BUILDING THE NORTHERN PACIFIC RAILROAD

Although the St. Paul and Pacific was the most important of the Minnesota railroads for the Red River Valley, the first railroad to build within North Dakota was the Northern Pacific. As a part of the survey of possible transcontinental railroad routes, Isaac I. Stevens led an army expedition from St. Paul to Fort Union and on to the Pacific Coast in 1853. He reported that there was no serious obstacle to a northern route. In 1864, Congress chartered the Northern Pacific and gave it a fifty-million-acre land grant to build from Duluth to Puget Sound. The grant was twenty sections per mile, or 12,800 acres, in the states (Minnesota and Oregon) and forty sections per mile, or 25,600 acres, in the territories (Dakota, Montana, Idaho, and Washington).

In spite of the lavish grant, the promoters could get no money for construction until they persuaded Jay Cooke, the famous Philadelphia banker, to sell the bonds. James W. Taylor helped win Cooke over to a faith in the future of the region. On January 1, 1870, Cooke signed a contract to sell \$100,000,000 worth of Northern Pacific bonds bearing an interest of 7.3 percent. His commission was to be 12 percent, and he was to have about three-fifths of the company's stock. He gave much of it away as bonus to the purchasers of the bonds. He promised to have \$5,000,000 for the railroad within thirty days in order to finance construction from a point near Duluth to the Red River. Thereafter the Northern Pacific promoters were to build the road only as fast as Cooke was able to sell the bonds.

The undertaking, the largest single business enterprise yet launched in the United States, was to build a two-thousand-mile railroad through an uninhabited wilderness. One estimate placed the cost at \$85,000,000. The plan called for \$50,000 worth of bonds for each mile of road, much above the usual bonded debt for railroads.

Cooke put on a huge publicity campaign to sell the bonds. He was an optimistic person who inspired trust and confidence; he was sure of his own powers and liked to do things in a big way. He had financed the Civil War for the North by an imaginative bond-selling campaign, and now he used the same methods to convince investors of the value of the "Fertile Belt" through which the Northern Pacific would run. By May 2, 1872, he had spent \$350,000 on advertising, stressing the security afforded by the land grant, the value of the Fertile Belt's timber and iron ore, and the importance of future trade with the Orient.

Cooke raised the five million dollars to begin construction. but after that he had great difficulty in selling the bonds. No large banker bought them, and European investors showed no enthusiasm. He could sell them only to small bankers and investors who trusted his

integrity and judgment (Cooke, who looked like a biblical patriarch with his full beard, was a sincere Christian who tithed).

Unfortunately, the officials of the Northern Pacific were outsiders who did not live in the country to be served by the railroad. They had other concerns which diverted their attention from the Northern Pacific; they themselves had little money invested in it; and their reputations were not at stake in its success. The accounting methods of the Northern Pacific were so poor that no one can even determine the cost per mile to build the road.

Its officials spent money recklessly. They entered into large construction contracts without consulting Cooke and before he had sold the bonds to meet them. Then Cooke had either to advance the money from the resources of his own bank or admit that the Northern Pacific was a failure. As a result, Jay Cooke and Company advanced more than five million dollars to the Northern Pacific and then, its funds exhausted, went bankrupt in September, 1873. Cooke himself lost his personal fortune, and his failure set off the Panic of 1873. In all, Cooke may have secured \$25,000,000 for the Northern Pacific for the \$30,000,000 worth of bonds he sold. The company had begun to build westward from Lake Superior in 1870. It reached Moorhead late in 1871, crossed the new bridge over the Red River in June, 1872, and reached Bismarck on June 3, 1873. By that time, it had built 150 miles on the West Coast (from Tacoma to the Columbia River) and 450 miles from Duluth to Bismarck, and had earned ten million acres of the land grant. The mileage was small for the money that had been spent—about \$40,000 a mile.

The Northern Pacific went bankrupt after Jay Cooke and Company failed. It was later reorganized under a plan by which the bond holders could exchange their thirty million dollars' worth of bonds and unpaid interest for preferred stock. The railroad was thus relieved of a heavy fixed interest charge, and in 1876 its earnings exceeded its expenditures for the first time.

The failures of 1873 left North Dakota with inadequate rail connections. The Northern Pacific gave only a roundabout connection with St. Paul—by way of the Lake Superior and Mississippi Railroad, completed to Duluth in 1870. The St. Paul and Pacific branch to Crookston had to use the Northern Pacific line from Glyndon to St. Paul. The St. Paul and Pacific mail line to Breckenridge did not help much because shallow water usually kept the steamboats away from that place. During the winter, trains did not run on the lines to Crookston and west from Fargo.

THE BEGINNINGS OF SETTLEMENT

Townsite speculators initiated the settlement of southern Dakota, beginning at Sioux Falls and Yankton in 1857 and 1858. Captain

John B. S. Todd, a cousin of Mrs. Abraham (Mary Todd) Lincoln, was the most successful promoter. An army officer, he had come to Dakota with General W. S. Harney's expedition against the Sioux in 1855. Seeing the opportunities offered by the new country soon to be opened to settlement, he resigned his commission, became a sutler at Fort Randall, and formed a trading and land company. Todd put through the cession of land between the Big Sioux and Missouri rivers in 1858; the Indians ceded fifteen million acres for twelve cents an acre. He also had a large part in the creation of Dakota Territory by Congress in 1861.

Todd himself was a straight-backed, dignified man who carried a silver-headed cane. He had the support of the "Moccasin Democrats" at Pembina and St. Joseph and became Dakota's first territorial delegate to Congress. His town, Yankton, became the territorial capital.

Settlement, though checked by the Minnesota Massacre of 1862, revived after the Civil War. When settlers had filled up Iowa, a boom began in southeastern Dakota. In 1868 a railroad connected Sioux City with eastern points, and a daily stage began to run between Sioux City and Yankton. By 1870 about twelve thousand people were living in a half-dozen counties in the southeastern corner of the territory.

On the Red River of the North, however, townsite boomers were not as important as freighters and soldiers in initiating a settlement. One group of boomers did put up a hotel and sawmill at Breckenridge, and David McCauley, the sutler at Fort Abercrombie, laid out McCauleyville across the river from the fort. But Fort Abercrombie, the river traffic, and the stage line brought in more population by making work for a number of men. In 1862 the fort had a garrison of eighty-two soldiers. Among the civilian population, some men put up hay for the fort and the stage stations. Some worked for the Hudson's Bay Company, which had a hotel and warehouses at Georgetown. Some kept the stage stations, and others drove the coaches and freight wagons. Some ran the steamboat or cut wood for it; others cut timber and built flatboats. A few began to farm on the Minnesota side of the river. In 1862 the Dakota Legislature created four counties in northern Dakota.

Indian troubles delayed settlement. In 1862 the Sioux of southern Minnesota went on the warpath in the bloody Minnesota Massacre. They stopped steamboat and stage traffic, killed settlers, burned their improvements, drove off their stock, and caused many of the survivors to leave the country.

After the Civil War, however, a number of developments prepared the way for the resumption of settlement. In treaties signed by the eastern Sioux in 1867 and by the western Sioux in 1868, those

Indians accepted reservations and gave up, at least by implication, their claims to lands outside the Devils Lake, Traverse Lake, and Standing Rock reservations. In 1867 the Dakota Legislature again created Pembina County. It had not been represented in the legislature since 1864, a punishment for voting Democratic in the election of 1863. In 1867 surveying of township and section line began in northern Dakota.

In the summer of 1869 the Minnesota immigration board sent Hjelm Hansen to visit the Red River Valley. Hansen, a recent immigrant and well known in Norway for his part in the Thraniter movement to help the laboring classes, began to write letters on the Valley for Norwegian-language newspapers. Describing the opportunities offered by fertile land, free of stumps and stones, Hansen's letters attracted the attention of Norwegians to the Red River country.⁹

There were scattered farms on the Minnesota side of the Red River from Fort Abercrombie to Georgetown when Hansen visited the region in 1869, but the population in northern Dakota was only 2,405 in 1870, most of it in the St. Joseph-Pembina settlement. The first entry on public land in northern Dakota was not made until June 15, 1868, when Joseph Rolette entered the quarter section at the mouth of the Pembina River where Alexander Henry had built his fort in 1801. By the end of 1870 there had been only twenty-eight entries on public land in northern Dakota, all of them around Pembina.

Settlement really began in 1871. Five developments that year initiated it: (1) the St. Paul and Pacific Railroad reached the Red River at Breckenridge; (2) the Northern Pacific reached the river at Moorhead; (3) James J. Hill placed a second steamboat on the Red; (4) Russell Blakeley and his partner C. W. Carpenter extended the stage line from Georgetown to Pembina and Winnipeg; and (5) the federal government opened a land office at Pembina and surveyed section lines near Fargo and Wahpeton.

These developments quickly brought into existence a series of settlements. In 1871, Albert Chezik and Matthew Lorenz, young Bohemian immigrants, came from Muscoda, Wisconsin, to start a Bohemian settlement in Richland County. That summer, squatters began to occupy the land along the Red River where the Northern Pacific was to make its crossing. During the winter of 1871-1872, a rough, merry, hard-drinking gang of six hundred lived in tents,

⁹Johnson, "[The Siege at Fort Abercrombie](#)," pp. 11-18, 31, 66-67; Axel Tollefson, "Historical Notes on the Norwegians in the Red River Valley," [North Dakota Historical Society Collections](#), VII (1925), 134-137, 141-147; Luella J. Hall, "History of the Formation of Counties in North Dakota," [North Dakota Historical Society Collections](#), V (1923), 178-179.

dugouts, and log cabins by the river, "Fargo in the Timber," while General Thomas L. Rosser's Northern Pacific engineering crew and their families lived in thirty or forty tents to the west, "Fargo on the Prairie." There were other small settlements along the Red River at Breckenridge, McCauleyville, Georgetown, and other points. At the mouth of the Goose River a Norwegian owned the village of Caledonia and ran a store, a post office, and a hotel. At the foot of Goose Rapids stood Frog Point, with a Hudson's Bay Company warehouse and hotel.

Captain Alexander Griggs founded Grand Forks. Griggs and his flatboat men caught by an early freeze, spent the winter of 1870-1871 there. By 1872, Grand Forks had a boardinghouse, a hotel, a steamboat warehouse, three saloons, a stage station, a sawmill, and seven residences. In 1875, Griggs platted his claim into town lots, and George Walsh started the *Plaindealer*. By 1872 homesteaders had put up their claim shanties along the Red River all the way from Breckenridge to Grand Forks, but there were few signs of settlement from Grand Forks to Pembina.

When the stage began to run from Fort Abercrombie to Pembina and Winnipeg in September, 1871, a line of stage stations became centers for small settlements. The stage route went up the Minnesota side of the river from Fort Abercrombie to Georgetown, crossed on a ferry, and continued north. The stations, rough log huts with sod roofs and dirt floors, provided changes of horses and accommodations for travelers. The station keepers served pork and beans for fifty cents and charged the same amount for sleeping on the floor. Some had gardens and planted small fields. There were stage stations at Georgetown, Elm River, Kelley's Point, Pembina, and other places.

In the southern part of the Red River Valley, many of the early settlers were Norwegian immigrants. They first came to the Minnesota side but were soon crossing over to the Dakota side, which was less subject to flooding. The first Norwegians reached Cass County in 1869, Richland County in 1870, Traill County in 1871, and Grand Forks County in 1872. They did not come directly from Norway but from Norwegian settlements about St. Ansgar (Iowa), Coon Prairie (Wisconsin), and, especially, Fillmore and Goodhue counties in southern Minnesota.

They arrived in families, with ox teams, milk cows and household goods, choosing lands close to the Red River or on such streams as the Sheyenne and Goose. Such sites gave them timber for building and fuel and water for themselves and their stock. They would pick out their claims, build a sod house and stable, break a few acres with a plow, and put up some hay. Then the men might find work on a steamboat. The first corners planted potatoes and

vegetables; wheat came a little later. Grasshoppers ravaged their crops, the worst invasions coming in 1872 and 1874. Gristmills at Caledonia and Grand Forks ground their grain. A Hudson's Bay Company store at Caledonia sold groceries on credit and treated its customers to beer.¹⁰

As the Northern Pacific built westward in 1872 and 1873, small villages sprang up at Valley City on the Sheyenne River, Jamestown on the James, and Bismarck on the Missouri. The first settlers in Valley City—called Worthington until 1881—arrived in 1872. Five or six Northern Pacific engineers and a handful of soldiers had spent the winter of 1871-1872 at Jamestown. The army built Fort Cross (later Fort Seward) there in June, 1872. That summer, businessmen and settlers came in, and on September 13 the first train entered the town.

Squatters, anticipating the coming of the Northern Pacific, spent the winter of 1871-1872 in the vicinity of what was soon to be Bismarck. In 1872 the army located Camp Greeley (later Camp Hancock) there to protect the construction crews. The first train, June 5, 1873, brought the printing press for the Bismarck Tribune, the first newspaper in North Dakota.

These frontier towns, with a floating population, were rough and violent, but they showed vigorous growth. An army officer wrote his wife in 1876: "I have not fallen in love with Bismarck. It is a bad specimen of a frontier town, nobody incidentally expecting to stay here permanently, but hoping to make some money to get away with."¹¹

In the 1870's the Northern Pacific Railroad was making a determined effort to attract settlers and to sell its lands. It has set up land and immigration departments in 1871, and these established an agency in London, sent representatives abroad to organize colonies of emigrants, and distributed optimistic literature on Dakota all over Europe and the eastern United States. They offered railroad lands on attractive installment terms: 10 percent down and seven years to pay the balance. They also built large reception houses as temporary homes for land seekers at Duluth, Glyndon, and Brainerd, and offered free transportation to purchasers of Northern Pacific lands.

Dakota Territory also promoted settlement. In January, 1871, the legislature established a bureau of immigration under James S.

¹⁰William H. Elzinc, "[Bohemians in Richland County](#)," [North Dakota Historical Society Collections](#), IV (1913), 63-65; G. F. Keeney, " Fargo in the Timber," [North Dakota Historical Society Collections](#), I (1906), 318-321; "Frank Viets," [North Dakota Historical Society Collections](#), VII (1925), 71-73, 78; John Lee Coulter, "Industrial History of the Valley of the Red River of the North," [North Dakota Historical Society Collections](#), III (1910), 562-566.

¹¹Robert C. Athearn (ed.), "[A Winter Campaign against the Sioux](#)," [Mississippi Valley Historical Review](#), XXXV (September 1948), 275.

Foster, a land dealer in Yankton. Foster, a hustler, combined his private and official activities. He distributed literature concerning the opportunities of Dakota in English and Swedish, mailed boomer editions of Yankton newspapers, and gave steamboat passage to Norway and Sweden to persons who would promote immigration. Before the legislature stopped appropriations for such work, Foster's successor had put out forty thousand pieces of literature in English, German, and Norwegian. Northern Dakota was given slight attention in all this, but in 1873 the territorial legislature divided all of it east of the Missouri River into twenty-seven counties in order to create an impression of settlement.

The Northern Pacific put forth a greater effort than the territory, but its results were disappointing. In fourteen months (June, 1872, to September, 1873), its land department sold only forty-six thousand acres, all in Minnesota. In the fall of 1872, its land commissioner, James B. Power, traveled the line from Fargo to the Sheyenne Valley. As far as he could see, the burned-over country, with its bleached buffalo bones and hard, dry soil, looked like a "barren desert." To find buyers for such land seemed to be a "hopeless task." "The name, Dakota, had a faraway sound," he recalled later. "It was an untried country, buyers were shy and settlers were timid."

In general, the depression which followed the Panic of 1873 slowed down settlement, but some advances were made before the Great Dakota Boom began in 1878. In 1874-1875, Traill and Mercer counties were created. In the spring of 1874, the federal government moved the Pembina land office to Fargo, and in the fall it opened a second land office at Bismarck. By then it had spent \$100,000 on surveying public land. That year, Moses K. Armstrong, the territorial delegate to Congress, stated, in proposing a division of the territory, that northern Dakota had much evidence of settlement: a population of ten thousand persons, two newspapers, a telegraph line, two hundred miles of railroad, much steamboat traffic, and United States Courts.¹² A beginning had been made, but the great transformation to be wrought by settlement was yet to come.

¹²Herbert S. Schell, "Official Immigration Activities of Dakota Territory," *North Dakota Historical Quarterly*, VII (October 1932), 8-12, 19-20; James B. Power, "Bits of History Connected with the Early Days of the Northern Pacific Railway and the Organization of Its Land Department," *North Dakota Historical Society Collections*, III (1910), 342-343; Armstrong, *The Early Empire Builders*, pp. 204, 279, 386, 390.