

Development of the Northwest

A D D R E S S

DELIVERED BY

MR. J A M E S J. HILL

BEFORE THE

CHICAGO COMMERCIAL ASSOCIATION

OCTOBER 6, 1906.

DEVELOPMENT OF THE NORTHWEST.

ADDRESS DELIVERED BY

Mr. JAMES J. HILL,

BEFORE THE

CHICAGO COMMERCIAL ASSOCIATION,

OCTOBER 6, 1906.

The development of the American Northwest may be compressed into the period of a single human life. It has affected more widely and will influence more profoundly the past and the future than many events which the historian sets up as landmarks in the evolution of the race. It has financed great multitudes who have settled the waste spaces of the country. It has supplied a large part of the world with food. It has given homes to many people. It has revolutionized industry. It has opened opportunity for increase of material wealth, and for the unfolding of human progress. It is worth while to consider with seriousness the causes, the movement and the future relations of a development that is a phenomenon of wide import. Nor could any place or occasion be more fitting than this gathering of representative men of thought and action in this center and capital of a growth their hands have helped to fashion and whose natural leaders they are.

MAN'S CHOICEST INHERITANCE.

If each event upon this earth is bound to every other by some tie in the general scheme of things, it is more than ever true that this Northwest will have a wide re-action upon human life and history. Let us understand, first, this wide scope of the topic that touches all here so nearly, before we enter upon those interesting details that may obscure the perspective by which alone great events can be fairly judged.

A high scientific authority says that "the central portion of North America affords the largest intimately connected field which is suited to the uses of our race." Land is the first and indispensable human requirement. It is, in the last analysis, the main support and resource of man. Our imperial area represents, in its dimensions, in its compactness, in its life-producing and life-supporting capabilities, the best achievement of nature in furnishing an inheritance for man. We are dealing with his largest opportunity and his most precious possession.

QUALITY OF ITS SETTLERS.

You have not come here to-night to listen to historical sketches of the opening of a territory whose record is familiar to you all. One brief reference to the early story of the Northwest is germane, because it connects itself directly with the point of view which I have just mentioned. It is no accident that the names associated with the invasion of the continent farther to the south, Cortez and Pizzaro, were those of inhuman seekers for gold, while those who first came to the Northwest were Hennepin, Marquette and La Salle. The lowest ambition among the latter was to win a new empire for the king. The highest was to extend the spiritual sway of Christianity over the Indian tribes then inhabiting these wilds. Thus a certain serenity and elevation mark the earliest annals of our central valley. Behind explorers and missionaries came settlers of corresponding quality; men of stern mind and sturdy frame, whose virtues have given color to the lives of their descendants. So the Northwest won its way until it stands to-day as the culminating example in the rise of states and the reward of industry. How sudden this rise, how great the reward, one may best comprehend by turning backward the page of half a century and comparing the giant oak of the present with the acorn of the past.

POPULATION FIFTY YEARS AGO.

In 1850 "The Northwest" was a term of vague meaning. It began west of the Alleghanies, with Ohio. It stretched southward and westward to include the greater portion of

the Louisiana Purchase. It was supposed to embrace portions of the Pacific Coast that were almost in another world. To-night we shall be interested mainly with the more recently developed parts of what was all either wilderness or fields newly won from the wilderness fifty years ago. We find, by the census of 1850, that the State of Illinois had a population of 851,470; Wisconsin, 305,391 ; Iowa, 192,214; and the Territory of Minnesota, 6,077. The Dakotas and Nebraska were still mere names; without industrial or political significance. The total population of the Northwest, speaking of the country looking westward from where we stand to-night, was thus less than one and a half millions. In 1000 the population of Illinois had become 4,821,550; of Wisconsin, 2,069,042; of Minnesota, 1,751,394; of North Dakota, 319,146; of South Dakota, 401,570; and of Iowa, 2,231,833. The total population of this group was 11,594,555. In addition to this, Kansas and Nebraska together contained 2,536,795 people; and Montana, Idaho, Washington and Oregon, 1,336,740 more. Without, therefore, considering those other states of the interior basin that are generally included as part of the Northwest, we have in these twelve commonwealths looking westward from us more than 15,000,000 inhabitants, or about twelve times as many as there were fifty years before. This has no parallel in our country's experience. Never before had a wilderness of such proportions been reduced, never before had population so increased within the same limits of time.

HALF A CENTURY OF AGRICULTURE.

The contrasts furnished by other statistics are even more startling. The night would fail me were I to attempt to tell of them all, even in tables of dry figures. But a glance at elementary facts is worth while. The federal authorities who, in 1850, gathered all the national statistics into a single volume, had not only fewer activities to chronicle but they had a different standard. Aside from enumerating population they were interested mainly in three things; the spread of education, the growth and extension of churches and religious influence and the progress of agriculture. The number of

pupils attending colleges and public schools at the middle of the last century in the territory considered was 274,395. In 1902 it was 2,590,419 for the six states immediately to the west, and more than three and a half millions in the country reaching westward to the Pacific. But it is the tables recording occupation, industry and the opening of farm and factory which bring the change most vividly before us. In 1850 there was practically no tillage of the soil outside of and beyond the borders of Illinois, Wisconsin, Iowa and Minnesota Territory. These had 6,914,161 acres of improved and 10,864,254 acres of unimproved farm lands, valued, with improvements, at more than \$150,000,000. Fifty years later these same divisions, counting the Dakotas as a part, contained 108,216,831 acres of improved and 39,876,715 acres of unimproved farm land, valued, with improvements, at \$5,037,720,205. Kansas and Nebraska added 43,413,145 acres of improved and 28,101,004 acres of unimproved farm land, valued at \$1,221,312,790. In Washington, Idaho, Montana and Oregon there were 9,944,087 acres of improved and 23,675,895 acres of unimproved farm land valued at \$353,291,497. In these fifty years there were added three times as many farms as had been opened in the whole two hundred and fifty years from the settlement of America to that day. The addition to acreage in the same, time was 547,640,932 acres, or nearly twice as much as all opened before 1850. Of this growth the twelve states on our list as, in an especial sense, our Northwest, claimed 235,509,262 acres, or very nearly one-half of the total addition to farm areas in the United States, every portion of which had experienced a marvelous growth. They had about one-seventeenth of the entire farm area in 1850, and about one-third in 1900. Prior to 1850 over three-fourths of the total value of farm land was found east and south of the Ohio River. The value per acre of farm property in that year was \$13.51 for the whole country, but in the Western states it was only \$1.86. In 1900 the average value per acre for the country had risen to \$24.39, and of this increase the rich soils of the West contributed the larger share. Other development there was, whose records are even more marvelous than these; but the growth of the agricultural interest has the place of honor, because from that

all others sprang, and to that all will ultimately return to learn its fate for the future. Of that central fact we cannot be too keenly aware or too constantly mindful.

MANUFACTURES AND WEALTH.

Fifty years ago manufacturing in the Northwest was merely a name. Lumber and flour were prepared for market and shipped, and there were a few hands at work producing textiles of coarse fabric. The entire value of home-made manufactures in Illinois, Wisconsin and Iowa, the only portions of our Northwest from which any return whatever was made in the census of 1850 was \$1,420,818. The shops and factories of the State of Illinois alone turned out last year manufactured goods to almost exactly one thousand times that amount; three and a third times as much every working day as the entire territory could show for its year's labor half a century ago. It is facts like these that hammer home a sense of the magnitude of the development of the Northwest; of its place in the progress not only of this nation but of the world. And to add to these statistics the figures showing the rise of commerce, the swelling of the volume of transportation and the spread of industries which half a century ago were not even thought of, might fill out the details of the picture but could not alter the broad lines on which it is drawn or the lessons that it must convey.

In 1850 the total valuation of real and personal property combined in Illinois was \$156,265,006; it is now heavily in excess of a billion. In the same year Iowa returned a valuation of \$23,714,638 and Wisconsin of \$42,056,595. Minnesota, Kansas and Nebraska Territory made no returns in that year, their property values being too scattered and trilling to figure in the national total. But the real and personal property of these six states and territories combined amounted to no more than \$222,036,239. The latest assessment returns for the present date are somewhat loose and incorrect, but they show property on the rolls to the amount of \$4,243,805.778; while the addition to this of the valuations for the other commonwealths of the Northwest westward to the Pacific makes a grand total of \$5,600,918,140. Such are the actual, tangible

assets to represent the growth, in a little over half a century, of land and its improvements and of that small fraction of other property that finds its way to the tax lists.

CHEAPENING OF TRANSPORTATION.

Immigration and industry have wrought the transformation from barren wilderness to the home of plenty. The single influence that has contributed most to the working of this miracle of the nineteenth century is, of course, the rise and scientific development of the modern transportation system. At the beginning of the fifties the railroad was but little understood as a factor in national development. It was in the year 1850 that the union by rail of the Great Lakes and the Atlantic was celebrated. This great city in which we are gathered numbered less than 30,000 people, and the whole crude development of the Northwest was dependent upon its waterways and upon the prairie schooner. The engineers sent out in 1852 to make the original surveys for the Illinois Central across the prairies of this State found their camps were frequently invaded by wolves. The principal Hues of the country were from New York to Boston, from New York to Buffalo, Philadelphia. Baltimore and Pittsburgh : from Detroit aiming for Chicago and from Cincinnati to Sandusky. In the decade between 1850 and 1860 the average charge for carrying one ton of freight one mile was three cents or more. The freight on a bushel of wheat from Chicago to New York, utilizing lake and canal, was 26.62 cents. There could be no more striking parallel than a contrast between the common carriers of fifty years ago and those of to-day. In 1850 there were a little over nine thousand miles of railroad in the United States, Illinois being credited with one hundred and eleven miles. The total mileage of Illinois last year was eleven thousand seven hundred and forty-two: of the six Northwestern states referred to as the nearer group, forty-two thousand seven hundred and fourteen. From Chicago to the Pacific, including Kansas and Nebraska, there were sixty-seven thousand and sixty-nine miles, or nearly one-third of the total mileage of the United States. Chicago is a continental railroad center, toward

which, sooner or later, every locomotive turns as irresistibly as toward a real pole. Every line of railway between the Great Lakes and the Pacific Ocean finds its shortest route to the Atlantic by way of Chicago. And while this work of construction, of organization, of operation, of traffic building was going forward, railroad transportation charges have fallen progressively until now the average freight cost of moving a ton one mile is only .787 cents for the whole United States. And the Northwest has, all things considered, the lowest railroad rates in the world; and the products of the fields and the thousands of factories are carried to the consumer upon such terms as to insure a profit to both parties to the transaction, and encourage the further increase of industry by guaranteeing to it its own reasonable share of gain. This theory of railroading, that it is a business enterprise and not a speculation, that its interests are centered in the fields, the factories and the mines instead of upon stock exchanges, that the intelligent and just system of profit-sharing between carrier and shipper embodied in reasonable rates will best promote the prosperity of both and enhance the national heritage, is perhaps not the least contribution made by the Northwest to the development of the nation and the world within the last fifty years.

THE NORTHWEST AND THE FUTURE

So much for the past of the Northwest. The duty of its sons is to render secure its development and progress. Few battles are ever finally won. There are always old positions to be held and new ones to be conquered. The causes of this growth are to be found in the conjunction of an immense volume of population, supplied by our own natural increase and by immigration, with enormous areas of fertile soil. It was like opening the vaults of a great treasury and bidding each man help himself. But these conditions cannot be permanent. The present era, which we rightly celebrate, is the crisis of the old order. The primary business of the West hitherto has been the mastery of natural conditions. The best contribution to the story of the future economic and social evolution of the race should come from the section

that has added most largely to its material wealth. And with the new order already treading upon the heels of the old and bidding it depart, this central and commanding section of the country may well occupy its thought with the molding of the future in such fashion as not only to contribute to national prosperity and security but also to maintain the rightful supremacy and leadership of the Northwest.

NEW ENGLAND'S WARNING.

A parallel shows possibilities of undoing. The history of New England should be the study of every citizen of the Northwest. Her first scanty population, not too great a burden to the soil, maintained itself by industry and frugality in more than comfort, and gave stamina and quality to national traits that will never lose their virtue. But her economic progress has reached a declining plane. The crowding of population and the careless exhaustion of her soil forced a revolution in industry as influential upon her fortunes as the opening of the West to settlement. She turned to manufactures. Industries to employ her surplus population grew up everywhere; and New England supposed that, protected by the wall of a tariff, she had found a new line to greatness. The slow progress of events moved on. The pressure of life intensified. The soil, poor at best and therefore needing more zealous care, was more and more neglected. Her power fell in proportion, and she became more dependent upon the outside market. Her fields were abandoned or passed into the hands of immigrants of another race who are content with a diminished return. Her factories grew, but so did others in distant places, located nearer to sources of supply for raw material. The very duties upon which she once relied have become a scourging tax upon fuel and upon much of the material for her industries. New England has not lost her character or the whole of her prosperity, but the leadership in industry and in other spheres that once was her proud claim and right is shared by others. The first business, the highest duty of the Northwest, is to prepare for the burden and heat of the coming day and to postpone the lengthening of the shadows that must surely fall. To you it is of the utmost

moment and the highest privilege to look at coming conditions and make sure the defenses of the household against the creeping foe that centuries cannot halt in his conquest of the over-confident, the improvident or the unwise.

Within certain limits we may know exactly what is to happen in this country and in the Northwest if forces now operative continue, and if tendencies now active are unchecked. These, briefly, are the certainties of the next fifty years, supported by facts ascertained beyond possibility of error. The proof is accessible, and with the volume of it I need not burden you here.

OCCUPATION FOR THE FUTURE.

By the year 1925 there will be in the United States 125,000,000 people, and by the middle of this century, within the lifetime of thousands now living, our population will be more than 200,000,000. "Where are these people to find profitable occupation? How are they to obtain the necessities of life? The question is already pressing upon great cities like your own, where immigration concentrates. But these newcomers cannot be excluded. Labor was never as scarce, wages never as high as at the present day. We cannot stop the inflow or check the natural increase. But we must determine upon a national economy far different from the present when our population is approaching three times what it was in 1900. Striking as has been found the contrast between 1850 and the present day, that between 1900 and 1950 will reveal more serious features.

Practically speaking, our public lands are all occupied. The irrigation of land by the general government will do something, but when all the present plans are completed they will furnish land for one and a half million small farms of forty acres each, or a population of seven or eight millions. Our other natural resources have been exploited with a lavish hand. Our exports, of which we love to boast, consist mostly of the products of the soil. Our iron and coal supplies will begin to show signs of exhaustion before fifty years have passed. The former, at the present rate of increasing production, will be greatly reduced. Our forests are rapidly going,

our vast supply of mineral oil flows to the ends of the earth. \Ye cannot continue to supply the world and recruit our own resources by the methods of trade that now obtain, because the minerals stored in the ground do not recreate themselves. Once utilized they are gone forever. We shall, with these coming millions to provide for, be thrown back upon the soil, the only resource of mankind that is capable of infinite renewal and that offers life for generation after generation. That is the all-important lesson which it becomes you, as leaders of thought and action, as business men dealing with a business situation certain to arise in the near future, to impress upon the intelligence and the imagination of those who follow your example and look to you for guidance. The period of ransacking the national storehouse to see what can be sent over seas and sold must be changed to an era in which we shall consider the preservation and the improvement of what is, fundamentally, our chief maintenance. For upon the cultivation of the soil all varied commercial activity, of whatever intrinsic form or interest, is mainly built; and upon it depends the future of mankind and the nature and stability of its institutions.

WASTING OF RESOURCES.

In some things we are going backward. The soil of the country is being impoverished by careless treatment. Forests are cut down that the sun may bake it and the floods scour it into the ocean. It has been cropped to the same grain year after year until its productive power, in some of the richest portions of the country, has deteriorated fully fifty per cent. The census returns show an actual decrease in farm values in a large number of the states. There are but two states in the Union which return a total value of farm products of thirty dollars per acre of improved land. This State of yours, with its fat soil and nearby markets, gave but twelve dollars and forty-eight cents at the last census, and it stands well up on the list. It is easily demonstrable that a mere reform of methods of cultivation would double the agricultural product each year, adding for the whole country from five to six billion dollars to the national wealth; while the

resort to small farms and the adoption of intensive cultivation would give an equal additional increment. These are possibilities to which necessity will lend a more pertinent and compelling aspect with the coming years of the present century.

FOREIGN TRADE NO SAFEGUARD.

The costliest error will be any clinging to the delusion that we are to continue to increase our exports and to live upon the profits of the foreign market. As we have seen, the foreign market is supplied now *by* us with materials that are mostly the products of the farm, and many of these we shall soon cease to send abroad. The time is coming on when we shall need our wheat crop for home consumption and seed; when our mines will not yield, except at increased cost, the iron and coal required for manufacturing commodities consumed at home: and when the cheap labor of the Orient, whose wages we cannot hope to meet, equipped with our machinery and with the patience and imitative instinct there so highly developed, will vanquish all competitors in every market. Though our trade were unshackled from the legislative bonds that now prevent its natural growth and free expansion, it would not offer us for long any other reliance than a broken reed. Every nation that enjoys prosperity and that exhibits a healthy national vitality is rooted to the soil; and all its other industries are clustered about tillage as the branches spring from the parent stock that nourished them all. To a realization of our position, to a return to agriculture, to a jealous care of our land resources, both as to quantity and quality, and to a mode of cultivation that shall at once multiply the yield per acre and restore instead of destroying productive qualities, we must come without delay if we are to escape disaster. I know of no issue, in business or in politics that compares in importance or in power with this that looms already upon us and threatens our future.

In the past, before the advent of railways in this country, large cities were built on the harbors of our navigable waters, where traffic might be most conveniently and cheaply transferred between land and water. Your own city of Chicago grew up at the foot of Lake Michigan on the harbor furnished

by the Chicago River. To-day by far your greatest harbor is in the terminal yards of your railway lines.

MORE TRANSPORTATION FACILITIES REQUIRED.

Next in importance to the productivity of the soil comes that of transportation. Already the growth of our commerce between the Mississippi River and the Atlantic Coast finds itself delayed and hampered for want of additional railway lines and of terminal facilities. And throughout the whole country there is a rising call for more tracks, more engines, more cars and more transportation facilities of all kinds.

To furnish what is required will call for the investment of many hundreds of millions of dollars to be furnished from the savings of people of all classes, and without them the whole business of the country must suffer.

Money invested in railways expects a fair return on the investment and it also expects the same measure of protection before the law that is accorded to other property. No city, state or nation can ever build up a great commercial growth based upon a foundation theory that one of its most important servants shall render service at a loss or under unreasonable conditions. Such a growth cannot endure. The railways must be made to do their whole duty to the public and should prosper with the people, or the result will be that both will suffer.

THE NORTHWEST AS A LEADER.

The outlook for the future has been summed up with rare accuracy and force by a writer and thinker of the first rank to whom I have already referred, the late Professor Shaler, in these words: "As the population becomes dense there will soon appear the dangers of poverty and misery that are apt to accompany a crowded civilization. The enormous pressure of masses of people seems to crush out the hope and energy and prosperity of a large proportion of them; and the great problem of modern progress, after all, is how to deal with this tendency—how to prevent the forces of advancing social evolution from being destructive as well as creative." This is the problem of the nation, exactly stated ; and it is.

in a special sense, the problem of the Northwest. As here the noblest fruits of prosperity have been gathered, so here must be evolved methods to preserve them from decay. Leadership implies responsibility; primacy must carry with it protection for those less favored. It is the central area of this continent that gave the material and the stage for the latest phases of human progress. It is there that the problems which have silenced the older nations, the evolutions as yet unaccomplished, must be worked out. Nowhere else is there more energy or more courage to join with great issues that promise success. The event will come not through boasting or through the accretion of wealth and the magnification of industries, but as all the works of science and all the revelations of natural law have been made our heritage; by infinite patience, infinite study of facts as they are, infinite search for close adaptation of means to ends, infinite devotion to the glory and perpetuity of our institutions and infinite love for man as he should and yet may be. There can be no more honorable place than that of the Northwest as the theatre of this action; there can be no greater glory than to lead, as this city will be called upon to do, the mass of a people yet unaware of the changing times and the new light following clearer vision. That may well become your ambition and your title to a larger and more enduring fame.