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THE DEVELOPMENT OF
RAILROADS IN MISSOURI
TO 1860

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INTRODUCTION.

Early in the nineteenth century the people of the United States were interested in, and agitating the question of internal improvements. At this time the conditions of travel were very primitive. Petitions were sent to Congress asking national aid in improving the means of transportation. This money asked for was to be used in building turnpikes, plank roads, canals, and improving the navigable rivers.

The agitation for internal improvements in the western states was an outgrowth of the enthusiasm which had attacked the eastern states earlier, and was partly due to the speculation of the times. Another reason was that the people realized that better transportation facilities were absolutely necessary. The agitation for railroads in Missouri was simply one phase of the larger movement which had been apparent in the east and the west at an earlier date. The people of Missouri realized that their future development was absolutely dependent on better means of transportation.

Missouri was conservative because with the exception of the Erie Canal the experiments of the eastern

states were largely failures - from the financial standpoint at least. This may have been one reason for the conservatism of Missouri. There were several reasons why Missouri was interested in the question of railroads. The internal trade of the state was suffering from the lack of efficient transportation. Missouri had vast resources whose development was dependent on good means of communication; and Missouri greatly desired commercial connection with the west. The possibilities of railroad communication at this time (1836) were apparent; then, it was natural that Missouri should turn attention to this means of communication. However, until late in the forties, Missouri was in no condition to undertake the work, because of the great problem of finances. At that time she was able to, and the interest and enthusiasm of the people favored a general policy of railroad construction.

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CHAPTER I.

RAILROADS AND PUBLIC OPINION.

The agitation for railroads in Missouri was an outgrowth of a movement which had attacked the eastern states earlier and was due to the fact that there was an increasing general demand for better means of transportation and also to the over speculation of the times. Missouri was more conservative than the other western states and this may have been due to the fact that she was outstripped in population by most of them.¹ Or it may have been due to "slavery and the innate conservatism of the people." But no matter what the cause was - Missouri was more conservative.

The first definite action in the state was the meeting of a convention which was held in the court house in St. Louis, April 20, 1836. There were fifty-nine delegates who represented eleven counties in the State.² These

¹ State	Population in 1840	Population in 1850
Arkansas	97,574	209,897
Illinois	476,183	851,470
Indiana	685,866	988,416
Kentucky	779,828	982,405
Ohio	1,514,467	1,980,329
Wisconsin	30,945	305,391
Missouri	383,702	682,044

U. S. Census, Vol. VII., pp. 548, 719, 781, 600, 853, 665, 925.

²Million, "State Aid to Railroads in Mo.," p. 3; Switzler, "History of Mo.," pp. 227-230. The Boone County representatives were J. S. Rollins, James W. Moss, John B. Gordon,

were the more populous counties and were located on the waterways. Of the total population of Missouri (in 1836), 244,208, these eleven counties contained 96,882.¹

The president, Dr. Samuel Merry, appointed a committee of three, James S. Rollins, Edward Bates and H. R. Gamble, to draw up a memorial petitioning Congress for one half a million acres of land. The proceeds from the sale of this land would be applied to the construction of railroads. This was the first memorial on that subject ever submitted to Congress from Missouri. Propositions were read and the convention agreed that it was then expedient to adopt measures for constructing a railroad from St. Louis to Fayette, "with a view of ultimately extending it in that general direction as far as public convenience and the exigencies of trade might require." Further, that a railroad from St. Louis southwest, to the valley of the Bellevue in Washington County, was practicable as it would "traverse the rich mineral region in that part of the state," and that

John W. Keiser, David M. Hickman, William Hunter, R. W. Morris, Granville Branham.

County	Number of representatives.
St. Louis	14
Lincoln	5
Washington	7
Cooper	3
Warren	3
St. Charles	4
Calloway	3
Montgomery	3
Boone	8
Howard	6
Jefferson	3
	59

¹See table on p. 10

the road could be extended in that direction "as far as public interest might require." The convention agreed that a branch should be built from this last mentioned road, "to the Merrimac Iron Works, in Crawford County with a view to its ultimate extension through Cooper County to a point on the Missouri River in Jackson County." Lastly, they proposed that the railroad from St. Louis to Fayette ought to cross the Missouri River at the town of St. Charles and through or within one mile of the towns of Warrenton, Danville, Fulton, and Columbia, as these towns were "the points most acceptable to the people of the counties through which the road proposed to pass."¹

The people had very hazy ideas as to the cost of railroad construction and "thought that the state could safely borrow the money needed, because when the lines were once put into successful operation it was believed that they would pay for themselves without burdening the state with taxes."² The committee of the convention estimated that the demands of St. Louis alone for iron was \$2,000,000 a year and that the income from the transportation of iron, lead and coal would be \$420,000 a year and would pay the interest on a capital which would be more than two times as large as was necessary to build the road.³

¹Switzler, "History of Missouri," pp. 227-228; Million, "State Aid to Railroads in Missouri," p. 3.

²Million, "State Aid to Railroads in Missouri," p. 4.

³Ibid., pp. 4-5.

Governor Boggs in his message to the General Assembly (1836) favored a general system of railroad construction.¹ In urging the practicability of the scheme he said: "The policy and utility of internal improvements by the states remains no longer a matter of speculation. The experiment has been tested, and the results have been flattering beyond the most sanguine hopes of the friends and advocates.....If we would apply the incentive to industry - if we would give life and vigor to agriculture and commerce - if we would cheapen transportation, facilitate intercourse and place our state upon the vantage ground occupied by some of the other states, we must adopt a system of internal improvements. The adoption of every policy or system must have a beginning and it appears to me that NOW is a suitable time for us to commence; and the sooner we commence the sooner we shall enjoy the advantages resulting from them."

In his recommendations he urged the propriety of memorializing Congress for the right of way for the railroad through the Public Lands and for a grant of alternate sections of land along the routes to be used in aiding the construction of the railroad. (In this he was influenced by the precedent which the General Government had established by granting lands to other states, Ohio, Illinois, and Indiana.) The Governor further recommended

¹Senate Journal, 1836-37, pp. 23-25.

that an application be made to Congress for a remission of the duties on all iron rails or machinery which might be brought in from abroad to be used in railroad construction.¹ His third proposal as a means of securing funds was the establishment of a State Bank with as large a capital as was allowed by the constitution. This would afford ample means for all commercial purposes and also enable the state to prosecute a system of internal improvements commensurate with her wants.

As early as 1838 Missouri began sending memorials to Congress, asking for aid in improving her waterways. The commercial importance of railroads had already been demonstrated and helped to intensify the desire in Missouri for commercial connection with the West. One of the great difficulties in Missouri as in the East was the question of finance. The experience of other states had proven conclusively that the construction should not be attempted wholly as a state enterprise. Private enterprise alone could not undertake the work.

¹The Governor overlooked the fact that July 14, 1832 a law was passed which removed all duties on iron rails which were to be used in railroad construction, if they were used within three years from the time they were imported. U. S. Statutes at Large, Vol. VI., p. 604.

In the early part of 1837 the demand for better means of transportation and the speculation which was apparent throughout the whole country was reflected in the legislation of the General Assembly. This was most apparent during the first two months of 1837. From January twenty-third to February sixth, no less than eighteen roads were incorporated with a total capital of \$7,175,000. These roads were distributed mainly around St. Louis. The roads which were projected and incorporated by the state were (1) Baileys Landing Railroad beginning at Troy, in Lincoln, thence to Baileys Landing on the Missouri River; capital stock \$50,000;¹ (2) Carondelet and St. Louis Railroad for horse or locomotive engines, capital \$100,000;² (3) Florida and Paris Railroad, from Florida, in Monroe County, to Paris, in the same county, capital \$100,000;³ (4) Hannibal, Paris and Grand River Railroad, from Hannibal to the mouth of Grand River, in Chariton County, via Paris and Florida in Monroe County and Huntsville and Keytesville, in Randolph and Chariton, capital \$1,000,000;⁴ (5) Liberty Railroad, from Liberty, in Clay County, to the Missouri River, capital \$25,000;⁵ (6) Livingston and Independence

¹Laws of Mo., 1837, p. 234.

²Ibid., p. 236.

³Ibid., p. 237.

⁴Ibid., p. 230.

⁵Ibid., p. 237.

Railroad, from Livingston, on the Missouri River in Jackson County, to Independence, in the same county, capital \$100,000;¹ (7) Louisiana and Columbia Railroad, from Louisiana, in Pike County, to Columbia, in Boone County, thence to Rocheport, capital \$1,000,000;² (8) Marion City and Missouri River Railroad, from Marion City on the Mississippi River in Marion County, to Boonville, on the Missouri River, via Palmyra, Marion College, New York (in Shelby County), and New Franklin, in Howard County, capital \$600,000;³ (9) Mine a La Motte and Mississippi Railroad, from Mine a La Motte, in Madison County, to a point on the Mississippi River, not lower down than Pratte's Landing, capital \$300,000;⁴ (10) Monticello and La Grange Railroad, from La Grange to Monticello, in Lewis County, capital \$100,000;⁵ (11) Paynesville and Mississippi Railroad, from Paynesville, in Pike County, to the Mississippi at Jackson's Landing, capital \$50,000;⁶ (12) Rocheport Railroad, from Rocheport to Columbia, in Boone County, capital \$150,000;⁷ (13) Mineral Railroad, from St. Louis to Caledonia, in Washington County, via Potosi, capital \$2,000,000;⁸

¹Ibid., p. 238.

²Ibid., p. 240. The route of this road was surveyed, Hon. J. S. Rollins of Columbia assisting in the field work and being one of the managers of a ball given in Gentry's Hotel in Columbia to "commemorate the completion of the survey. Switzler, "History of Missouri," p. 289.

³Laws of Mo., 1837, p. 246.

⁴Ibid., p. 260.

⁵Ibid., p. 263.

⁶Ibid., p. 258.

⁷Ibid., p. 259.

⁸Ibid., p. 266.

(14) St. Charles Railroad, from St. Charles to a point on the Mississippi nearly opposite Grafton, capital \$100,000;¹ (15) Southeastern Railroad, from New Madrid to Commerce, in Scott County, capital \$200,000;² (16) St. Louis Railroad, from St. Louis to the Missouri River, capital \$500,000;³ (17) Southern Railroad, from Caledonia, in Washington County, to Cape Girardeau on the Mississippi, via Iron Mountain, Mine a La Motte, and Jackson, capital \$1,000,000;⁴ (18) Washington and Ste. Genevieve Railroad from Washington to Ste. Genevieve, capital \$- - - - - . 5

Three more roads were incorporated in 1839 before the decline in interest began. These were the Mississippi and Iron Mountain Railroad which was to run from a point near the Iron Mountain in St. Francois County to Iron Mountain in Ste. Genevieve County at Mississippi, and the capital was to be \$300,000.⁶ Another road was the Mississippi, Grande River and Missouri Railroad, which was to commence on the Mississippi in Lewis County, run through Shelby, Macon and Linn to Utica in Livingston County, through Caldwell and

¹Ibid., p. 273.

²Ibid., p.

³Ibid., p. 277.

⁴Ibid., p. 278.

⁵Ibid., p. 285; Switzler's "History of Missouri," p. 290.

⁶Laws of Mo., 1839, p. 234.

Clinton to the Missouri River.¹ The third railroad incorporated in 1839 was a private one, the Kennedy Railroad,² which was to run from Mr. Kennedy's sawmill in Jefferson City to the Missouri River, and was chartered for twenty years from February 13, 1839.

There is no evidence of any work of construction having been done on these roads. All of these were railroads on paper, and really had no other existence than in the acts incorporating them. The companies had "neither credit, money, bonds nor lands. Nevertheless, the charters had an influence on the people and future legislatures." The Louisiana and Columbia and the St. Louis and Bellevue charters were almost literally copied, in 1848-1849, and in 1850-1851 in the acts incorporating the Hannibal and St. Joseph, and the St. Louis and Iron Mountain Railroads.³

The object of all of these earlier proposals was to connect the principal towns with one another and with the nearest river points. The agitation for railroads was carried on mainly in the river counties which at this time were the more populous ones. The following table shows the increase of population in these counties.⁴ As

¹Ibid., p. 235.

²Ibid., p. 249.

³The same man drafted both the Columbia and Louisiana, and the Hannibal and St. Joseph R. R. charters, namely, James S. Rollins. Switzler, History of Missouri, p. 290.

⁴State Census, House Journal, 1836-37, p. 167; 1844-45, App., p. 161; 1856-57, p. 503; U. S. Census, Vol. VI., p. 90; Ibid., Vol. VII., p. 655.

the population increased the necessity for better means of transportation was generally realized.

County	1832	1836	1840	1844	1850	1856
Boone	9,921	16,350	13,561	14,290	14,979	17,248
Cooper	7,618	8,376	10,484	10,989	12,950	15,082
Howard	11,740	13,773	13,108	13,257	13,969	15,085
Lincoln	5,180	5,933	7,449	8,347	9,421	11,630
Montgomery	2,891	4,955	4,371	4,748	5,489	7,263
St. Louis	16,796	19,796	35,979	47,668	104,978	144,977
Washington	6,770	7,010	7,213	7,216	8,811	10,157
St. Charles	5,446	5,898	7,911	9,546	11,454	13,248
Warren	-----	2,938	4,253	4,966	5,860	5,410
Jefferson	3,245	4,650	4,296	5,235	6,928	8,507
Calloway	-----	7,203	11,765	12,547	13,827	15,906

The decline in interest in railroads in Missouri from 1839-1848 was a natural result of the times, and was due to the question of financing the roads. The state was in no condition to grant state aid. The crises of 1837 and 1839 and the unsound currency during a part of the decade from 1840-1850, the failure of crops and of banking experiments left the state in a bad economic condition.¹ Although there was a demand for better means of transportation, the members of the legislature felt a hesitancy about burdening the state with debt.

At this time there was no general agitation for railroads but the general subject of internal improvements was considered. Requests were made that the legislature appropriate money for building canals, and improving the navigable rivers. The Committee on Internal Improvements reported to the Senate January 20, 1843¹ that in their opinion there was no one subject upon which humbuggery had been practiced to a greater extent, than the subject of Internal Improvements. The committee "most seriously" urged that too great caution could not be used before the Senate appropriate any money for improvements. Unless care was exercised, heavy taxation will result or what had been spent would be lost. Against the system of incurring enormous debts to carry on the works, the committee could "not express themselves too strongly" and did not hesitate to say that of the two evils (if there could be absolute necessity for either), they would "prefer to submit to immediate taxation, rather than to find themselves and leave their children saddled with an enormous load of debt. Let us leave to posterity as many benefits as we can, but let us make their situation no worse than ours." The interest of the state requires, that in considering this question, "interests merely local should be discarded, and such measures be adopted as will at once unite the

¹Ibid., pp. 544-50, "Report of the Committee."

interest of the state, and the consequent interest of each individual." However, it was "their serious belief" that the General Assembly should make an appropriation for the improvement of the Osage and North Grand River.

In spite of the discouragements which followed the speculations of 1837-1839, the people wanted railroads at once. The country at large was recovering from the depressions and in 1848 and 1849 there was a decided revival of interest in railroads. This was shown by legislative activity and popular agitations. In many sections of Missouri the population was increasing very rapidly. The people of the state were "beginning to feel a deep and lively interest in the subject of internal improvements and to see the absolute necessity of commencing some general system of public works, in order more successfully to avail themselves of the natural advantages by which they were surrounded in opening a way to market for the surplus products of their labor and industry.....and in aiding in the development of the inexhaustible mines of iron, coal, lead, copper and other valuable minerals which abound in various parts of the state, and which need only to be explored and fully opened to add incalculably to the wealth of Missouri." Further, the improvement of the navigable rivers of the state would be beneficial to the General Government, especially in time of war, for the purpose of

transporting troops and munitions of war towards the western boundary of the state.¹ This memorial shows the sentiment of the people in Missouri. While they were conservative and did not want to go too heavily in debt, yet, they realized that better means of transportation was absolutely necessary to develop the state.

At this time the currency system was much improved. The Bank of Missouri no longer would receive and lend the irredeemable notes of the banks of other states; "all the depreciated and worthless paper of other states had ceased to circulate in Missouri, and its place was taken by a fair proportion of silver and gold."² The people of Missouri were now in a position to undertake the work of internal improvements.

The revenue for 1850 was \$66,684.31 more than the preceding year. On the basis of the estimates of the receipts and expenditures of 1850, if the present rate of taxation was continued, and the bank should declare such dividends for the next two years as could reasonably be expected, there would remain in the treasury, at the expiration of that time, after paying the ordinary expenses of the government, and the interest that would accrue on the state bonds, not less than \$250,000.³

¹Memorial to Congress, Laws of Mo., 1846-47, p. 353.

²Senate Journal, 1844-45, p. 15, "Communication from the Governor."

³"Report of the Auditor," Senate Journal, 1851, App., p. 16.

The population had increased from 382,702 in 1840 to 682,043¹ in 1850, and the greatest increase was in the river counties. These were mainly agricultural counties and this increase in population caused an increase in production which resulted in a greater demand for better means of transportation.² Already a surplus of products was being produced and there was no adequate way to get it to the markets. If it was taken in wagons or by water, and the distance was very great, the cost of transportation was more than the value of the produce. For this reason the greatest supporters of internal improvement were the farmers.³

The amazing growth of St. Louis was an added incentive to railroad construction.⁴ In 1840 the population was 16,469, and by 1850 it had increased to 77,860.

¹U. S. Census, Vol. VII., 1850, p. 665.

²At this time manufacturing was unimportant. In 1860 though the number of manufacturies was 2800 with a capital of \$20,500,000, consuming annually fuel and raw materials worth \$24,000,000 and employing more than 2000 hands: the annual product reaching the sum of \$43,500,000. U. S. Census, Vol. VIII., 1860.

³In 1850 nearly the whole of the population of Missouri was engaged in agriculture. The mineral resources were not being developed so rapidly, although there were signs of increasing activity. 9 foundries had been established in St. Louis. In 1852 there were cold blast furnaces at the Iron Mountain, averaging from 5 to 5½ tons per day, to the furnace, and running from 300 to 320 days a year. Million, "State Aid to Railroads in Missouri," quoted from "Western Journal and Civilian," VIII., May, 1852, pp. 51, 136 et seq.

⁴ St. Louis in 1810, population, 1,600
 1820, 4,598
 1830, 5,852
 1840, 16,469
 1850, 63,491
 1850, 77,860

U. S. Census, Vol. VII., 1850,

This increase was due to the amazing growth of the steam boat traffic on the Mississippi and its tributaries, which enabled St. Louis to maintain the control of the trade of the products of the Mississippi Valley. The people throughout the state, as well as the people of St. Louis, were in favor of railroad construction.

At this time Missouri had a two fold interest in internal improvements; a local and a transcontinental one. Railroads were being projected from the Atlantic seaboard to the lakes and to the Mississippi River, and from the lakes and the Mississippi River west to the Pacific. The people of Missouri were greatly interested in the lines of railroads coming from the east and those to be extended to the west. They fully realized that better means of communication would mean more rapid development of the state. Local systems would lead to the more rapid settlement of the state and the growth of cities, manufactures, et cetera, while the transcontinental scheme would mean that this development would be hastened and Missouri would secure a share of the western trade. The Santa Fe,¹ Oregon and California trails all ran through Missouri and started at Independence.¹ As the immigration West increased the commerce increased and if Missouri was to have her share of trade means of transportation must be improved.

¹"Western Extension," by G. P. Garrison in the American Nation Series, Vol. 17, p. 36.

The question of finances was one of the problems considered in the national conventions which were held for the purpose of advancing the scheme for a transcontinental railroad. Missouri showed an active interest in all these conventions by sending delegates. The agitation of the practical measures needed to construct a railroad to the Pacific, commenced in the early half of 1849. Because Missouri was so vitally interested in the project, the country "looked to Missouri to take the initiative."¹

A convention of citizens was called by the Common Council of St. Louis for the first Monday in June, 1849. J. G. Barry, Mayor of the City, presided. Speeches were made by J. B. Bowlin, Trusten Polk, and others; resolutions were adopted calling for a mass convention of delegates from all parts of the Union to consider the national importance of a railroad to the Pacific.² A committee was appointed to prepare an address to the people of the United States requesting the election of delegates to attend the proposed convention.² The response was astonishing; this first national convention met October 15, 1849 at St. Louis with over one thousand delegates from twelve states.⁴

¹Pamphlet, "History of the Pac. R. R.," 1865, p. 3.

²Also the practicability of establishing a line of electric telegraph. "Proceedings of the National R. R. Convention, St. Louis, 1850," p. 6.

³Pamphlet, "History of the Pac. R. R.," 1865, p. 8.

⁴Ibid., p. 10. (The states represented were Mo., Ill., Iowa, Ind., Tenn., Pa., N. Y., Ohio, La., Ky., Wis., Mich. 47 counties in Mo. sent delegates. See map); "Proceedings of the National Convention, St. Louis, 1850," pp. 16-27.

The convention was permanently organized by electing Stephen A. Douglass, of Illinois, president, and a long list of vice-presidents.¹ Many letters were received from prominent men of opposite political faith, who regretted that they could not be present.² During the session which lasted five days the convention adopted a memorial to Congress asking for legislation on this important question.³ The first resolution which was adopted was a request that the entire enterprise be held aloof from party prejudices, and a statement that "the convention was called for by the National interests."⁴ Another resolution which was adopted was that the delegates who reassembled at the Memphis Convention should prepare an address to the people of the United States, urging their co-operation in the scheme.

In the midst of the agitation shown in the city of St. Louis on the subject, and even before the first meeting of citizens a charter for the Pacific Railroad was granted, March 12, 1849.

¹Ibid., pp. 27-28.

²Roger Huntington, C. J. Ingersoll, H. Clay, J. C. Calhoun, Lewis Cass, James G. King, J. Van Buren, Washington Hunt, Thomas H. Benton, Jr., Robert McLane, William H. Seward, M. Van Buren. "Proceedings of the National Convention," pp. 45-98.

³Ibid., pp. 42-45.

⁴Ibid., p. 28; "History of the Pac. R. R., 1865," p. 10.

The second national convention was held in Memphis November 2, 1849,¹ to consider the route to be selected for the proposed road. Professor M. F. Maury of Virginia was elected president: and delegates were present from Louisiana, Arkansas, Mississippi, Alabama, Georgia, Kentucky, Missouri, Illinois, Pennsylvania, New York, Virginia, South Carolina, and Tennessee.² The session was at times stormy due to the diverse sections represented.³ The feeling which animated the convention as a whole was "above all local prejudices and sectional jealousies."⁴ The convention said they were for the road, "begin where it would and run where it might, that would best serve the great ends and objects of the road." By resolution they said that after the surveys were complete the government should locate the road on the route having the easiest access, most convenient, and as far as possible central to the United States and which could be constructed on the cheapest and best terms.⁵

¹"Pacific R. R. in Mo., 1865," pp. 10-11.

²Missouri Statesman, Nov. 2, 1849.

³Ibid.

⁴Million, p. 57, quoted from "Report of the Proceedings of the Convention," Committee Reports, 1st Sess., XXXI., Congress, No. 140.

⁵Missouri Statesman, Nov. 2, 1849.

This seemed to be the national viewpoint but in spite of this it was a sectional convention as the debates showed.

Missouri sent delegates to the third national convention which met in Philadelphia, April 1, 1850. William B. Ogden, of Illinois, was elected president, and a long list of vice-presidents and secretaries appointed. A committee of two from each state drew up resolutions which were unanimously adopted. These resolutions were in support of a railroad communication from the Mississippi to the Pacific. "In as much as the work was national in character it should be constructed by national means, and to avert any state or local prejudice the government should confine it's operations to the sections of the country which lie beyond the limits of the organized states."¹ A letter from Thomas H. Benton was read in the convention, in which he explained his bill for the construction of the Pacific Railroad on the central route; the road to be built at national expense.

These conventions accomplished nothing definite largely because of sectional interests, and the constant fight in Congress between the supporters of the Northern and Southern routes.² Another reason was that they offered no plan for providing the means other than those

¹Ibid., Apr. 26, 1850.

²Committee Reports, 1st Sess., XXXI. Congress, No. 140, p.11.

of the National Treasury.¹ They are of interest though because they gave new life to the desire for better transportation and show that the people of Missouri had a transcontinental as well as local interest in railroad construction.

To summarize: Missouri was now in a condition to undertake internal improvements on a large scale. Her finances were fairly good, her population was rapidly increasing and she had a two-fold interest in the proposition - a transcontinental and a local one. That she was interested in the transcontinental road is shown by her sending delegates to the national conventions. Her local interest was evinced by the legislative acts.

The general trend toward better times was apparent and in 1847 the Legislature incorporated a few companies.² The friends of one of these companies memorialized Congress (in 1847) for land grants to aid in the construction of the road.³ This was the Hannibal and St. Joseph Railroad Company which was incorporated February 16, 1847.⁴ This road was to connect St. Joseph

¹For a brief account of the selection of the route of the Pacific R. R., see Hainey, "Congressional Aid to Railroads," pp. 400-430.

²The St. Louis and Bellvue Mineral R. R. was to run from St. Louis through Potosi to Caledonia. Laws of Mo., 1847, p. 149.

³Ibid., p. 156.

⁴Ibid., p. 353.

in Buchanan County, on the Missouri River, with Hannibal, in Marion County, near the Mississippi.¹ (During the four years that elapsed before this land was granted, there was renewed interest in internal improvements and many more private railroad companies were incorporated; and additional memorials were sent to Congress asking for land to be used in the construction of railroads and also in the improvements of the rivers of the state.²

Among the companies incorporated during this time was the Pacific Railroad Company (March 12, 1849),³ with a capital of \$10,000,000. This company was to construct a road from St. Louis to Jefferson City, from there to some point on the western boundary of the state in Van Buren County.⁴ Other companies which were incorporated for the same purpose; viz., to connect St. Louis with the river towns were the (1) St. Louis Marine and Dock Company (January 18, 1849); who were given the privilege of constructing a marine railroad and were incorporated with a capital stock of \$40,000;⁵ the Independence and Missouri River Company (February 29, 1849), who were to build from Independence, to the Missouri River at Robert Rickman's landing, capital \$50,000;⁶

¹The main features of the charter will be discussed later.

²Laws of Mo., 1849, pp. 655-664.

³Ibid., p. 219.

⁴Now Cass County.

⁵Laws of Mo., 1849, p. 144.

⁶Ibid., p. 316.

(3) The Palmyra and Mississippi Railroad Company, running from Palmyra to the Mississippi River (March 1, 1849) and had a capital stock of \$30,000;¹ (4) The Missouri and Mississippi River Railroad Company (March 8, 1849) with a road to run from Lexington, via Warsaw, to a point on the Mississippi below the mouth of Apple Creek, capital \$4,000,000;² (5) The Missouri and White River Company (March 10, 1849), from Independence, to any point near Forsythe where a good terminus may be had, with an authorized capital of \$3,000,000;³ (6) The Alexandria and St. Francesville Company (March 10, 1849) running from Alexandria in Clark County, to St. Francesville, and whose capital stock was \$50,000;⁴ (7) Lexington and Daviess County Railroad (February 10, 1851) which was to run north to intersect the Hannibal and St. Joseph Railroad at some point in Daviess County, and the capital was to be \$500,000;⁵ (8) The St. Charles and St. Louis Railroad (February 20, 1851) whose route was from St. Louis to St. Charles and the capital was \$1,000,000.⁶ (This group includes only the roads which were incorporated up to February 22, 1851, which is the date when the new policy of the state began - a policy of state aid to railroads.) When we compare these with the number

¹Ibid., p. 171.

²Ibid., p. 373.

³Ibid., 279.

⁴Ibid., 285.

⁵Laws of Mo., 1851, p. 316.

⁶Ibid., p. 361.

of railroads which were chartered during the legislative session of 1836, it is evident that the state seems to be more conservative in the matter of internal improvements.

The popular agitation for railroads in Missouri became evident throughout the state as early as 1850. This agitation was due partly to the rapid growth of Missouri and also to the realization that means of transportation must be bettered. Because transportation was difficult, and also that certain localities were more interested than others; this agitation was manifested largely by county meetings. County conventions were held to which delegates came from the adjoining counties. The purpose was to obtain an expression of public opinion in regard to the proposed roads; and to devise ways and means of financing the projects. Speeches were made by prominent men and resolutions were adopted which were published throughout the state. Frequently the resolutions stated the amount of aid which the voters thought the county could give to the road.

Although the legislature had chartered several companies before this date the first record we have of a county convention being held was in July, 1859, when Henry County held a meeting at Clinton, July eleventh, to voice approval of the proposed Pacific Railroad, from

St. Louis to the western boundary of the state in Cass County.¹ By a formal resolution they requested the county court to meet and order a poll to be opened for taking a vote of the people on the question of the county subscribing stock. To increase the interest in the project they requested "all candidates for the General Assembly to debate the subject in all their public speeches between this and the election."

Other counties who held conventions this same year in support of the Pacific project were Bates,² Benton,³ and Johnson.⁴ At this time the route had not been definitely decided upon and in the resolutions adopted the counties expressed their preference for the "ridge route." This was the divide between the waters of the Missouri River and the Osage River, and the controversy was whether to select the river route or an inland one. Johnson County said that "the route following the main divide was the most practicable yet we will support ANY route the Board of Commissioners may select." Bates County took the same view resolving that notwithstanding their "preference for the ridge route we are in favor of the construction of the road and will abide by the action

¹"The Metropolitan" (Jefferson City), July 30, 1850.

²Statesman, Nov. 29, 1850.

³Ibid., Nov. 8, 1850.

⁴Weekly Jefferson Inquirer, Oct. 20, 1850.

of the Board and cooperate with a majority of the people of the state." This spirit is absent from the resolutions of the Benton County meeting. They favored the same route but with the proviso that "if this one is selected we pledge ourselves to subscribe stock as liberally as any county in the state in proportion to our means.¹ Nothing is said as to what support they would give if the other route was chosen.

Osage County held a convention December 27, 1850 at Linn, to consider taking stock in the Pacific Railroad.² President Allen of the Pacific was present and made an address urging the support of all the counties along the route. The convention resolved that the "court should take the sense" of the people, as to the propriety of subscribing to the capital, and that the state should lend her credit to the enterprise to an extent that will effectually accomplish it."

The only other convention of that year of which we have a record was one which supported the Hannibal and St. Joseph Railroad and met in Hannibal early in October. There were few delegates present, but officers were appointed and the road was enthusiastically endorsed.³

¹Statesman, Nov. 8, 1850.

²Weekly Jefferson Inquirer, Jan. 11, 1851.

³Statesman, Octo. 28, 1850.

The first convention of 1851 was held by Morgan County, January first, at Versailles. The resolutions did not merely say that they were in favor of the Pacific Railroad, but pledged "to aid the road to the extent of their means." "The county court was requested to subscribe \$50,000," and they pledged themselves "to take the necessary steps to procure such a subscription." They further recommended that the "Legislature subscribe one-fourth of the stock of the road, and that the charter be amended to allow the road to pass over the most desirable route, and that the company ought not to be required to carry it to any particular spot."¹

The result of this popular agitation for the Pacific, and the Hannibal and St. Joseph railroads was that February 22, 1851 the first state aid authorized by Missouri was granted them. The state was willing to pledge her credit because of the realization that the task was too great for private enterprise alone. The taxable wealth of the state was only \$137,247,000.² An adequate system of railroads would develop the territory of the state, especially those districts which were distant from the waterways; and would enable St. Louis to

¹Weekly Jefferson Inquirer, Jan. 18, 1851.

²U. S. Census, Vol. IX., p. 10.

maintain her commercial supremacy.¹

Chicago was a town destined to be a rival of St. Louis. It had grown from 4,470 inhabitants in 1840 to 30,000 in 1850, and already there was rivalry between St. Louis and Chicago for the produce of the territory recently opened up by the Illinois and Michigan Canal. This canal completed the direct communication between St. Louis and Chicago, making each a market for the produce of the surrounding territory. In the matter of railroad construction Chicago was far in advance of St. Louis and this deeply impressed the citizens of the latter city with the necessity of an extensive system of railroad communication.

The desire to develop the territory of the state and the city of St. Louis really were two of the principal causes which led to the state adopting a policy of assisting in railroad construction, but these were not the only causes. Another reason for granting state aid was that good transportation facilities would attract a large share of the transcontinental traffic and cause it to pass through the state. Passenger and freight rates

¹In 1850 the capital invested in manufactures in St. Louis was \$4,377,711, and the total value of the annual product turned out by the various industries was \$15,400,340. At this time St. Louis was the greatest manufacturing center in the Mississippi Valley.

²Million, "State Aid to Railroads," pp. 49-53.

west, were very high and this would mean that the wealth of the people of the state would be materially increased.

The efforts of Eastern states to construct railroads had proven conclusively that railroad construction and operation should not be attempted wholly by the states. But private enterprise alone could not in 1851 undertake such a gigantic scheme. The population of the state was only 682,907 and the taxable wealth was \$137,247,000.¹

As it was considered bad policy for the state to engage in the actual construction and as private capital was insufficient the only recourse was to combine private capital with public credit. In 1851 Governor King wrote, "With the aid which the state can give, and in a way by no means oppressive to its citizens, the roads can be built. Without this aid the work must fail."² It was thought best for the state simply to lend its credit because "by a loan of public credit, the state does not become involved in the management." This was considered to be best because private interest is generally found to be more keenly alive to the proper direction of works of this character than the public, acting through its officers, who do not always feel an immediate respon-

¹"Auditor's Report," 1850, pp. 16-17; U. S. Census, Vol. IX., p. 10.

²Senate Journal, 1850-51, p. 37.

sibility.¹

The result of this agitation was that the state granted aid to a few roads to expedite the construction. The first bill was passed February 22, 1851 and gave the Pacific Railroad, \$2,000,000 and the Hannibal and St. Joseph Railroad, \$1,500,000. The Hannibal and St. Joseph which was incorporated February 16, 1847 ran across the state east and west and was to connect St. Joseph in Buchanan County, on the Missouri River, with Hannibal in Marion County, near the Mississippi River. The other roads which completed the system of state aid roads were: the North Missouri, running from St. Charles, through the northeast part of the state to the Iowa line, with a branch through the counties north of the Missouri, to the western border of the state;² the Pacific, running from St. Louis, through the counties south of the Missouri River to the mouth of the Kansas River; the South West Branch, starting from Franklin on the Pacific, and running through Rolla and Springfield, to the southwest corner of the state; and the St. Louis and Iron Mountain, running from St. Louis south to the Iron Mountain, and later extended to the Arkansas line. The Platte County which would run from the west terminus of the Pacific Railroad in Jackson County

¹Ibid., App., p. 246. "Report of the Commissioner on Internal Improvements."

²The charter was later amended so that the road was extended to St. Louis. Laws of Mo., 1852-53, p. 323, Section 9.

north to St. Joseph and could extend its line to the north boundary of the state. The Cairo and Fulton could build from a point on the Mississippi River, opposite the mouth of the Ohio at Cairo to the north boundary of Arkansas where the Cairo and Fulton Railroad of that state crossed the line.¹ The general direction which these lines took radiated from St. Louis.²

The early policy of extending aid was (1) that the company must secure a certain specified amount of bona fide subscriptions before the Governor was authorized to issue any of the bonds;³ (2) as soon as the company could give proof of having spent a certain sum in actual construction the state was to issue its bonds to the company for an equal sum - these bonds were to be sold at not less than par. Under this plan \$9,000,000 aid was granted the Pacific, Hannibal and St. Joseph, Cairo and Fulton, North Missouri, and St. Louis and Iron Mountain.⁴

¹These later became parts of other systems, the Pacific of the present Mo. Pacific system; the S. W. Branch, of the present St. Louis and San Francisco system; the Iron Mountain, of the St. Louis, Iron Mountain and Southern system; the North Missouri, of the Wabash; and Hannibal & St. Joseph, of the Chicago, Burlington and Quincy system.

²The Cairo & Fulton in the S. E. part of the state was of little importance. The Platte County road was of significance, but at a period later than 1860.

³Hannibal and St. Joseph, and Pacific each had to have \$1,500,000.

⁴See Actual Legislation of Aid in chapter on Construction.

This amount of bonds together with the private stock of the companies proved insufficient to complete the roads; largely because the cost had been underestimated, and the state was forced to grant further credit in December, 1855.¹ This later plan varied from the earlier one in that two dollars of aid was granted for every dollar of private funds spent in construction. This plan was followed again in 1857 even though the act was passed in opposition to the recommendations of the Minority Committees of the House and Senate, who recommended that the state not depart from the original conditions of granting aid; that is, one dollar of aid for one of private funds spent in construction.² This act of 1857 was the fourth and last act which the state passed to aid in railroad construction.

While the state was aiding a few railroads others were being chartered by the legislature which were financed with private means. These roads were lines radiating mainly out of St. Louis. During the period from February 22, 1851 (the date of the first state aid grant) to January 1, 1860 the legislature incorporated seventy roads. No less than thirty of these were char-

¹Laws of Mo., Adj. Sess., 1855, p. 472.

²House Journal, 1856-57, App., p. 360.

tered during the year 1857.¹ This was in spite of the fact that the year 1857 was a time of economic depression throughout the whole country. That there was a wide-spread agitation for railroad construction is shown by the fact that county conventions were held every year from 1850 to 1860.² With a few exceptions these meetings were all called for the purpose of supporting the state aid railroads.

Prominent speakers addressed these meetings presenting the merits and sometimes the disadvantages of the schemes. Usually those present subscribed to the capital stock of the proposed company and arrangements were made for the opening of subscription books throughout the county. The editorials of the newspapers of the period reflect the opinion of the people of Missouri toward railroads. The arguments in favor of railroad construction were that emigrants would be attracted to

¹During the remainder of the year

1851,	2	roads were in-
1853,	9	corporated.
1855,	18	
1857,	30	
1859,	<u>11</u>	70

²County conventions:

1851,	9	
1852,	21	
1853,	18	
1854,	13	
1855,	2	
1856,	2	
1857,	5	
1858,	6	
1859,	<u>8</u>	84

Missouri, and the state would be settled up much faster.¹ This argument was especially effective before 1856. At that time the public lands were nearly all taken up; not over 150,000 acres were vacant. During November of 1850 alone, 230,000 acres were entered.² Railroad facilities would also encourage industrial growth. Missouri was rich in raw materials which could be conveyed to the manufacturing districts of the country to be exchanged for their fabrics.³ In addition Missouri possessed more hidden resources to develop than any other state. The development of these depended on transportation facilities. The freight rates at this time were very high.⁴ Freight was seventy-five cents per hundred pounds, and often higher, to be carried only as high up as Weston on the Missouri River. Freight by railroad from St. Joseph to Weston was not over twenty cents per hundred pounds, and from Weston to St. Louis twelve and one-half cents per hundred pounds, or thirty-two and one-half cents per hundred pounds from St. Joseph to St. Louis.

Another argument was that the value of the land would be increased, this rate of increase being determined by the distance of the land from the railroad. It was estimated that an additional five dollars per acre was

¹Statesman, July 1, 1853.

²St. Louis Intelligencer, Dec. 16, 1856.

³House Journal, 1848, p. 22, "Governor's Message."

⁴Weekly Jefferson Inquirer, Oct. 11, 1851.

added to all land within five miles of the road on either side and a proportional increase to those at a greater distance. Using this valuation as a basis the Iron Mountain Railroad alone added over \$6,000,000 to the wealth of the state. The farmers in Southwest Missouri estimated that their profits were increased fifty per cent. Markets were opened to portions of the country which before could not be cultivated because the distance they had to haul the produce was so great that they could not make a profit. The railroads gave the farmers inducements to increased exertions to cultivate the soil, for they were sure of a market at home.¹ In addition it was argued that the roads were paying propositions.

The reports of Eastern companies seemed to show that funds which were invested in railroad bonds would pay a high rate of interest, and be a safe investment, and the immense income which would be derived could be applied to the endowment of common schools and a university.² However this argument was not as effective as the others, as the people at this time wanted better means of communication rather than investments. The Statesman for July 1, 1856 sums up the prevalent opinion of the benefits of railroads by saying, "Railroads are not only mighty instruments of progress and development

¹Weekly Jefferson Inquirer, April 23, 1859.

²Statesman, Oct. 7., 1853.

in all that pertains to the physical wants of society, but they also exert a vast influence for good on the mental and moral faculties of men. No man, however dull or stupid he may be, can witness the lightning-like approach of the locomotive with its precious freight of humanity without being infused with the spirit of activity and 'go aheadativeness.' The shrill whistle sends new life and vigor to the heart of a community." The locomotive is also a kind of "moral missionary, the forerunner of a new era to all who have hitherto been shut out from the beneficent influences of its mission. Markets are opened up for the product of the soil, labor is amply rewarded and enterprise stimulated in all departments of trade and industry. Along the track of every railroad, newspapers are scattered carrying tidings from every section of the country near and remote. Railroads are working a mighty change in the destiny of our state."¹

While these advantages were ardently supported there was some opposition to the extension of railroads in Missouri. The great supporters of the movement were the agricultural classes, while it was charged that the opposition was led by the politicians who for reasons of their own were trying to hinder or defeat the movement.²

¹Statesman, July 1, 1853.

²St. Louis Intelligencer, Sept. 17, 1852.

Because of this the papers of 1852 urged the people to narrowly watch the legislative progress of the railroad bills; because some members of the legislature while not daring to openly vote against the measures were trying to clog the legislative machinery and prevent the passage of the bills.

That same year the feeling in St. Joseph against St. Louis was very bitter. It was said that the people of St. Louis would favor a railroad anywhere that would benefit them, injure whom else it might - that they would as soon see a railroad built in Illinois as in Missouri, as their pride of state was swallowed up in their higher pride of city. St. Joseph was urging the completion of one or two roads and not the "commencing of an entire system of railroads in Missouri."¹

An objection which was raised in Jefferson City was that if the number of roads then recommended (1852) were commenced at once, the state would be bankrupt, and the companies too, that undertook to build them.² The entire credit and energies of the state should be concentrated on one road until it was finished.

In 1853 the cry was that the railroad would stimulate production but that it could not increase consumption, and with the population no larger this would ^{be}

¹Jefferson City Inquirer, Nov. 13, 1852.

²Ibid., Nov. 20, 1852.

ruinous.¹ Thus it was urged that one or two roads be built but that the people not undertake the construction of a railroad system until the state was more developed.

The fact that the early roads were mismanaged and that the actual cost of the roads had exceeded the estimates of the engineers resulted in strong opposition to all railroad schemes.² The Randolph Citizen of September 17, 1857 suggests that this condition might have been averted if the legislature were properly represented in the Board of Directors. The state had granted \$25,000,000 of aid yet she had no representation on the board. The treasury was depleted and the state credit used up by appropriations to railroads which because of the "unheard of expense of their construction could never pay."³

The question of extravagant cost was largely based upon the Report of the Directors of the North Missouri Railroad for May, 1857,⁴ which stated that the cost of the first division extending from St. Louis to St. Charles, a distance of nineteen and two tenths miles was \$848,832.80, being at the rate of \$44,675 per mile. The estimated cost for the second division, extending from St. Charles to the Hannibal and St. Joseph Railroad,

¹Jefferson City Examiner, Jan. 8, 1853.

²Randolph Citizen, Sept. 17, 1857.

³Weekly Jefferson Inquirer, May 7, 1859.

⁴Huntsville, Randolph Citizen, Sept. 9, 1859 (Editorial).

a distance of one hundred forty-eight miles, was \$4,444,102.35 or \$30,027 per mile. This road built at such extravagant figures passed over a section of country which was especially favored by nature for cheap construction. The contract for the third division extending from the Hannibal and St. Joseph Railroad to the Iowa line, a distance of sixty one and forty-five hundreds miles was awarded to experienced contractors at the rate of \$15,000 per mile. It is hardly possible to explain this discrepancy in figures on any honest hypothesis. This price of \$15,000 per mile was to include the rails, ties, and everything complete. The estimate of the Chief Engineer of the company for this third division was over \$50,000 per mile or a total increase of over \$2,000,000 between the estimated cost and the contract rate at which the work was let out. This fact suggests the idea that the estimates and cost for first and second divisions of the road also varied widely from what they should have been.

The Pacific Railroad also came in for its share of criticism. The affairs of the Pacific were more complicated and the feeling for and against granting more aid to complete it was more intense. The state stood in regard to the road pretty much as the man who held a bear by the tail - a hard question to decide, whether to

hold on or let go. Some people wanted to hold on, yet with such caution as would secure them against further mischief from the company. The state had been bled more for this road than any other. The opposition violently opposed spending any more money on the road until the contractors who held the contract for building the road, at exorbitant figures, gave it up. Then they favored the legislature's voting additional funds to see that the construction was completed.

As the time approached for the meeting of the General Assembly in 1859 the policy of extending further state aid to the railroads was vehemently opposed through the press. "The vices of railroad management" did much to engender hostile prejudices against the railroad system.¹ For example, the receipts and expenditures of the St. Louis and Iron Mountain Railroad were not communicated to the public. "The president had a direct and deep interest in lowering the charges for transportation to the lowest figure because he was the principal proprietor of the iron mines, the products of which constituted a large portion of the freight conveyed to St. Louis by this road. He not only made no exhibit of its earnings and disbursements, but he suppressed the last annual report, though ordered to be printed by a unanimous vote of the stockholders."

¹The Weekly Missouri Democrat, Sept. 9, 1859.

But there were causes, exclusive of mismanagement and irresponsibility, which co-operated in producing opposition to railroad interests. The inhabitants of districts remote from the roads believe that the advantages resulting from them are confined to the localities contiguous to the routes. The taxes levied to defray the cost of construction are direct and tangible, but the returns, though perhaps a hundred fold greater, accrue imperceptibly and only become obvious at lengthened intervals. That the effects of railroads were general and not local was a fact which localities were slow to recognize.¹

The Platte County Railroad was charged with bad faith and that they were maturing a scheme to swindle the too confiding State of Missouri, for the benefit of non-resident capitalists and speculators in town lots, outside of the state. These capitalists owned lands in Missouri and by diverting the route to run by the river rather than through Platte County the line would be one hundred and ten miles long instead of seventy and the value of their land would be increased at the expense of the land in Platte County.²

To summarize, the objections to railroads then were, mismanagement, and irresponsibility of the companies, and the feeling that their effects were local and not gen-

¹Ibid.

²Weekly Jefferson Inquirer, April 10, 1858.

eral. All of these advantages and objections were brought out in the town and county meetings but the resolutions adopted showed that the sentiment throughout the state was in favor of a system of railroads.

Each convention held was to support some one scheme of construction. Fifty-seven counties in the state either held conventions of their own or else sent delegates to meetings in adjoining counties. The location of these fifty-seven counties shows that the agitation was supported by practically the entire state except the Ozark region. A majority of the conventions were held to support the state aid roads.

The meeting of a convention was a gala time. "Immense" crowds usually assembled and often probably as in the case of the Buchanan County meeting "the streets were lighted with burning tar barrels;"¹ or if it was held during the day frequently they had a "Grand Free Barbecue, to which all the world and the rest of man kind were invited."² In all of the conventions there was a discussion and expression of public opinion and the counties were requested to subscribe certain amounts to the funds.³

A typical railroad convention met in St. Charles November 16, 1852 to agitate the question of ways and

¹Weekly Jefferson Inquirer, Oct. 20, 1856.

²Ibid., Oct. 4, 1851.

³See Appendix table on County Subscriptions.

A detailed map of Missouri, showing its county boundaries and names. The map is oriented with the Missouri River to the west and the Mississippi River to the east. The title "COUNTY CONVENTIONS" is written in the top right corner. The counties are labeled as follows:

- Atchison, Nodaway, Worth, Harrison, Mercer, Putnam, Schuyler, Scotland, Clark
- Holt, Gentry, Sullivan, Adair, Knox, Lewis
- Andrew, DeKalb, Daviess, Grundy, Linn, Macon, Shelby, Marion
- Buchanan, Clinton, Caldwell, Livingston, Chariton, Randolph, Monroe, Pike, Lincoln
- Platte, Clay, Ray, Carroll, Saline, Howard, Boone, Audrain, Callaway, Montgomery, Warren, St. Charles, St. Louis
- Jackson, LaFayette, Johnson, Pettis, Cooper, Boone, Audrain, Callaway, Montgomery, Warren, St. Charles, St. Louis
- Cass, Henry, Benton, Moniteau, Cole, Osage, Gasconade, Franklin, Jefferson
- Bates, St. Clair, Hickory, Morgan, Camden, Miller, Phelps, Crawford, Washington, St. Francois, St. Genevieve, Perry
- Vernon, Cedar, Polk, Dallas, Loclede, Texas, Dent, Iron, Reynolds, Madison, C. Grandeau
- Barton, Dade, Greene, Webster, Wright, Shannon, Reynolds, Madison, C. Grandeau
- Jasper, Lawrence, Christian, Douglas, Howell, Carter, Wayne, Ballinger
- Newton, Barry, Stone, Taney, Ozark, Oregon, Ripley, Butler, Stoddard, New Madrid, Mississippi
- McDonald, Taney, Ozark, Oregon, Ripley, Butler, Stoddard, New Madrid, Mississippi
- Pemiscot, Dunklin

means of building the North Missouri Railroad. The following resolutions were adopted: (1) The North Missouri Railroad from St. Charles by St. Louis to the North line is very important. (2) It is the duty of the state to adopt a liberal policy of aid in internal improvements but it should favor especially the main trunk lines. (3) The convention present a memorial to the legislature requesting an extension of state credit. (4) The legislature be asked to amend the charter of the North Missouri Railroad and authorize the extension of the road to St. Louis, and exempt the company from certain features of the law governing corporations which had been granted the Hannibal and St. Joseph, and the Pacific railroads. (5) The wealth of the state should be used to aid in building a good system of railroads in the state. (6) Collective wealth must be looked to rather than individual in undertaking such a large enterprise. (7) The General Assembly should pass a law authorizing counties, towns, and cities to subscribe on a vote of a majority being in favor of the plan. (8) Congress be asked to grant the North Missouri Railroad, land equal to the grant to the Pacific, and Hannibal and St. Joseph. (9) The Directors be requested to open subscription books as soon as possible. (10) A committee of five be appointed to prepare an address to the people of North Missouri on the matter contained in the reso-

lutions. (11) The meeting adjourn to meet in St. Louis, Monday the fifteenth. The standard of this convention was "Union, Harmony, Action!"¹

Another convention of interest was the one held in Carthage in December. Resolutions were proposed and when voted on were adopted with only one dissenting vote. The first four resolutions explained why the Pacific Railroad should pass through Southwest Missouri. The convention agreed that "notwithstanding our lack of cheap and expeditious internal communication to connect us with some important commercial point, South West Missouri has increased in wealth and population in the last ten years and will compare favorably with any other portion of the state. Invidious comparisons have repeatedly been made between the counties bordering on the Missouri River and counties in the South West part of the state. These have not been made with the intentional design of doing South West Missouri an injustice but through lack of proper and correct knowledge. The large deposits of iron, lead and coal abounding in South West Missouri makes us agree that the Pacific should be located through South West Missouri. The capabilities of this section when viewed as a grain growing, stock raising, manufacturing, and mineral country combined, are not equalled by any other country, and it has strong and just

¹Statesman, Nov. 19, 1852.

claims for legislative aid in the construction of internal improvements to develop its resources. The increased revenue in the way of taxation will amply indemnify the state for a liberal loan of her credit to aid in the construction. The prompt and liberal action of Jasper County in subscribing stock will aid our prospects in getting the road located through this county. We therefore recommend that a poll be opened at the present election to ascertain the sense of the voters whether the county take \$50,000 stock."¹ The chairman appointed a committee of seven to collect statistics of the products of Southwest Missouri and a statement of the population and all information necessary to promote the interests of the Pacific through Southwest Missouri. The convention then adjourned to meet October 25, 1852.²

Another typical set of resolutions were those adopted December 23, 1852 in the Jefferson County convention. They resolved (1) That to facilitate internal improvements it is the duty of the state to loan its credit. (2) The speedy construction of a railroad from St. Louis to the Iron Mountain is a matter of greatest importance. (3) The road should be located on the most direct route through the

¹Jefferson City Inquirer, Dec. 4, 1852.

²Ibid.

Mountain and Pilot Knob, there immediately was a protest from the citizens of St. Francois County. A convention met in Farmington and passed resolutions that this line would not be "the greatest good to the greatest number" and that a more direct route would be more practical. The legislature should not grant the credit of the state to work which was partial in character. They felt that this branch was so partial that the whole traveling and business community would be burdened with from twenty to twenty-five miles of extra railroad travel and transportation and would be taxed from twelve to fifteen per cent upon all passengers and freight to accommodate a few local interests.¹

These conventions which have been described were all held to support the state aid railroads. However, during the period 1850-1860 there were a few exceptions to this rule.

The first exception of which we have any record was to agitate the question of a railroad from Weston in Platte County to Calloway County (later to St. Louis). Clay County called the first convention and began the agitation December 23, 1853.² This convention decided that the railroad was necessary for "the wants of commerce."

¹St. Louis Intelligencer, Jan. 27, 1853.

²Missouri Statesman, Dec. 23, 1853.

The great agricultural and manufacturing interests of that section of the state required "a speedy and certain means of reaching St. Louis, the commercial emporium." That the convention desired to begin at once is shown by the fact that a committee of three was appointed to correspond and arrange for a general meeting of all counties interested to be held in Brunswick. Another committee of five was appointed to prepare a statement of the value of the landed property in the county and see how much individual stock would be subscribed.

The meeting which Platte County held late in December, 1853 was to create interest in this road but they also considered the Pacific Railroad and in their resolutions stated that Fort Leavenworth was the proper starting point for the road. They approved of the general railroad meeting at Brunswick.¹ January 2, 1854 Platte County called another convention in which thirty delegates to the Brunswick meeting (February 20, 1854) were appointed and the convention approved of the county's taking \$4,000,000 stock in the road and urged individuals to subscribe liberally. They also resolved that "in view of the great importance of the road, if the state refuse to loan her aid to the construction - we will build

¹Richmond Mirror, January 13, 1854, p. 1.
²Ibid.

the road ourselves.¹

A meeting of Chariton County citizens was held at Brunswick, January 10, 1854. The city of Brunswick and the county of Charitan were urged to take their share of stock. The delegates believed that this road would pay from the outset better than any other route through the state. A corresponding committee of five was appointed to get in touch with similar committees on the route relative to the interests of the road. The chair appointed fifty delegates to attend the county convention at Keytesville, January 2, 1854.²

The people of Howard County were heartily in favor of the road and in a meeting at Fayette, January 4, 1854 they recommended that the county take \$250,000 stock and said that they believed that a larger amount of individual subscriptions would be taken in Howard than any other county. That they approved of the idea of holding a convention of delegates from all counties interested at Brunswick, is shown by the appointment of forty delegates to attend. A correspondence committee of three was appointed to correspond with other counties and obtain all the practical information possible on the subject.³

¹Ibid.

²Ibid.

³Ibid., Jan. 27, 1854.

The Clay County meeting was so enthusiastic over the proposed road that they said, "We are not afraid of being taxed when we get the worth of our money. We are in favor of beginning the road with our own means, through private and county subscriptions, and that when we have shown that we are in earnest, if we need aid from abroad we can get it."¹ In the consideration of the route, local interest came in, in that they resolved that Richfield should be on the route. Five special delegates were appointed to represent Richfield in the Brunswick convention.

February 22, 1854 the convention met at Brunswick and there were delegates present from Platte, Clay, Ray, Carroll, Randolph, Chariton, Howard, Boone, St. Louis, and Callaway counties. It was an enthusiastic meeting but was not without dissention. A committee was appointed to prepare an address to the people and men selected to deliver speeches in the different counties. The division of interest became apparent when the committee on business made their report. The majority "recommended that the road pass through Howard, Boone, and Callaway counties, while the minority committee recommended that it pass through Randolph. One of the committee dissented from both reports and offered a substitute. Major Dougherty

¹Ibid., Feb. 24, 1854.

made an able speech against the substitute and when the vote was taken it was voted down, and the majority report was accepted. The resolutions of the convention provided for a complete organization of the company. They decided (1) that it was expedient that the road be organized under the general laws of Missouri, and (2) for that purpose they recommended the adoption of Articles of Association; the company to be called the Weston and St. Louis Railroad Company and was to continue for at least two hundred years. (3) The city of Weston and the point of intersection with the North Missouri Railroad were to be the places from and to which the road was to be built. It was to pass through Platte, Clay, Ray, Carroll, Howard,, Chariton, Boone, and Callaway counties and the estimated length was two hundred miles. (4) The capital of the company was to be \$5,000,000 and the shares were to be sold at fifty dollars each. (5) A Board of Directors was provided for which was to consist of thirteen members. (6) The company was to conform to the law governing the formation of railroad associations. (7) The road was to pass through or adjacent to the county seats on the route and at each there was to be built a depot. (8) The Board of Directors were to memorialize Congress for a land grant and open books for the subscription of stock.¹

¹Statesman, March 3, 1854.

This was the only convention which told in detail in the resolutions the plans for the organization of the company.¹

The last convention which was held in support of this road was held in Howard County. In this meeting Howard County pledged "to do their share in supporting the road." Citizens who were present subscribed for one hundred thirty five shares.²

Two counties, Morgan and Moniteau, held meetings for the purpose of securing a speedy completion of the Osage Valley and South Kansas Railroad which was incorporated November 21, 1857.³ The Morgan County meeting was held at Versailles, and in the resolutions local interests came first. They requested the county court to subscribe \$50,000 to the capital stock, "provided Versailles be made a point on the road."⁴

This spirit is absent from the Moniteau County meeting which was held at Tipton. There were representatives from Henry, Cooper, Moniteau, Howard, Morgan, and Bates counties. The representatives from Boonville asked to be excused as "they did not wish to evince any preference as to the point the Missouri Central road should intersect the Pacific." The convention resolved that they

¹The Weston & St. Louis Co. was incorporated March 5, 1855. Laws of Mo., 1855, p. 430.

²Richmond Mirror, April 14, 1854.

³Laws of Mo., 1857, Adj. Sess., p. 59.

⁴Globe, Dec. 10, 1858.

would cooperate with the Osage Valley and Southern Kansas, and the Neosho Valley railroads as "they will tend to improve Missouri," and their Senator and Representative were requested to obtain land grants if possible. This was the only convention which considered questions other than railroads. Their third resolution was that the mail facilities were inadequate and the Postmaster General was requested to increase the service upon the routes from Tipton to the interior of Missouri and Kansas.¹

Moniteau County was also interested in the building of a branch railroad from Boonville to intersect the Pacific at California. A convention was held in October, 1858 at California and they "pledged to assist in the construction of the road to our utmost ability should the road terminate at California."² Three other roads supported by county conventions during this period were the Central Missouri Railroad,³ the Mississippi Valley

¹Weekly Jefferson Inquirer, Dec. 11, 1858.

²Ibid., Oct. 30, 1858.

³Incorporated Feb. 12, 1857. Laws of Mo., 1857, p. 308. Cooper County called a meeting to discuss measures for the best and most rapid accomplishment of the work of construction. A committee was appointed to investigate the condition of the company. Weekly Jefferson Inquirer, Oct. 16, 1858.

Railroad,¹ the Charitan and Randolph Railroad,² and the Missouri River Valley Railroad.³

The Charitan and Randolph Company agitation began with a meeting held at Roanoke.⁴ There it was agreed that if the road was located through Roanoke \$12,000 to \$15,000 stock would be subscribed. Charitan County held the next convention at Brunswick. At this meeting a committee was appointed to procure orators for the occasion of breaking ground for the road and to draft a circular letter to the people along the route asking their cooperation for the road.⁵ November of this same year another meeting was held at Richmond to secure the completion of the road. Fifty delegates were present and the two counties of Charitan and Randolph subscribed \$400,000 to the work.⁶ The delegates to this convention were instructed to use their influence to fix as points on the road the county seats of Randolph, Charitan, Carroll, Ray, Clay, Platte, and Brunswick in Charitan.⁷ This was the last

¹Incorporated Feb. 25, 1857. Laws of Mo., 1857, p. 96. The Mississippi Valley Railroad convention was called by Marion County in June, 1855 and there were representatives from St. Louis, St. Charles, Lincoln, Pike, Ralls, Marion, Shelby, Lewis, and Clark counties. They all pledged to support the road, and the legislature was requested to grant state aid for the construction. Weekly Jefferson Inquirer, Oct. 30, 1858.

²Incorporated Feb., 1858, Laws of Mo., p.

³Incorporated Dec. 12, 1859, Laws of Mo., Adj. Sess., p. 415.

⁴Randolph Citizen, Apr. 10, 1858.

⁵Weekly Jefferson Inquirer, Apr. 23, 1859.

⁶Randolph Citizen, Nov. 25, 1859.

⁷Ibid.

convention of which we find any record which met in the interest of this road.

Another private company, the Missouri Valley Railroad, was supported by conventions in 1859. Ray County called the first one at Richmond and there were representatives from Ray, Clay, and Carroll counties. Owing to the bad condition of the roads and the inclemency of the weather this meeting was not fully attended so the convention adjourned until May sixteenth to meet at Jefferson City.¹

In the Jefferson City meeting addresses were made which showed that the road could be built by the counties through which it would pass, without state aid and that when it was completed it would be the best paying road in the state. The cost was estimated and it was urged that each county subscribe two hundred fifty dollars to pay for the preliminary survey. They adjourned to meet again in July at which time definite measures for the actual work were to be discussed.²

The only other private company which was endorsed by a county convention was the Kansas City and Fort Desmonies Company³ which was incorporated in March, 1859.

¹Weekly Jefferson Inquirer, Apr. 23, 1859.

²Ibid., May 28, 1859. (No record of this July meeting was found.)

³Laws of Mo., 1859, Vol II., p. 407.

Harrison County held a convention at Eagleville to consider the construction of the road. They agreed "to heartily cooperate with any company who might undertake the construction of the road and who made Eagleville a point on the road." They resolved that they would "on any reasonable terms united with any organization in or out of the state who would undertake the work."¹

To summarize: Missouri was deeply interested in the subject of internal improvements, and this interest was evinced as early as 1836 when a convention met in St. Louis. The same year the Governor (Governor Boggs) in his message to the Senate favored a general system of internal improvements. The legislative session of 1837 incorporated a number of companies, but as no construction was ever done on these roads, it seems that Missouri was not yet ready. Interest, however, never died and in 1849 was revived again. During 1849-1850 Missouri's finances had improved, the population had increased, and cities were beginning to grow and Missouri was not ready to undertake the work.

Her interest in railroads was both local and transeontinental. Local interest was shown by the fact that the legislature continued to incorporate companies; while her interest in a transcontinental line was shown

¹Weekly Jefferson Inquirer, Feb. 26, 1859.

by her sending delegates to the three national conventions. That these conventions accomplished nothing was due largely to sectional interests which were present.

With the year 1850 popular agitation was common. County conventions were held to agitate the question of improved means of transportation. The result of this enthusiasm was that in February, 1851, the state began her policy of lending her credit to a few companies.

Every year from 1850 to 1860 county conventions were held in which railroads were supported or opposed. In spite of the fact that local interests were present in these meetings, they were all striving to accomplish the same thing, i. e., to build an adequate system of railroads in Missouri.

CHAPTER II.

AN ANALYSIS OF RAILROAD CHARTERS.

The railroad companies who received charters from the state were of two classes, those who received state aid, and those which did not. In attempting to analyze the charters of the railroad companies the writer has taken the articles of incorporation of the roads which received state aid, as being typical, and then has shown the variations which were found in other charters.

The state aid roads included the Hannibal and St. Joseph Company,¹ chartered in 1847; the Pacific Company,² in 1849; the North Missouri Company,³ and the St. Louis and Iron Mountain Company, ⁴ in 1851; the Platte County Company,⁵ in 1853; and the Cairo and Fulton Company,⁶ in 1855. These were all incorporated by the State of Missouri as private companies and later received grants of aid from the state.

The powers granted to these companies were the general powers granted to any corporation, and gave them

¹Laws of Mo., 1847, p. 156.

²Ibid., 1849, p. 219.

³Ibid., 1851, p. 483.

⁴Ibid., 1851, p. 479.

⁵Ibid., 1853, p. 355.

⁶Ibid., 1855, p. 314.

practically the same legal status as an individual.¹

A Board of Directors² was created which varied in numbers from nine in the North Missouri Company to twenty-one in the Pacific Company. They were elected by the stockholders and were to have general control of the road. They were given the power to open subscription books, make the laws and by-laws of the company; elect the officers and determine their salaries; the authority to appoint all committees, fill vacancies, regulate the payment and transfer of stock, keep a record of the expenses of construction, and a journal of their proceedings; the authority to determine the amount of tolls and keep them posted in all freight offices and stations, determine the kind of carriages, declare dividends, hold and sell land, and if the right of way was refused to condemn the land. The stockholders were granted³ the right to elect the directors; could vote by proxy, and were entitled to one vote for every share of stock held. One seventh part in interest of them could call a meeting of the company, provided they gave notice for four weeks in two public newspapers.

¹The right to sue, make contracts, possess and dispose of real estate, have continued succession, etc.

²Laws of Mo., 1847, p. 156, Section I.

³Ibid., 1848-49, p. 219, Section 4.

The charters stipulated what sources the finances were to come from to build the roads. They all provided that as soon as the first Board of Directors was organized they were empowered to open books for private subscriptions, "at such times and places as they may designate, under the supervision of such persons as they may appoint."¹ The books were to remain open as long as they deemed proper and might be reopened when it was necessary, until the whole stock was subscribed.² In addition to the subscriptions from private individuals, any incorporated city, town or county could subscribe and appoint an agent to represent them and protect the interests of the city, town, or county.³ As a further means of increasing the revenue, the charters provided that the companies could "receive and hold loans, gifts, grants and donations of lands, money or bonds in any quantity, from this state or the United States," and could dispose of them and apply the proceeds⁴ to the construction of the railroad.

¹Ibid., p. 219, Section 2.

²A stipulated amount of subscriptions was necessary though before the company was formally organized. This amount varied; the H. & St. J. required 1,000 shares @ \$100; the Pac., 2,000 shares @ \$100; the N. Mo., 1500 shares @ \$100; the Platte County, 3,000 shares @ \$50; the charters of the Cairo & Fulton, and the St. L. & Iron Mt. did not state the number required.

³Laws of Mo., 1848-49, p. 219, Section 14.

⁴This provision is not present in the Pac. R. R. charter.

After February 22, 1851 the companies received issues of state bonds to help finance the roads.¹

Certain clauses were to limit the powers of the companies. One of these was a limitation of time. The charters state definitely how many years the company had in which to begin the work of construction, and the length of time allowed for completion.² This was to assure the people of the state that railroads were really going to be built and not simply discussed. Further, it was specifically stated that the operations of the company were restricted to the "general business of locating, constructing, making and using the railroad, and all acts necessary or proper to carry the same into complete and successful operation."³ Between 1837 and 1840 many companies had engaged in banking and often to their loss. Because of this and the growing belief that the two branches of business could not be carried on profitably by the same corporation, many of the railroad charters granted

¹See Chapter III. on construction.

²The time varied from 2 to 9 years for beginning, and from 3 to 20 years for completion. For state aid roads see Laws of Mo., 1847, p. 157, Sec. 4; Ibid., 1848-49, p. 219, Sec. 12; Ibid., 1850-51, p. 483, Sec. 12; Ibid., p. 479, Sec. 6; Ibid., 1851-52, p. 355, Sec. 11.

³This was not included in the H. & St. J., the Cairo and Fulton, and the St. L. & Iron Mt. R. R. charters. Laws of Mo., 1848-49, p. 219, Sec. 20; Ibid., 1850-51, p. 483, Sec. 20; Ibid., 1852-53, p. 355, Sec. 18.

after 1847 forbade the companies to employ any part of their funds in any way in the banking or brokering business. This provision was contained in the charter of the Hannibal and St. Joseph Railroad.¹

The idea that the railroad was a public institution and eventually would be owned and controlled by the state was included in the charters of all but one (the Platte County Railroad) of the roads which received state aid. The time to elapse before reverting to the state was forty years for two roads and fifty for the other three.² The price which the state was to pay for the road was to be determined by competent appraisers who were to be chosen mutually by the state and the company. It was further necessary that the company be given "two years notice of the intention of the state to purchase the road.

In addition to the general restrictions there were limitations on the powers of the company which seem to be intended for the protection of the stockholders. The charters provided that the directors must make an annual report in detail of the affairs and condition of the company, to the stockholders.³ This report was enough

¹Laws of Mo., 1847, p. 157, Sec. 5.

²Ibid., 1846-47, p. 157, Sec. 4; Ibid., 1848-49, p. 219, Sec. 17; Ibid., 1850-51, p. 479, Sec. 5; Ibid., p. 483, Sec. 17; Ibid., 1852-53, p. 355, Sec. 15.

³Ibid., 1847, p. 157, Sec. 4; Ibid., 1848-49, p. 219, Sec. 15; Ibid., 1850-51, p. 479, Sec. 5; Ibid., p. 483, Sec. 15; Ibid., 1852-53, p. 355, Sec. 14. This provision was not present in the Cairo and Fulton charter.

in detail to satisfy the most critical. It told the amount of actual construction completed to date, the cost of the same; the amount of capital stock actually paid in, the total assets of the company and the total liabilities.

As another means of protecting the stockholders, the Platte County Railroad charter provided that the "dividends should never exceed the net profits actually acquired by the company, so that the capital stock shall never be impaired; and if the directors shall make a dividend which shall impair the capital stock of the company, the directors consenting there to shall be liable individually (to the company) for the amount of capital stock so divided; and each director present when the dividend shall be declared, shall be considered as consenting thereto, unless he immediately enter his protest on the minutes of the board and give public notice to the stockholders of the declaring of the dividend."¹

Some clauses were inserted to protect the company, viz., that the state must give the company at least two years notice of the intention to purchase the road. Another, which had in view the same thing, was in the

¹Laws of Mo., 1852-53, p. 358, Sec. 12. The Hannibal and St. Joseph, and the St. Louis and Iron Mountain charters state "that the dividends shall in no case exceed the net profits."

Cairo and Fulton charter and provided that the road should be exempt from taxation until it was in operation and a dividend had been declared; but if the company failed to pay a dividend within two years from the time the road was completed, it was no longer to be exempt.¹

The state aid railroad charters all contained other clauses which were limitations on the powers of the companies for the protection of the public. One of these stated that the "legislature may, at any time, require a statement from the company as to the progress of the work, the amount of business and receipts of the company, and the books and accounts of the company may, at any time, be investigated by a committee appointed by the general assembly."² It was further provided in the charters of the Hannibal and St. Joseph Railroad and the St. Louis and Iron Mountain that any one who believed that "the charter had been violated can make complaint, under oath, to any circuit court, in which any part of the road lies, and the court may issue a scire facias, specifying particularly the violations complained of, and if on trial thereof, by a jury or otherwise, the charter shall be found to have been violated, the court may appoint trustees to take charge of the affairs of the

¹Laws of Mo., 1854-55, p. 315, Sec. 9.

²Ibid., 1850-51, p. 483, Sec. 16. This section was not included in the Platte County, and the Cairo and Fulton charters.

company, and the charter privileges shall from that time cease."¹ As a further precaution the charters stated that after a road was completed it must not be allowed to fall into decay, or be impassable for one year, unless it was being repaired, or the charter would be taken and considered as forfeited.² It was stipulated in the charters of the Hannibal and St. Joseph and the St. Louis and Iron Mountain companies that if the company neglected to transmit goods whose toll was prepaid within a reasonable time they were liable for two times the amount of the toll and additional private damages.³

The legislation of Missouri during the years from 1837 to 1860 was mainly occupied with questions of internal improvements. During this period over one hundred railroads were incorporated by the state. These railroads were of two classes, those who received state aid (six), and those which did not. The charters of these latter roads were not essentially different from those of the companies who received aid from the state. In this chapter only the clauses which were variations from the state aid charters will be discussed.

¹Laws of Mo., 1847, p. 156, Sec. 4; Ibid., 1850-51, p. 479, Sec. 5.

²Hannibal and St. Joseph R. R., and St. Louis and Iron Mt. charters. Laws of Mo., 1847, p. 156, Sec. 4; Ibid., 1851, p. 479, Sec. 5.

³Laws of Mo., 1847, p. 156, Sec. 4; Ibid., 1850-51, p. 479., Sec. 5.

In addition to the usual powers of the directors, nearly all of these charters provided that they must be stockholders in the company, and that they could receive no compensation for their services as directors. In addition to the usual financial provisions that the company could receive private subscriptions and also from any city, town or county, and gifts, some charters contained other financial clauses. The charter of the Carondlet Marine and Dock Road Company¹ (1855) specified that \$20,000 must be paid to the capital stock before the company could organize. The directors of the Boone County and Jefferson City Railroad² (1857) were authorized to build and operate only one half of the road if they so decided. Another unusual qualification was contained in the charter of the Central Missouri Railroad³ (1857), which allowed the directors to receive payment for stock in labor which must be done under the superintendence of officers of the company. Those who paid for their stock in that way were under bond to do faithful work. Several charters specified that the stockholders were individually liable for the debts of the company; but they were not liable beyond the amount of stock they owned.⁴

¹Laws of Mo., 1854-55, p. 386, Sec. 4.

²Ibid., 1857, p. 142, Sec. 21.

³Ibid., p. 308, Sec. 19.

⁴Kansas City, Galveston, and Lake Superior R. R. Co., 1857. Laws of Mo., 1857, p. 161. Central Mo. R. R. Co. Ibid., p. 308, Sec. 20. Lexington & St. Louis R. R. Co.

The charter of the Central Missouri Railroad Company provided that the County of Cooper could subscribe for stock. But in order to keep the people of the county from being overburdened with taxes, the charter provided that "every citizen of Cooper County, who may, before the passage of this act, have subscribed to the stock of the Pacific Railroad, shall, by virtue of said subscription, be exempt from all taxation, levied in any manner, to aid in the construction of this road, and the exhibit of his receipt shall be sufficient evidence to the collector of the holder's exemption from such levy."¹ As resources were not plentiful several companies were to be exempt from all taxes for a period of years varying from three - the Independence and Missouri Railroad Company, 1849 - to twenty years, in the Alexandria and Bloomfield, 1857.² Other charters provided that when twenty five or fifty dollars had been paid out for taxes which were levied for the subscription to the railroads, that the receipts were transferable for one share of stock.³ All of the charters provided that a certain amount of stock must be subscribed before the company could organize. The directors were given the power to set aside a part of the dividends to be

¹Laws of Mo., 1857, p. 308, Sec. 21.

²Ex. Independence & Mo. R. R. charter, 1849. Laws of Mo., 1849, p. 316, Sec. 19. Ibid., 1857, p. 94, Sec. 9.

³An example of this clause is found in the charter of the Lexington & Boonville R. R. Co. of 1853. Laws of Mo., 1853, p. 366, Sec. 20. One charter specified \$25 in tax receipts was equal to one share of the stock; four specified \$50, and four \$100.

used as a sinking fund, if they thought best. The charters of two roads, the Alexandria and St. Francesville, and the Missouri and White River Company prohibited the directors from acting as proxy for any stockholder.¹

As in the case of the charters of the roads who received state aid, the limitation of time was included in all the railroad charters. The articles of incorporation of the Pilot Knob, Cape Girardeau and Belmont Railroad, 1859, stated that unless the directors met and elected a president within ten days after they were incorporated they would forfeit the charter. The general restriction which is common to nearly all of the railroad charters, that the operations of the company "are confined to the general business of locating and constructing the road,"² is qualified in several charters by the statement that the company may own and hold no more real estate than is necessary to carry out the act. This amount is limited in one charter to "not over \$30,000."

Although it is not expressly stated in all the charters, the state may have had in view the ultimate ownership of the roads. Several (ten) charters state

¹Laws of Mo., 1849, p. 279, Sec. 3; Ibid., p. 285, Sec. 4.
²An example of this clause is in the charter of the Mo. and Miss. River R. R. Co., Laws of Mo., 1848-49, p. 373, Sec. 19.

that an accurate account of the cost of construction shall be kept and the state may purchase the road at the end of fifty years.¹ However, it is provided that the state must give the company two years notice of the intention to purchase the road.

The clauses which were intended to protect the stockholders were more definitely stated in these charters, and were more numerous than in the charters of the State Aid Railroads. In addition to the general powers which were granted to all state aid railroads, there were some special clauses in the charters before 1860. To protect the stockholders from loss, five charters provided that the company could not indulge in any banking or brokering business.² Another attempt to protect them is shown in the charters which state that the stockholders are to have access to the books of the company at any time; and that they may sell or dispose of their stock at will.³ That the dividends must never exceed the net profits, is especially stipulated.

¹An example of this clause is found in the Miss. Valley R. R. North, Charter; Laws of Mo., 1853, p. 342, Sec. 32. (Two charters limit the time to 40 years.)

²Examples of this are found in the St. Louis Marine and Dock Co. charter; Laws of Mo., 1849, p. 144, sec. 9; Alexandria & Bloomington R. R. Co., 1851; Canton & Bloomfield R. R. Co., 1851; and Alexandria & Bloomfield R. R. Co., 1857.

³Ex. Independence & Mo. River R. R. charter; Laws of Mo., 1849, p. 316, Sec. 23.

Another unusual clause for the same purpose, i. e., protection of the stockholders, was the one in the Missouri and White River Railroad stating that if five or more stockholders complain to the county court that the charter has been violated by the company; the judge shall empanel a jury to investigate and assess damages. For the second violation of the charter the court shall render judgment for double the amount of damages assessed by the jury, and if the charter be violated a third time and the court is satisfied that the violation was wilful the company shall be liable for double the amount of damages as previously assessed, and the court may appoint trustees to take charge of the affairs of the company, and the charter privileges shall cease until the meeting of the next General Assembly.¹ This clause seems to be peculiar to the charters of 1849.

Although the powers of the companies were restricted there were sections in charters which were intended to protect the interests of the companies. They stipulate that in case of wilful injury to the road the offenders shall be punished by imprisonment in jail for not less than three months or in the penitentiary for not more than five

¹Laws of Mo., 1848-49, p. 279, sections 20 & 21, for an example of this clause. It is also contained in the Palmyra and Miss. R. R., 1849 charter; the Alexandria and St. Francesville, 1848; and the Independence and Mo. River, 1849.

years, or a fine of \$50. In case life is lost, due to this, they are liable for damages and may also be tried for murder.¹ The charter of the Palmyra and Mississippi Railroad (1849) provides that all property which was transported could be retained until the charges were paid, and if they were not paid within a reasonable time, the company could sell them at public sale, after giving thirty days notice. Any balance that remained over the dues was to be held subject to the order of the owner.²

The same idea of regulation is shown in the provision in the charter of the Weston Railroad Company (1851), that the Governor may appoint a committee to investigate the books of the company "at any time."³ The general statement is contained in most of the charters that the legislature can require a statement of the condition of the company at any time,⁴ but the Canton and Bloomfield charter states that the legislature reserves the

¹Ex., Independence & Mo. River R. R. charter, 1849; Laws of Mo., 1849, p. 316, Sec. 22.

²Laws of Mo., 1848-59, p. 170, Sec. 11. (Another provision of this same charter provides that every four years the president and directors shall present to the General Assembly a "full and perfect account of the proceedings, showing the expenditures and receipts, and the dividends and liabilities.")

³Laws of Mo., 1850-51, p. 435, Sec. 16.

⁴Ex., Mississippi Valley R. R. North; Laws of Mo., 1852-53, p. 342, Sec. 31.

right to repeal or modify the charter at any time.¹

In the earlier charters there is an attempt on the part of the state to regulate the tolls which the companies could charge.² The charter³ of the Palmyra and Mississippi Railroad (1849) specified that the company could not charge over seven cents per mile for passengers, and ten cents a mile per one hundred pounds for freight; and that the company in no case was required to receive passengers or packages for less than ten cents for any distance. It further provided that if any toll gatherer charged more than the stated amount he shall "forfeit to the person aggrieved, twenty dollars which was to be recovered with costs for each offence, before any justice of the peace, by action of debt. Higher tolls were allowed by the Independence and Missouri River charter.⁴ The company was permitted to charge ten cents a mile for passengers and twenty-five cents a ton for freight. In addition the company was authorized to build a warehouse at Independence and the rate of storage was specified. This could not exceed twenty-five cents for a single package and one dollar per ton for freight. The Missouri and White

¹Laws of Mo., 1850-51, p. 398, Sec. 6.

²Ibid., 1854-55, p. 386, Sec. 9.

³Ibid., 1848-49, p. 170, Sec. 10, 11, 12.

⁴Ibid., p. 316, Sec. 15, 16.

River Company¹ were allowed to build a warehouse at Independence but their rates were slightly higher: thirty-five cents per single package and one dollar and twenty cents a ton.²

Another clause which was common to the charters of 1837, and was contained in the Hannibal and St. Joseph and the St. Louis and Iron Mountain charters, was included in the articles of incorporation of the Alexandria and St. Francesville Railroad Company (1849) and the Independence and Missouri River Company (1849). It states that if the company fails to transmit goods whose freight is prepaid, in a reasonable time, they shall be liable for two times the amount of the tolls and additional private damages.³

There were six charters which were granted by the state in which in addition to the usual provisions there was a more definite attempt at regulation, and all contain the same essential clauses. These were the Mississippi Valley Railroad North;⁴ the Lexington and Grande River Railroad;⁵ the Independence, Liberty and Plattsburg Railroad;⁶ the Athens, Gentryville and Mays-

¹Laws of Mo., 1848-49, p. 279, Sec. 15, 16.

²The rate for passengers and freight was the same, 10¢ per mile and 25¢ a ton.

³Laws of Mo., 1849, p. 316, Sec. 15; Ibid., p. 242, Sec. 4.

⁴Ibid., 1852-53, p. 342.

⁵Ibid., p. 331.

⁶Ibid., p. 338.

ville Railroad;¹ the St. Louis and Keokuk Railroad;² and the Louisiana and Missouri Railroad.³

In addition to the usual charter provisions it was specified that in the annual report to the Secretary of State of the condition of the road, the company must tell in detail, (1) the amount of the capital stock and the amount actually paid in; (2) the amount expended for the purchase of lands for the construction of the road, for building, and for engines and cars respectively; (3) the amount and nature of the indebtedness and the amount due the corporation; (4) the amount received for the transportation of passengers, of mail, of property, and from all other sources; (5) the amount of freight, specifying the quantity in tons, of products of the forest, of animals, of vegetables, other agricultural products, manufactures, merchandise and other articles; (6) the number of engine houses and shops, of engines and cars, and their character; (7) the number of miles run by passenger, freight and other trains respectively; (8) the number of men employed and their occupations; (9) the number of persons injured in life or limb and the causes of such injuries; (10) whether any accidents had arisen from the carelessness or negligence

¹Laws of Mo., 1855, Adj. Sess., p. 130.

²Laws of Mo., 1856-57, p. 125.

³Ibid., 1858-59, p. 400, Vol. II.

of any person in the employment of the corporation, and whether such person was retained in the service of the corporation."

Three¹ of these charters contain other regulations for the protection of the company and the public, and an additional financial clause. One clause for the protection of the company is that if a passenger refuse to pay his fare he may be put off at any usual stopping place the conductor may select.² The idea of protection of the public is apparent in the clause which states that in forming a passenger train, it was specified that all baggage and freight cars must not be placed in the rear of the passenger cars, and if they were so placed, and an accident resulted the conductor and engineer were to be considered guilty of intentionally causing the injury and were to be punished accordingly. Another provision was that a steam whistle was to be placed on each engine and to be sounded at a distance of at least forty rods from the crossings and to be kept sounding until it had been crossed. Any person who was in charge of an engine of the company, or while acting as conductor of the train, and was intoxicated, was guilty of a misdemeanor and was to be punished accordingly.

¹Miss. Valley R. R. North; the Independence, Liberty and Plattsburg R. R.; and the St. Louis and Keokuk R. R.
²Laws of Mo., 1853, p. 342.

Usually the charters provided that the stockholders should have one vote per share and could vote by proxy. In these charters limitations are imposed on the votes according to the number of shares held by one person. Each share of stock under twenty entitled the holder to one vote; and for all shares over twenty and not exceeding two hundred, the holder had one vote for every two shares. For over two hundred and less than five hundred the owner received one vote for every five shares; and for all over five hundred, one vote for every ten shares. Further, it was provided that no person - females, sick persons, and absentees from the county excepted - who resided within ten miles of the place of election, shall be entitled to vote by proxy."

A general act was passed February 24, 1853 which provided for the formation of railroad associations.¹ Before this act was passed, all corporations were formed by a special act of the legislature. After February 24, 1853 all corporations which were chartered by the state came under this act.² According to this law, the papers

¹Laws of Mo., 1852-53, p. 121.

²After this act was passed some corporations were formed by filing papers with the Sec. of State in Jefferson City. The impression of Prof. Jonas Viles who worked over these papers is that very few R. R. corporations were formed in this way. See pamphlet, "The Archives of the State of Missouri," by Jonas Viles, p. 339.

must be filed with the Secretary of State, and "all existing railroad corporations within the state, and such as now or may be hereafter chartered, shall respectively have and possess all the powers and privileges contained in the act, and shall be subject to all the duties, liabilities, and provisions not inconsistent with their charters"

The articles of association contain the clauses which are present in most of the railroad charters, but this act defines them more in detail. . . . However, there are some sections which were unusual. . . . It was stipulated that the company was "liable to pay a laborer for thirty or any less number of days, for labor performed," and if payment was denied he could recover by civil action. . . . Another section stated that "every conductor, baggage master, engineer, brakeman or other servant of the road employed in a passenger train, or at stations for passengers, shall wear upon his hat or cap a badge, which shall indicate his office, and the initial letters of the style of corporation which he represents. . . . No conductor or collector without such badge, shall be entitled to demand or receive from any passenger any fare or ticket, or to exercise any of the powers of his office, and no officer or servant, without such badge, shall have authority to meddle or interfere with any passenger, his baggage or property."¹

¹Laws of Mo., 1852-53, p. 137, Sec. 35.

"A check shall be affixed to every parcel of baggage, when taken for transportation by the agent of the corporation, if there is a handle, loop or fixture, so that the same can be attached upon the parcel, and a duplicate thereof given to the passenger."¹ Another section states that either a bell or a steam whistle must be on each locomotive and sounded at least eighty rods from the place where the railroad crosses any road or street.²

This act was revised in 1855.³ The clause which provided for a bell or a steam whistle on each locomotive was changed so as to read that a bell must be on each engine. Another section states that it shall be considered a felony for any director or officer of the corporation to be interested in any contract for construction of his road, and he shall be punished by imprisonment in the penitentiary for a term of not less than five years.

Other interesting legislation which was passed this same year was an act which was passed February 27, 1855,

¹Ibid., p. 142, Sec. 44.

²Ibid., p. 142, Sec. 47. (This act was also amended Feb. 27, 1857; Laws of Mo., 1857, p. 157; and Feb. 9, 1857; Ibid., p. 161. These amendments told in greater detail how the companies were to be organized.)

³Mo. Revised Statutes, 1855, Vol. I., p. 404.

and stated that any railroad that transported slaves without the permission of the owner forfeited double the value of the slave to the owner.¹

Another act was passed in December, 1855, which said that trains for the accommodation of passengers would be allowed on Sunday, but that they could not be run if it was opposed to the will of a majority of the stockholders.²

¹Laws of Mo., 1855, p. 169.

²Ibid., p. 471.

CHAPTER III.

ACTUAL RAILROAD CONSTRUCTION AND STATE AID.

The first railroad in Missouri was built by James R. Allen of Farmville at his own expense and was completed in 1849-1850. The road was operated by horse power and ran from Farmville Mills to a point on the Missouri River in Ray County - opposite Lexington; a distance of about five miles. Hitherto Lexington and Camden had been the only river depots for the trade of Richmond and the populous country around it. As Lexington was on the other side of the river, the inconveniences of ferriage was inseparable from trade with it. Camden was twenty miles higher up and had "to be approached by one of the worst roads that ever got the fervent blessings of an ox driver." Owing to the wide bottom lands that bordered the riverside and were liable to overflow, it seemed impossible to establish a practical landing at any other point than Lexington or Camden.

However, Mr. Allen's work united their advantages and presented greater ones in addition. There was a good landing, with a warehouse at the river ter-

minus, and the whole line of the road was sufficiently elevated to be safe from injury by overflow from the river. At Farmville Mills which was only three miles from Richmond with an excellent road between the two points, there was another warehouse to which Mr. Allen transported goods from the river, free of charge - demanding no compensation above ordinary rates of storage. Farmville was thus made a regular depot for all the carrying business done through Lexington for a large region of country. Among a number of novel contrivances which Mr. Allen's ingenuity suggested, we learn that his warehouse was so constructed that several platform cars might be run directly under it, and the house being let down upon them, could be moved back upon the railroad. This was done whenever the river threatened that portion of the bank on which the warehouse stood.

The track of this road was built entirely of timber rails of sawed oak and the cross ties were of hewed oak. The cost of construction was \$15,000 per mile. From the first this road did a thriving business which illustrates the results which were expected of similar enterprises on a larger scale.¹

The building of iron railroad began in Missouri in 1850 with work on the Pacific. The survey of the line was commenced in June and the first construction was

¹St. Louis Intelligencer, Aug. 26, 1852; also the Encyclopedia of Mo. History, Vol. V., p. 275.

done at St. Louis, July the fourth, 1851. The directors thought July the fourth a very appropriate day to begin the work of an enterprise which was of such national importance.¹ The progress of the road was slow, difficult, and painful due to the scarcity of money. It took eighteen months to open the first five miles, from St. Louis to Chitttenham, in St. Louis County. This event was properly celebrated by President Allen who gave an entertainment in honor of the event.² We have already seen how Governor King in 1851 urged the state to assist the companies or else the work must fail;³ and that the Senate Committee on Internal Improvements recommended that the Pacific and the Hannibal and St. Joseph roads should receive a loan of state credit.⁴ February 22, 1851 the first bill was passed which granted the Hannibal and St. Joseph road \$1,500,000 and the Pacific \$2,000,000 in state bonds.⁵ The amount which the company must have expended in construction was \$50,000. The Governor was authorized to issue \$50,000 worth of the bonds of the state after each \$50,000 of the company's funds were expended until

¹Weekly Jefferson Inquirer, June 28, 1851.

²Jefferson City Inquirer, Dec. 18, 1852.

³Senate Journal, 1851, p. 37.

⁴Ibid., p. 36.

⁵The companies must each have a bona fide subscription of \$1,500,000 to the capital stock before any bonds would be granted. Laws of Mo., 1851, p. 265.

the entire sum granted by the state had been issued. These bonds were twenty year bonds and the interest was six per cent.¹ The companies gave as security to the state a first mortgage on the road.

Further encouragement seemed necessary and in June 1852, Missouri received a land grant from Congress to be used in aiding the construction of the Hannibal and St. Joseph and the Pacific railroads.² This granted to the state "every alternate section of land designated by even numbers for six sections in width on each side of the road;" if, after the location of the route of the road, it was found that any of those sections had been sold by the government or pre-empted by settlers, then the company could select, in the place of those sections, other sections of like kind outside of the six mile limit, but within fifteen miles of the roads. These lands could be applied to no other purpose than that for which they were granted. The government, as was usual in all grants at this time, stipulated that these sections should not be sold for less than double the minimum price (\$1.25 per acre) of public lands. Only one hundred twenty sections on a continuous length of the road for twenty miles could be sold while this particular twenty miles were building;

¹Ibid.

²U. S. Statutes at Large, Vol. 10, p. 8.

if the railroads were not completed in ten years, the companies were to make no further sales, and the remaining lands would revert to the government. In making these grants it was provided that these railroads should "be and remain public highways for the use of the government of the United States, free from toll or other charges upon transportation of any property or troops of the United States," and that "the United States mail should at all times be transferred over these railroads, under the direction of the Post Office Department, at such rates as Congress might by law direct." Another land grant was made February 9, 1853 to the states of Missouri and Arkansas. This was for the purpose of aiding in the "construction of a railroad from a point on the Mississippi opposite the mouth of the Ohio River via Little Rock to the Texas boundary near Fulton in Arkansas, with branches to Fort Smith and the Mississippi River."¹ A part of this grant fell to the Cairo and Fulton Railroad Company in Missouri, which was later incorporated.

The amount apportioned to each railroad was to be decided by the legislature. For this purpose Governor King called an extra session of the legislature August 4, 1852. An act was passed to accept the grant upon the stipulated terms and "apply a portion thereof to the

¹Compilation of the Laws in Reference to Such R. R., p. 5.

Hannibal and St. Joseph Railroad and the Pacific.¹ Further, it provided that after the road was complete and a dividend had been paid, the company should pay the same rate of taxes on the road and "all the property pertaining to it as was paid on all other real and personal property in the state;" in case the company failed to declare a dividend within two years after the road was completed, it should no longer be exempt from taxation. The companies were allowed to sell the lands granted and could issue their bonds to secure funds and guarantee them by a mortgage on a part or all of the lands granted. The state though was in no way pledged to redeem the bonds.

The two companies were anxious to know how much land could be secured along the routes as already laid out or suggested. The Pacific was particularly anxious. According to their charter they were to extend the line from Jefferson City west to the boundary of the state. Two routes were possible - one from St. Louis to Jefferson City to the western line of Van Buren County.² The other proposal was that the company undertake the construction of a branch road, which would diverge from the trunk line of the Pacific Railroad and terminate on the western boundary of the state, south of the Osage River. The first of these routes would give the company 563,000

¹Laws of Mo., 1852, p. 15.

²Now Cass County.

acres of land and the other one not over 400,000 acres. In the memorial (of December 13, 1852)¹ in which the question was raised the company asked for further aid, and added that "if it were possible to provide other means for constructing the road in the direction of Kansas, the land might be applied to aid in the construction of a road to terminate on the western boundary of the state, south of the Osage River." Here was a "large section of the state rich in minerals, and a considerable part of it fertile in agricultural resources with no facilities for getting to market." From these suggestions grew the South West Branch of the Pacific.

The second act granting state aid was passed December 23, 1852. At this time the only actual work completed was a little over five miles on the Pacific Railroad. The entire first division of thirty-seven miles west from St. Louis was expected to be completed and ready for use in the spring. On the first of December, 1852 the first locomotive west of the Mississippi River was launched on the track, and on the ninth the first passenger train ran over the road a few miles west of St. Louis as far as completed.² This act of December, 1852³ was the

¹Memorial to the General Assembly, 1852, Senate Journal,

Adj. Sess., 1855, App., p. 8.

²Senate Journal, 1853, App., p. 5.

³Laws of Mo., 1852, p. 10.

second grant made by the state and gave the Pacific Railroad Company \$1,000,000. It also gave them the right to construct a branch road to the southwest part of the state. This was known as the South West Branch of the Pacific Railroad and to this branch, land was given by the state in the same manner as to the main line of the road. To aid in the construction of the branch road \$1,000,000 worth of state bonds were granted. To raise additional funds for the construction of this road the company was authorized in this act to issue bonds at a rate of interest not exceeding seven per cent per annum and payable semi-annually. The payment of the bonds could be secured by a mortgage on the lands granted to the company. It further added that the main line of "the road must be completed "to its terminus in Jackson County and put in operation within five years after the passage of this act."

The same date a separate act was passed which authorized the Pacific to construct another branch road, the St. Louis and Iron Mountain. It had been incorporated as an independent company March the third '1851, but the act of December 25, 1852 describes the road as the Iron Mountain Branch of the Pacific Railroad. This act granted the company \$750,000 in bonds to be used in the construction of this branch.¹ In case this branch re-

¹Laws of Mo., 1852-53, p. 362.

mained in the hands of the Pacific Railroad the bona fide subscription to its capital stock necessary to secure an issue of the state bonds had to be only \$300,000; but in case the Pacific Railroad Company did not begin the work of construction within twelve months from the date of this act (December 25, 1852) the loan of state bonds should be transferred to the St. Louis and Iron Mountain Railroad Company and the bona fide subscription would then have to be raised to \$500,000 before getting any bonds from the state.

Up to this time the route of the Pacific had not been formally determined by statute.¹ It was now definitely stated that it would "begin in St. Louis, run westwardly by way of Jefferson City; and thence along the best and most practicable inland route through the county of Johnson, and terminating at any point in Jackson County, which may be designated by the Company, anything contained in the charter thereof to the contrary notwithstanding." It was stated though that the inland route west of Jefferson City was to be binding on the company, only on the condition the counties through which the route lay should subscribe \$400,000 to the capital stock of the company in addition to what had already been subscribed. If they failed to make this subscription the company was free to

¹ Ibid., p. 13.

select the route between Jefferson City and its terminus in Jackson County.¹ In order that the road would be more than a Missouri railroad, an act was passed soon after giving the company the right "to construct and operate their railroad to any point or points west of the boundary of the state."²

Perhaps because the North Missouri Railroad had not received any land,³ the Legislature was more liberal with them at this session and granted \$2,000,000 in six per cent, twenty year bonds, which were to be delivered in blocks of \$50,000 each. Before any of them could be delivered the company must have \$1,000,000 of bona fide subscriptions to its capital stock. The state as in previous cases took a first mortgage on the road for security.⁴ At this same session of the legislature the main line of the Pacific received an additional \$1,000,000; the South West Branch, \$1,000,000; and the St. Louis and Iron Mountain, \$750,000.⁵ This made a total of \$8,250,000 of aid which the state had granted on the "dollar for dollar" basis.⁶

¹Laws of Mo., 1852-53, p. 13.

²Ibid., p. 353.

³Million, "State Aid to Railroads in Mo., p. 81.

⁴Laws of Mo., 1852-53, p. 8.

⁵Ibid., p. 10.

⁶ Pac. Act, Feb. 22, 1851,	\$2,000,000
Pac. Act, Dec. 25, 1852,	1,000,000
S. W. Br. Act, Dec. 25, 1852,	1,000,000
H. & St. J. Act, Feb. 22, 1851,	1,500,000
N. Mo. Act, Dec. 23, 1852,	2,000,000
St. L. & I. M. Act, Dec. 25, 1852,	750,000
	<u>\$8,250,000</u>

The actual construction had not progressed very rapidly. The Pacific had completed and opened for business its first division of thirty-seven miles west from St. Louis, to Franklin, July 23, 1853. At a meeting of the Board of Directors, May 19, 1853, the stopping places were decided on and by resolution they decided that the fare for passengers from "this time forth is not to exceed three cents per mile, with proper and liberal deductions for 'in and out' passengers." For the accommodation of persons whose residence was some miles from the city and who do business there the company decided to run three trains daily from Kirkwood; one early in the morning, one at noon, and one in the evening.¹ Although the line was very short and this was an unfavorable season of the year, the amount of daily receipts made it certain that the stock was paying a good dividend.² This division had cost \$1,769,874 or about \$47,000 per mile, an amount nearly twice as great as the original estimate.³ Since the first division had proved to be so much more expensive than the company had anticipated, the second division extending from Franklin to Jefferson City, a distance of eighty-eight miles, would also cost more than originally estimated.

¹Weekly Jefferson Inquirer, May 21, 1853.

²Jefferson City Examiner, Feb. 7, 1853.

³Senate Journal, 1853, App., p. 257.

In November, 1855, the company estimated that the amount needed to complete the road to Jefferson City was \$230,000.¹ This added to the amount already spent (\$6,295,670.20), and the work that was done and not paid for (\$178,000) would make a total cost of the road from St. Louis to Jefferson City, \$6,703,670.20, or more than the maximum estimate originally made for the cost of the entire line to the western boundary of the state. The bonds sold at a discount but the whole of the interest, commission and discount charges was only \$612,111, and deducting this from the amount actually spent in construction, the cost of the road to Jefferson City was \$47,657 per mile.² The entire grant of state bonds, \$3,000,000, had been received and sold by the company. The City of St. Louis, and St. Louis County had each voted \$500,000 in its own bonds, which had been received and sold. Notwithstanding this the company was very hard up for funds in the spring of 1854. "More had been expected of the farmers and townspeople along the route than they were now doing. The farmers, whether near the road or not, were now getting higher prices for their produce than in previous years, and did not see any profit in subscribing to an enterprise which would yield a return

¹Ibid., Adj. Sess., App., p. 199.

²Million, "State Aid to Railroads in Missouri," App. I., Table I.

only at a more or less distant date." In order to hasten the construction of the road the people of St. Louis subscribed \$1,200,000 in cash, to be paid in four installments running through four years.¹ The County of St. Louis anticipated the gift by issuing short time bonds to the company. By the close of 1855, the company had received \$875,000, but their financial condition was so urgent that it issued \$348,000 of its own bonds, based upon the remaining portion of the St. Louis grant.² The company was heavily in debt, their bonds were selling at a discount of from fourteen to sixteen and three-eighths per cent and the condition of the money market made it hard to sell the land bonds which the company had put on the market. The financial condition was made worse, when November 1, 1855 the hastily constructed bridge over the Gasconade River collapsed under a heavily laden excursion train. Thirty-one persons were killed and the company suffered a heavy financial loss.³

Finally, the route of the South West Branch was located, November 16, 1853.⁴ The route was to extend from Franklin on the main line of the Pacific, thirty-seven miles from St. Louis, in a southwesterly direction, through the Gasconade Valley to Springfield, from there to the western

¹Senate Journal, Adj. Sess., 1855, App., p. 28.

²Ibid., p. 249.

³Ibid., p. 282.

⁴Ibid., p. 47.

boundary of the state in Newton County; 283 miles from Franklin, and 320 miles from St. Louis. By the terms of the law of December 25, 1852 which granted them \$1,000,000 state aid, it was specified that \$500,000 must be subscribed before any bonds could be issued. A contract for the construction of the road was entered into March 14, 1854. By this agreement the contractors obligated themselves to subscribe \$100,000 to the stock of the branch, if necessary to secure the completion of the subscription of \$500,000 which was necessary by the law (of December 25, 1852). before any state bonds could be issued. It was stipulated in the contract that this subscription of \$500,000 should be made prior to the commencement of the work. The company made every effort to secure the necessary subscriptions and agents were sent along the line to call the attention of the people to the enterprise, and secure subscriptions. Notwithstanding these efforts the stock was not subscribed and this delayed the construction of the line. At the close of 1855 only \$369,000 had been subscribed as the difficulties were greater than had been supposed. The Board of Directors were unwilling to longer delay the commencement of work, and made among themselves an additional subscription of \$20,000 to the company. Still there remained a balance. The Board of Directors, however, "relying

on their ability to secure the subscription of the required amount of stock gave notice under the contract and work was commenced June 1, 1855 at Franklin."¹ The construction was carried on during 1856 by the contractors, even though the company could not raise the funds to pay them.²

The North Missouri Railroad was not located until October 16, 1854.³ The first construction was begun June 1, 1854 on the first division from St. Louis to St. Charles, a distance of nineteen miles, and the whole of the division was open for business on the twentieth of August, 1856. The cost of this division was much greater than the early estimates. The nineteen miles cost nearly \$1,000,000, or more than \$52,000 per mile.⁴ Deducting one-half of the general expenses and the total discounts on the bonds to date (\$44,148) the cost per mile remained \$42,200. This was in striking contrast to the estimate of 1852 which estimated the line at two hundred fifty miles and "the cost complete and stocked at \$5,000,000," or about \$20,000 per mile.⁵ In 1855 the estimate of the second division from St. Charles to the juncture with the Hannibal and St. Joseph Railroad in Macon County (147)miles) was

¹Senate Journal, Adj. Sess., 1855, App., p. 48.

²House Journal, 1856-57, App., p. 398.

³Senate Journal, Adj. Sess., 1855, App., p. 59.

⁴Ibid., p. 66.

⁵Senate Journal, 1852-53, App., p. 29.

only \$28,006 per mile. The third division, however, from the juncture to the state line (61 miles) was estimated at \$51,724 per mile. The funds for the construction of this first division were derived from the sale of the bonds of the city and county of St. Louis, those granted by the state, and cash payments by individuals.¹

The Hannibal and St. Joseph Railroad was the first to be incorporated but was slow in beginning the actual construction. Because of the controversies over the route it was not finally located until March, 1853.² The actual construction began in the spring of 1853. By October, 1855 twenty-five miles was finished and a good deal of work done on the other divisions. A controlling interest in the road was held by Eastern capitalists who subscribed \$1,000,000 of the \$1,402,702 which was subscribed to the close of 1855.

The people along the route complained that the "work dragged - that there was little assurance that the road would be completed and that it was a drawback to St. Joseph."³ They laid the blame for this on the fact that a Boston company had the building of the road, and said the work had not progressed with half the rapidity of the Pacific or the North Missouri and that these two were being built by western companies. It was true

¹Ibid., p. 65.

²Senate Journal, Adj. Sess., 1855, App., p. 94.

³Weekly Jefferson Inquirer, May 30, 1857.

that the work was going slowly but the company had been busy raising their resources to an amount which assured the speedy completion of the road.¹ So little had been completed that the cost per mile can not be given. But the original estimates of the company which were made in 1853 were increased nearly a third in 1855. The early estimate for the line including the rolling stock was \$4,655,200, or \$23,000 per mile; the estimate of 1855 was \$6,268,700, or \$30,400 per mile.² This latter estimate though was on the road as located, 206 8/10 miles, while the first one was on a road 202 4/10 miles long.³ This road was soon to make greater progress than any of the others.

An act passed December 25, 1852, made the St. Louis and Iron Mountain Railroad a branch of the Pacific, and \$750,000 was granted to be used in the construction of this branch. The road was located September, 1853.⁴ Some delay was caused by the conflicting opinions as to the route but the actual work began September 8, 1853.

¹The state grants of \$3,000,000 in bonds had been sold, private subscriptions raised and the resources of the company equaled \$8,393,800. House Journal, 1856-57, App., pp. 310 and 411.

²Senate Journal, Adj. Sess., 1855, App., p. 98.

³Ibid.

⁴Ibid., p. 76.

The estimated cost of the eighty-six miles was \$4,000,000 or \$47,600 per mile.¹ The total resources of the company were \$2,993,300 (\$1,500,000 were in state bonds²), a sum more nearly adequate than those of any other road.

To summarize the amount of construction on the roads aided by the state; at the close of 1855 the Pacific Railroad Company had almost reached Jefferson City, and had expended the entire amount of state aid⁴ and almost all the county and city aid they had received. The North Missouri Railroad Company had completed the road from St. Louis to St. Charles, and had commenced work on the second division. They had drawn \$600,000 of the state grant. The Hannibal and St. Joseph Company had commenced work on over one hundred miles, but no portion of it was completed; they had drawn \$580,000 of the state bonds granted. The St. Louis and Iron Mountain Company had "considerable portion" of its road under construction, but no part of it was completed. They had drawn \$400,000 of the state grant.

¹Ibid., 78.

²Ibid., 79.

3 Company.	Bonds granted.	Amount Issued.	Amount remainin
Pac.	\$3,000,000	\$3,000,000	
S. W. Br.	1,000,000		\$1,000,000
N. MO.	2,000,000	600,000	1,400,000
H. & St. J.	1,500,000	580,000	920,000
St.L.& I.M.	1,500,000	400,000	1,100,000
	<u>\$ 9,000,000</u>	<u>\$ 4,580,000</u>	<u>\$ 4,420,000</u>

Million, "State Aid," p. 89.

⁴Senate Journal, Adj. Sess., 1855, App., pp. 28-31.

Because the cost of the state aid roads had so greatly exceeded the estimates the minds of the people were prejudiced against the management of the companies and the people felt that the state funds were not being applied in good faith.¹ In addition it was felt that the roads were not making progress at a sufficient rate of speed. Therefore the General Assembly passed a resolution March 5, 1855, that a committee of three be appointed from the Legislature whose duty shall be "to inquire into and investigate the several reports of the railroads, the surveyor's estimates, expenditures, assets, and liabilities; and generally, all material facts calculated to develop the true condition of the railroads and report to the adjourned session of the Legislature."² The work of the committee was very painstaking; they undertook to scrutinize closely the acts of those entrusted with the administration of the affairs of the railroad companies for the purpose of ascertaining whether abuses had grown up, and whether the state and the people had been justly dealt with in their management; whether errors had been committed, and if so, by whom and to what extent.³ In the case of the Pacific Railroad the committee reported that considering all the facts in the

¹Million, "State Aid," p. 91; Weekly Globe Democrat, Sept. 9, 1859; Randolph Citizen, Sept. 17, 1857.

²Senate Journal, Adj. Sess., 1855, App., p. 3.

³Ibid., pp. 3-123.

case¹ the committee were "constrained to think that though the result will still show a large, perhaps a too greatly increased cost the reasons for the increase will be shown, and an explanation afforded which removes by accounting for it the question of wasteful expenditure."² The investigating committee also cleared the North Missouri Company of all charges. Although the first division of the road did cost one-third more than was estimated, "the investigations of the committee satisfied them, that all the affairs of the company had been conducted faithfully, skillfully and systematically."³ The Hannibal and St. Joseph, and the St. Louis and Iron Mountain companies had not completed enough work to furnish the basis for a detailed criticism.

All of the companies were "to a greater or less extent, limited in means," and it was necessary, as the only way of securing the completion of the roads within a reasonable time, was to grant the work to large contractors rather than making contracts with individuals and firms. Large contractors would urge on the work and their means would enable them to rely to a great extent on the securities the company might give them in payment. It is thus

¹(a) Change of route, Ibid., p. 26.

(b) Large price paid contractors, Ibid., pp. 16-22.

(c) Higher price labor and sickness, Ibid., p. 27.

(d) Lack of skill in supervision of construction, Ibid., p. 26.

²Senate Journal, Adj. Sess., 1855, App., pp. 26-27.

³Ibid., p. 64.

seen that the companies being pressed for want of means
"which could be treated always as cash in the prosecution
of the work, has itself become the cause (in the payment
of discounts, commissions, interests, etc., which it made
necessary) of a considerably increased expenditure."¹

In considering the general subject of the expenditures of the various companies, the salaries paid to their respective officers, the committee reported that they had seen nothing to condemn. Sufficient salaries had to be provided, if competent men were to be employed, or - when employed - retained; and that "economy which would limit the compensation given to the lowest possible amount, will often be proved, by the result, have been the most extravagant."² It was supposed that the large amount paid out for engineering expenses was too large, but this was justified by the committee on the ground that "just in proportion as the preliminary and subsequent surveys are elaborate and thorough, is the final location likely to be best; and, while the work of construction is in progress, just as the supervision of the engineer is constant and careful, so is the result likely to be satisfactory in producing a substantial road."³ Another class of expenditures which greatly exceeded the estimates was made necessary by the claims

¹Ibid., p. 114.

²Ibid., p. 111.

³Ibid.

for land damages. The committee decided though that there seemed to be no remedy for this save when the company took the precaution to procure the relinquishment before the actual location. Even though in some cases the demands seemed exorbitant the companies paid the price asked rather than risk the chances of long litigation which would delay the work and when the costs were paid prove to be no saving to them.¹ Another practice which caused a "considerable increase of expenditure without any compensating advantage" was the disposition to interfere by legislation, and positively fix certain intermediate points through which a road must pass. This was earnestly condemned by the committee; "since experience had shown that the adaptation of the country to the work was not considered" and this always swells the cost of the work, beyond what it would have been, if the line had been determined only by actual measurement and survey.² In regard to the matter of profits and contracts, the committee were convinced that the contractors did make large profits. "As far as they were able to form an opinion, the mode of constructing railroads in this state," which then prevailed "with all the companies" in the state, - that is, "the plan of making contracts with individuals and firms" - theoretically, was not the best; the reason given

¹Senate Journal, Adj. Sess., 1855, App., p. 112.

²Ibid.

being, that "the average profit to large contractors did not fall below fifteen or twenty per cent on the whole work." It was supposed that a less profit would not be sufficient to induce so large an outlay of capital as was generally required. If the whole work could be done in short sections a percentage might be saved. It was the opinion of practical men, however, that the mode of large contracts which prevailed throughout the state was best under the existing conditions.¹ After a very careful examination of the entire subject, the committee did not favor the idea of requiring the companies to publish the terms made to the main contractors, for the reason that "the contractor would be unable to sub let the work at such a price as would permit him to realize a just profit, or indeed, any profit whatever."²

In conclusion the committee, notwithstanding the fact that \$4,580,000 of the \$9,000,000 bonds granted to the roads had been issued and that at this time (November, 1855) only about a hundred miles of railroad was in operation,³ expressed the hope "that in some way, by which the state can be made most secure, her aid may be given to com-

¹Ibid., pp. 113-114.

²Senate Journal, Adj. Sess., 1855, p. 16.

³The Pacific had completed 81 and the North Missouri 25 miles - see chart in Appendix; Table V.

plete the various roads now under construction."¹ The work which this committee did would have been done by the Board of Public Works had one existed at the time. Certain acts granting aid to the Pacific and the St. Louis and Iron Mountain railroads provided for the creation of a Board of Public Works for those roads, but did not include any of the others.²

March 3, 1855 an act was passed to aid in the construction of the Pacific Railroad with a further loan of \$300,000. This amount was to be expended on the road west of Jefferson City. This act provided for a Board of Public Works, who were to be appointed by the Governor and held office for four years; their duties were defined.³ An act of the same date granted additional state credit to the St. Louis and Iron Mountain Railroad, to the amount of \$750,000.

¹Senate Journal, Adj. Sess., 1855, p. 123. The members of this committee were C. C. Ziegler, Jo Davis, and S. M. Breckinridge.

²Senate Journal, Adj. Sess., 1855, App., pp. 161-163.

³Laws of Mo., 1854-55, pp. 172-175. They were to examine "from time to time or as they were required by the Governor, and not less than once a year, into the construction of the Pacific Railroad and the management of the company, and for that purpose were to have access to the books and papers of the company. At least once a year they were to report to the Governor all the particulars as to the construction of the road and management of the company." In case the board or any two of them believed that the company has not conducted its affairs in good faith they were to report to the Governor and if he and a majority of the board were convinced that this was so, the governor was authorized to withhold any further issue of bonds until they were convinced that the defects were remedied. The members of the board were to be paid \$5 a day when on duty and traveling expenses. No person

This also provided for a Board of Public Works who were to have jurisdiction over the St. Louis and Iron Mountain Railroad, and whose duties were the same as those prescribed in the act of the Pacific Railroad.¹ The members of the board realized their limitations and stated that "to enable a Board of Public Works to discharge their duties properly to the state and other parties interested, there should be associated with them, an intelligent, practical engineer, and the Board thus constituted should have their powers and duties clearly defined by the Legislature. Had this policy been adopted at the commencement of the system, it is probable that some errors which have been committed would have been avoided, and a considerable sum saved to the state and stockholders."²

Thus at the close of 1855 the people in Missouri realized (1) that much less railroad construction had been accomplished than was expected, and (2) that this amount had cost much more than was estimated. Yet, they also realized that the destiny of the state depended partly on the completion of the railways. In order that the railway com-

holding stock or any interest whatever in the company could serve as a member of the board; and before assuming their duties each member had to take oath that while such an officer he would not acquire, either directly or indirectly, any interest whatever in the company.

¹Laws of Mo., 1854-55, pp. 174-175.

²Senate Journal, Adj. Sess., 1855, p. 161.

panies might sell their bonds and more readily raise means to continue construction, it was advocated that the state should relinquish the first lien held on the railways.¹ This proposal met with a storm of protest. Several counties² held conventions to obtain a sense of the people and the resolutions adopted expressed the reasons for the opposition to the scheme. The people throughout the state felt that the legislature would never have loaned the credit of the state to any system of Internal Improvements unless she had been amply secured. To retain the lien was the only way to guard against serious loss,³ for if it were released the people would at once be taxed directly to pay the interest on the large amount of loans which the companies had received.⁴ Further, it was argued that to release it would be disastrous to the people and the state too. To the people by throwing on them the burden of paying the loans and thereby increasing their taxes to an oppressive amount. It would be disastrous to the state by forcing her to become a party in schemes which should be left alone

¹Western Journal and Civilian, XIV., (1855) p. 297.

²Marion County meeting, Statesman, Oct. 26, 1855; Cooper County meeting, Randolph Citizen, July 19, 1855; Randolph County meeting, Randolph Citizen, Nov. 1, 1855; Boone County meeting, Statesman, Nov. 9, 1855.

³Statesman, Oct. 26, 1855.

⁴Weekly Jefferson Inquirer, Feb. 5, 1855.

to private enterprise.¹ A release of the lien would be especially disastrous to the counties and individuals who had subscribed to the stock of the Pacific Railroad, as it would create an individual liability; as the fourth section of the amended charter contained a clause saying that "each stockholder was liable for an amount equal to the amount unpaid on his subscription;"² besides, this lien was the only security of any value and if it were given to Eastern capitalists all the benefits of the road would accrue to them.³

An editorial in the Randolph Citizen of November 1, 1855, says in support of the retention of the lien by the state, "The state lien is the only surety against loss which the state has. If this is released the people would have to shoulder \$550,000 interest alone, per annum, and this is \$50,000 more than the present revenue of the state, the state revenue being \$404,332.50 and the expenses \$314,242, leaving an overplus of about \$90,000. If the people have to meet this interest their taxes would be doubled. If the lien is released the company would borrow millions from Eastern capitalists who would ultimately sell out the company and the state would be left with an enormous debt: and the state would lose every dollar of the bonds which it has issued.

¹Randolph Citizen, July 19, 1855.

²Ibid.

³Ibid.

It is said by the companies that a second mortgage would be better than a first, then why do the companies want to exchange it, they have a second now? Further, it is said that the bill secures the state against all possible loss - in that it provides what is termed "guaranteed state stock." In the event that the railroads fail to redeem the state bonds this stock is to be sold for the benefit of the state; and if the proceeds do not fully cover all losses sustained by the state the companies are held responsible for all deficits. This "guaranteed state stock" looks well on paper. Indeed the words themselves tickle the ear with a pleasant euphony, but let no tax payer be deceived by the sound. By whom is this stock guaranteed? By nobody except the railroad companies and "these at the time of sale may be insolvent. This is securing the state with a vengeance; financeering in a circle - beginning at a bankrupt corporation and ending at ditto - the state in the giddy whirl losing all its bonds." The companies were already borrowing to excess and in the face of the violent opposition the state held to her decision not to release the first lien.¹

The general feeling throughout the state was that further aid should be given the railroads. The legislature of 1854-1856 therefore authorized an issue of eleven million dollars in bonds - an amount which exceeded the total of all

¹Randolph Citizen, Dec. 6, 1855.

previous grants. Most of this was authorized in the act of December 10, 1855.¹ The preamble for this act stated the reasons for granting the aid as being (1) in order that the roads might be completed as soon as possible, and (2) that the first lien of the state prevented the companies from negotiating loans on their own account. However the priority of the state's lien was not set aside by the legislature.

With the passage of this act comes a change in the policy of state aid, due to the confidence which was felt that the plans would succeed. The old policy of granting one dollar of aid for every dollar of private capital spent in actual construction was changed to that of granting two dollars of aid for one dollar of private funds spent.²

An act of December 7, 1855³ provided for the establishment of a fund to pay the bonds of the companies in case any of them should default. This fund consisted of \$200,000 which was appropriated at once and \$100,000 to be appropriated annually for thirteen years. (The fund was to be formally constituted July 1, 1856.) There were evidences of what might be called lack of business ability in the legislation of 1855. An act was passed March 3, 1855 which allowed the South West Branch to secure an issue of

¹Laws of Mo., Adj. Sess., 1855, pp. 472-483.

²Ibid., p. 473.

³Ibid., p. 15.

state bonds when \$300,000 had been subscribed to the capital stock, instead of the \$500,000 which had been stipulated as being necessary.¹ An act which was passed earlier in the year did away with the \$50,000 block feature and made it easier to secure the state bonds.²

This act of December 10, 1855 may have been a product of the speculation of the time which later resulted in the panic of 1857. The total of the capital stock of the railroads incorporated to 1861 shows the increase of speculation between 1850 and 1860.³ This act of 1855 granted \$7,000,000 aid⁴ and also provided for the establishment

¹Laws of Mo., 1854-1855, p. 173.

²Ibid., p. 69.

³Railroad Incorporations to 1861.

No. of Companies	Year	Total Capital Stock
17	1837	\$7,875,000
2	1838-39	2,800,000
None	1840-41	
"	1842-43	
"	1844-45	
1	1846-47	2,000,000
6	1848-49	17,130,000
8	1850-51	16,800,000
8	1852-53	16,600,000
7	1854-55	16,050,000
12	Adj. Sess. 1855	16,250,000
19	1856-57	57,300,000
4	" " 1857	24,000,000
5	" " 1858-59	6,850,000
14	" " 1859	35,450,000
1	1860-61	2,500,000
		<u>\$221,605,000</u>

⁴ Pac.,	\$2,000,000
H. & St. L.	1,500,000
N. Mo.	2,000,000
St. L. & I. M.	1,500,000
	<u>\$7,000,000</u>

of a general Board of Public Works, which was to consist of three members, who were elected by the qualified voters of the state, and were to hold office for four years. They were prohibited from holding stock in any of the roads; and were to be paid five dollars a day and expenses while on duty. The board was to have access to the books and papers of the companies and "at least once a year were to inquire into the construction and management of the railroads aided by the state and report to the Governor. They were also permitted to "call to their aid a competent engineer."¹ The same act provided for the establishment of a sinking fund for the purpose of redeeming the bonds of the state which had been issued. The act provided that each company should pay to the Treasurer of the state, "1 $\frac{1}{4}$ % in each year, on each 30 year bond; and 2 $\frac{1}{2}$ % in each year, on each 20 year bond, so sold or hypothecated: the first payment to be made within sixty days after the sale or hypothecation of such bond; and such other annual payments on January first each year." These sums were to be invested at not less than seven per cent interest, and after the roads were completed and in operation, each company was to pay to the state Treasurer "not less than ten per cent per annum upon the net earnings of the road. This was to constitute a Sinking Fund."² This simply meant that the state would charge a higher rate of interest for the loans. The thirty

¹Laws of Mo., Adj. Sess., 1855-56, p. 476.

²Ibid., p. 474.

year bonds would now cost the companies seven and one-half per cent, and the twenty year bonds, eight and one-half per cent annually, instead of six as heretofore. The ineffectiveness of this provision was demonstrated in less than a year after the passage of the act."¹ In the act of December 10, 1855 the sinking fund was suspended until January 1, 1859.

The work of construction was still progressing slowly. At the close of 1856 about one hundred sixty five miles was completed.² The companies were working against severe odds. The Pacific Railroad Company had a large floating debt when the act of December 10, 1855 was passed.³ This law did not take effect until March 10, 1856, when the company applied for and obtained \$1,700,000 in state bonds. In the meantime the "indebtedness had been increased by the Gasconade disaster, by damage to the track, caused by winter rains and heavy land slides, by the payment of January interest, and the settlement of the final estimates with the contractors;" so that in the report of March, 1856 the floating debt of the company was \$1,337,838.16. The assets less the debts were only \$191,377.76.⁴ With this small amount of assets in the treasury, the new Board of Directors entered upon their duties.

¹Million, "State Aid in Missouri," pp. 102 and 107.

²See chart in Appendix.

³House Journal, 1856-57, App., p. 394.

⁴Ibid., p. 393.

To finish up the road east of Jefferson City, supply the place of passenger cars which had been destroyed at Gasconade, increase the number of freight cars to accommodate the business, push the work westward, and provide for the interest on the state bonds, due in July and January, were some of the objects which required their attention. The unpaid subscriptions due in 1856 amounted to \$350,000; but only about \$65,000 had been paid in by this time (March, 1856). Besides, the company was entitled to \$1,300,000 in the bonds of the state, from the grant of December 10, 1855; but, as before stated, when the law was passed, the company was in debt and was expected to pay those debts out of the proceeds of the state bonds; and, having appropriated most of the proceeds of the bonds obtained in March, no further application could be made for state aid until the amount of the proceeds of all the bonds that had been issued, were expended upon the road and an additional expenditure was made of funds "derived from sources other than state bonds, not creating a lien upon the road." The expenditures to this date did not cover the amount; therefore no further application was made.¹ The bonds which were sold to liquidate the debts of the company (\$1,695,000) were sold at a discount of from fourteen to sixteen and three-eighths per cent - so that the shrinkage was \$253,826.² On the first of July, 1856, the company issued \$600,000, seven per cent

¹House Journal, 1856-57, App., p. 394.

²Senate Journal, 1867, App., p. 876.

bonds, payable in ten years, which were secured by a mortgage on 126,000 acres of land belonging to the main line. The "condition of the money market though was such" that only a few of the bonds were sold, notwithstanding the nature of the security.¹

The company urged that they receive more aid, and asked that the remaining \$1,300,000 of the grant of December 10, 1855 be issued upon less rigid terms, and that an additional \$2,000,000 be granted.² The company estimated that to complete the road from Jefferson City to Kansas would cost \$5,000,000. The resources of the company were the \$1,300,000 worth of state bonds which had been granted (which could not be drawn until half of that amount had been spent by the company, \$650,000 in subscriptions west of Jefferson City, and its own "land bonds," which could not be sold.³ In spite of these difficulties by the close of 1856 the company was doing a large business in transporting passengers. A notice in the Daily Jefferson City Inquirer of June 27, 1856 says, "Cars went out of St. Louis yesterday with over one hundred passengers for Jefferson City; fifty were through passengers who will take a packet connecting with the road."

The same year the railroad made arrangements with the Adams Express Company, whereby an agent of the company was to always travel on the line and be ready to receive

¹House Journal, 1856-57, App., p. 394.

²Ibid., p. 395.

³Ibid., p. 397.

orders for the transmission of money packages and freight between any two points. Mr. McPherson, President of the Pacific Railroad, appealed to the people throughout the state to support the road liberally as the enterprise was as yet only an experiment and its success depended on the amount of patronage they received. The work was delayed the latter part of 1856 by land slides but by the early part of 1857 the work was progressing rapidly again and the traffic was heavy enough to justify the company in putting on two passenger trains a day between St. Louis and Jefferson City. So much for the main line.

The work on the South West Branch had been delayed by the inability of the people of the Southwest to raise the \$500,000 required by the act of December 25, 1852. We have already seen that the contractors, Messrs. Owen, Stancliff and Company, had been induced to commence the work. For several months they kept the work in progress, furnishing all the money, although their contracts entitled them to monthly payments.¹ The company had been unable to sell any of their bonds because "capitalists promptly suggest that the only security for these bonds is the mortgage on the road and lands; that the road has yet to be built and a failure to build the road forfeits the title to the land, and therefore the risk is too great."² The only relief in sight was for the state to grant additional aid.

¹Ibid., p. 398.

²Ibid., p. 399.

At the close of 1856 the Hannibal and St. Joseph had completed only about thirty-two miles, but we have seen that their resources were "beyond any probable contingency."¹ The first division was completed and the work of laying the track on the second division was begun. Iron rails and locomotives were being delivered at both ends of the road.²

The work on the St. Louis and Iron Mountain was progressing more rapidly. Although only twelve miles was completed the whole line was under contract and the company hoped to have the road finished to the Merrimac River by December 1, 1857.³ To do this the company reported that, "it would be absolutely necessary to obtain further aid from the state."⁴ The company did not doubt that the road would pay when it was once complete - "the freight alone furnished by the iron and mineral beds in that region will alone pay a good dividend upon the cost of the road to the iron and lead region and secure the prompt payment of the interest on the bonds of the state issued for its completion."⁵

¹Ibid., p. 404.

²Ibid., p. 413.

³Ibid., p. 416.

⁴Ibid., p. 417.

Estimate for Completion to Pilot Knob.

Cost to Pilot Knob,	\$3,938,163	
Available means	3,850,000	
Deficiency		\$88,163
Losses on security, interest, etc.		745,000
General expenses		10,000
Total cash required to complete		\$843,163
Equal to about \$970,000 in state bonds at 87¢.		

⁵Ibid., p. 418.

If this division of the road was important the company thought that its extension south to the Arkansas line was even more important as this would connect with the network of railroads south of the state of Missouri. However, if this work was undertaken, \$2,300,000 additional state credit would be necessary.¹

The North Missouri Railroad had completed the first division from St. Louis to the Missouri River opposite St. Charles,² and was pushing the work on the second division between St. Charles and Macon City, which was the point of juncture with the Hannibal and St. Joseph Railroad. Of the state aid granted the road December 10, 1855 only one million dollars was to be applied to "building the road north of the Hannibal and St. Joseph Railroad."³ In order that the work not be delayed the company would have to receive additional aid from the state.

Thus all the roads except the Hannibal and St. Joseph would have to receive additional aid in order to carry on their construction and this was the only road which had complied with the law requiring the payment of a percentage to the sinking fund.⁴ Yet the people were anxious for the completion of the railroad system and another act was passed March 3, 1857 granting state aid.⁵ This was passed

¹Ibid., p. 418.

²Ibid., p. 300.

³Ibid., p. 299.

⁴Ibid., p. 253.

⁵Laws of Mo., 1857, p. 88.

regardless of the fact that the state was already bound for \$19,250,000 and that only one half of that sum had been issued and that only about three hundred miles of track had been laid.¹ The opposition to this act was largely because

Road	Authorized	Issue	Balance
Pacific and South West Branch	\$9,000,000	\$4,900,000	\$4,100,000
Hannibal and St. Joseph	3,000,000	1,500,000	1,500,000
North Missouri	4,000,000	2,240,000	1,760,000
St. Louis and Iron Mountain	3,000,000	993,000	2,007,000
Cairo and Fulton	<u>250,000</u>	<u>-----</u>	<u>250,000</u>
	\$19,250,000	\$9,633,000	\$9,617,000

"

the state was departing from the old plan of granting one dollar of aid for every dollar of capital spent, and was granting two dollars of aid for one dollar spent. In spite of the

¹Senate Journal, 1856-57, App., p. 30; also see Auditor's Report, Oct. 1, 1856, in Senate Journal, 1856-57, App., p. 30. Between Nov., 1857 and Jan., 1859 the number of miles of track which was laid was nearly doubled - the greatest increase in miles was on the H. & St. J. R. R.

Road	No. miles laid Nov., 1857	No. miles laid Jan., 1859.
Hannibal & St. Joseph,	64	170
North Missouri,	75	168.75
St. L. & I. M.	46	86.50
Pacific	132	163
South West Branch	-	19
Cairo & Fulton	-	7
Platte County	<u>-</u>	<u>-</u>
	317	614.25

opposition the act was passed¹ granting \$5,700,000 to six companies.

This plan of granting two dollars of aid for one dollar used in construction was with certain exceptions continued. The exceptions were the Pacific, the South West Branch, the St. Louis and Iron Mountain and the North Missouri. According to the old act of December, 1855 there was still due the Pacific Company \$1,300,000 in bonds. The company was allowed to draw \$1,000,000 after submitting proof of having expended \$500,000 west of Jefferson City. The North Missouri was granted \$1,500,000 to complete their road to the junction with the Hannibal and St. Joseph. This sum was to be paid in blocks of \$200,000 each, a block to be made over as often as the "company expended from all its funds the sum of \$200,000 in the construction of the road. The same privileges were granted the St. Louis and Iron Mountain concerning the extension of the road to Pilot Knob. If they built south of Pilot Knob an additional grant of \$600,000 was to be issued after proof was submitted that half that amount of the private funds of the company

1 To the Pacific,	\$1,000,000
" " South West Branch,	1,500,000
" " North Missouri,	1,500,000
" " St. Louis and Iron Mt.	600,000
" " Platte County,*	700,000
* " Cairo and Fulton,	400,000
	<u>\$5,700,000</u>

*This was the one and only grant which the Cairo and Fulton, and Platte County roads received. The terms were two dollars of aid for one spent in construction.

House Journal, 1856-57, App., p. 360.

Laws of Mo., Adj. Sess., 1857, p. 69.

had been expended.¹ The governor was authorized to issue bonds to the Pacific (South West Branch), the St. Louis and Iron Mountain and the North Missouri companies to any amount within the limit of the various grants, if the companies deemed it desirable in order "to take advantage of a favorable money market."

This act shows that the finances of the companies were inadequate for the needs. The provision for a sinking fund which was in the act of December 10, 1855 was suspended till the first of January, 1859. It was further provided that in case any of the companies failed to pay any of the interest or principal of any of the bonds which had been granted them, that they could not receive any further issue of bonds.² The economic depression of 1857 caused the work of railroad construction to be retarded. November 1, 1857 only three hundred seventeen miles of track had been laid.³ This depression was so keenly felt that an extra session of the legislature was called to meet in October to devise means of assisting the railroads to ultimately complete their roads. An act was passed November 19, 1857⁴ which suspended the further issue of bonds as provided for by the act of December 10, 1855 until March 1, 1859. In order that certain roads might com-

¹Laws of Mo., Adj. Sess., 1857, App., p. 69.

²Ibid.

³See table in footnote on page

⁴Laws of Mo., Adj. Sess., 1857, pp. 69-74.

plete sections already begun exceptions were made in their favor.¹ This bill further provided that "the one per cent of difference in interest between guaranteed bonds and the bonds of the state, shall be paid by the Pacific Railroad Company into the State Interest Fund," and that all bonds issued under this act be considered a part of the bonds heretofore authorized and shall be a first lien on the roads when they shall be issued.² At the beginning of the legislative session the aggregate of bonds issued by the state to the seven companies was \$16,010,000 and a remainder of \$8,940,000 yet to be issued. This made a total amount of state credit which had been authorized for all the roads, \$24,950,000.³

One of the most important provisions of the bill of November 19, 1857 was that which required the Board of Public Works to attend the monthly meetings of the railroad companies who had received aid. The companies were required to furnish the board "a transcript from their journals of the proceedings of each meeting," and the Board of Public Works were given the power to examine the officers

¹ Ibid., p. 7.	Pacific,	\$400,000	
	North Missouri,	1,000,000	
	St. L. & I. M.,	476,000	
	S. W. Branch,	200,000	
	S. W. Branch,*	500,000	\$2,576,000

*These were to be issued when the bonds could be sold for 90¢ on the dollar.

²Ibid.

³House Journal, Adj. Sess., 1857, App., p. 3.

of the company under oath, and to send for persons and papers to be examined.¹

This economic depression of 1857 had its effect on the sale of Missouri bonds which declined to below seventy cents: the Pacific Railroad Company made every effort to negotiate the state bonds of the South West Branch, both in this country and Europe, but without success. Therefore, in reply to a request of the company² the legislature granted it the right to exchange the \$4,500,000 bonds which had been granted, for the six per cent bonds of the state called direct bonds.³ It was now evident that many of the companies would be unable to pay the interest on their bonds. In his message to the legislature the Governor recommended that "the levy of a tax to provide for the payment of the interest on the state bonds was absolutely indispensable to protect the credit of the state, whatever may be the future policy of the state and the companies in the future prosecution of the work."⁴ The act of November 19, 1857 provided that a special tax of one tenth of one per cent on the hundred dollars, and on all licenses in the state, be set apart to meet the payments of interest on the state bonds. This tax was not to be levied before the year 1859.⁵ In order

¹Laws of Mo., Adj. Sess., 1857, p. 70.

²House Journal, Adj. Sess., 1857, App., p. 7.

³Ibid., p. 23.

⁴Ibid., p. 8.

⁵Laws of Mo., Adj. Sess., 1857, p. 71.

to pay promptly all interest that would fall due before this tax was collected the Commissioners of the State Interest Fund were given the power to temporarily use any funds in the treasury, except the State School Fund, the Road and Canal Fund and the Internal Improvement Fund, and if the sum in the treasury should be insufficient the Governor was to issue state bonds which should be payable two years from date. All the money in the treasury not otherwise appropriated was pledged for the prompt payment of the interest and bonds.¹ Although expected, no company defaulted before January 1, 1859 and two held out until July 1, 1861.

During this period construction was pushed very rapidly. At the close of 1857, six hundred fourteen miles of track was completed and at the close of 1859, seven hundred ten.² The close of the year 1857 saw the number of miles of construction on the St. Louis and Iron Mountain increased to forty six. June 4, 1858 an excursion was held to celebrate the opening of the road from St. Louis to Pilot Knob. "The train consisted of a locomotive and six passenger cars. About four hundred passengers were on board. The eighty four miles was run in six hours. Arriving at Pilot Knob we disembarked and after a fine banquet speeches were made by Ex-Governor Reynolds, Mr. Thompson

¹Ibid., p. 72.

²See table of construction in Appendix.

and Dr. Shore of St. Louis and others. At half past eleven that night we reached St. Louis without an accident. Pres. Miller and Supt. Felps of the road stationed themselves upon the engine and did not leave it, either in going or returning." The passengers pronounced the road "smooth, free from jars; the cars neat and commodious, and the conductor gentlemanly and accommodating."¹

When the interest fell due January 1, 1859 the company was unable to meet it and the company defaulted.² The total cost of the road was \$5,200,058 or \$60,110 per mile; when the interest and discount charges were deducted, the net cost was \$45,600 per mile.³

April 10, 1857 the Board of Directors of the Pacific Railroad reported one hundred and twenty-five miles completed, and equipment in use consisting of twenty-six locomotives, fifteen first class passenger cars, three second class, four baggage cars, one hundred and six gravel cars and one hundred and eighty-eight freight cars.⁴ The work of construction was pushed as rapidly as possible and January 1, 1860 the road was completed for one hundred and sixty-eight miles.⁵ The cost of the Pacific Railroad was \$7,356,159 or \$43,786 per mile "exclusive of rolling stock interest and discounts."⁶

¹Statesman, June 4, 1858.

²House Journal, 1859-60, App., p. 29.

³Ibid., p. 239.

⁴Statesman, Apr. 10, 1857.

⁵House Journal, 1858-59, App., p. 239.

⁶House Journal, 1859-60, App., p. 48.

By the close of 1857 the Hannibal and St. Joseph had sixty-four miles completed and the grading done on several miles more. It was evident that the company was pushing the work but it was charged that the contractors had changed the grade from fifty-six to one hundred and six feet per mile. Such a high grade would make the road nearly worthless as the locomotives could not draw an ordinary load over these ascents and the result would be that the grade would have to be altered and the cost of construction would be increased. Further, it was charged that they were building bridges with piers of logs and laying the ties four feet apart.¹ Notwithstanding the unsound character of the road "a very considerable traffic" began to pass over it at once.²

May 1, 1858 the road was complete to Stewardsville, De Kalb County, and an engine for the first time entered the limits of the town. "Long before the train reached Stewartsville it met a large number of citizens, both male and female, who came to witness the entrance into their town. It was a day that will long be remembered by the inhabitants. Many of them had never seen an engine before and gazed upon it with wonder and admiration. One old gentleman whose hair was whitened by the frosts of many winters, who got off at Easton, said it was the first rail-

¹Randolph Citizen, Oct. 1, 1857, Oct. 29, 1857; Weekly Jefferson Inquirer, Sept. 5, 1857.

²Weekly Jefferson Inquirer, March 17, 1857.

road he had ever seen or traveled on. The company are now putting together at their workshop a large passenger car, which was built in the East, taken to pieces and shipped to this city. It's outward appearance will be very plain but it's inner arrangements will be fitted up with an eye to the comfort of passengers."¹

St. Joseph had been rather "cut off" from communicating with the East and South during the winters - her position had been especially isolated whenever the river was blockaded. But with the completion of the road the people ceased to find fault with the methods of construction and only felt proud of it. "Speeding along upon it at the rate of twenty miles an hour and exhilarated by the delicious morning air, our minds reverted to the years that have flown, when Gov. Stewart jogged across country soliciting subscriptions, riding in an old no top buggy, often being taken for 'a pill peddler' and a 'patent medicine chap,' by the early settlers; when his band of accomplished and resolute assistants and engineers walked and surveyed and camped in the Elk Knobs working in fair weather and foul, more for glory than gain, and when scores of would be great men now, were throwing cold water on the foolish enterprise. In spite of political prejudices and personal disfavor, the early pioneers of railroads in North West Missouri under

¹Randolph Citizen, May 8, 1858.

the lead of Gov. Stewart, have deserved the gratitude of the country whose prosperity they have so materially enhanced."¹

From the first the Hannibal and St. Joseph road paid the interest on the \$3,000,000 loaned it and the bonds too at maturity. The other roads failed to pay off the bonds and left a heavy debt on the state. The Hannibal and St. Joseph road cost \$5,866,677 or \$34,700 per mile. Deducting the discounts and interest the net cost was \$27,120 per mile.²

So little work had been completed on the South West Branch, the Cairo and Fulton, and the Platte County roads that no accurate estimates of the cost can be given. October 1, 1859 the Chief Engineer of the South West Branch reported that the track was laid for forty-three miles, and the graduation and masonry was completed for sixty-one miles. The failure of the parties who had contracted to transport the rails purchased for the branch, from New York to St. Louis prevented the track being laid that far.³

The Platte County had just begun its construction at the close of 1859. Of the one hundred and fifty miles of the road the track was laid for seven.⁴ The work on

¹Ibid., Sept. 25, 1858.

²House Journal, 1858-59, App., p. 239.

³Senate Journal, 1859-60, Adj. Sess., App., p. 83.

⁴Senate Journal, 1859-60, App., p. 148; Ibid., Adj. Sess., App., p. 8.

the Cairo and Fulton was not begun until 1858 and at the close of 1859, only twenty-five miles were completed.¹

The North Missouri Railroad Company did not begin its construction until 1855, yet by the close of 1859 they had completed one hundred sixty-eight miles - an amount equal to the construction on the Pacific, whose work began in 1852. In spite of the fact that the receipts of the company were steadily increasing,² the company was unable to pay their semi-annual interest which was due January 1, 1859, and the grant of November 19, 1857 of \$1,150,000 aid which was then due was forfeited. A new Board of Directors came in in April 1859 and they had hard work before them. They received the road from the hands of the old board in debt, and with the stock forfeited to the state for failure to pay the interest.³ They arranged for the completion of the road to the Iowa line. The contract was awarded to Messrs. Kelly of St. Louis at \$15,000 per mile. This was a reduction of over one-half what the road had cost over the more thickly settled portions of the state. Further the contractors agreed to take their pay in Missouri bonds at par value. This opened the eyes of Missouri people to the frauds which had probably been practiced on

¹Ibid.

	Dec., 1856	Dec., 1857	Jan., 1857	Jan., 1858.
² Passengers	\$1,350.40	\$6,489.57	\$590.10	\$4,264.20
Freight	2,002.05	4,607.65	1,637.05	5,593.00
	<u>\$3,352.45</u>	<u>\$11,097.22</u>	<u>\$2,227.05</u>	<u>\$9,857.20</u>
	Excess \$7,244.72		Excess \$7,630.05	

..Statesman, Jan. 22, 1858; St. Louis Democrat, Feb. 11, 1858.

³Randolph Citizen, Apr. 8, 1859.

them in railroad construction.¹ This failure to pay the interest created a doubt in the minds of the members of the legislature as to whether the road would be even able to pay the running expenses for many years to come.² The company thought the income would enable it to, in a few years, pay the interest and liquidate the bonds as they fell due. The receipts for September, 1859 exceeded the expenditures by more than \$5000 although they were mainly derived from local business of the poorly developed country through which it passes. Although the company was optimistic the receipts after 1860 for several years failed to equal the amount of interest due the state. The cost of the North Missouri including interest and discount was \$5,866,677 or \$34,700 per mile. Deducting the interest and discount the cost of the road was \$27,120 per mile.³

That the people of Missouri were beginning to doubt the ultimate success of the railroad companies is shown by the legislation which began in 1855. December 7, (1855) the act creating a fund for the payment of interest on the bonds in case the companies defaulted, was passed.

¹Ibid., Aug. 19, 1859. (It is true that Mr. Kelly took the contract for the third division of the North Mo. R. R. at \$15,000 a mile complete, when the other two sections had cost \$50,000 a mile exclusive of rolling stock. But Mr. Kelly may have been a poor business man.)

²Ibid., Oct. 28, 1859.

³House Journal, 1858-59, App.

The act of November 17, 1857 suspending the issue of a large part of the grant of December 10, 1855, was another evidence of lack of confidence. In December, 1858 the legislature fearing that the state credit would be over-taxed, proposed an amendment which was later made an amendment of the state constitution, that, "the public debt of the state created by the issue of bonds or other state securities for the prosecution of internal improvements, or for any other purpose" except to repel invasion or to suppress civil war, should "never exceed the sum of thirty million dollars."¹

During the legislature session of 1858-1859 numerous attempts were made to grant aid to several of the companies. But the determined opposition to the increase of the already large state debt resulted in the tabling of the bills. The will of the people was again shown at the adjourned session of 1859-1860, by voting down, on direct issues, three railroad bills, by large and emphatic majorities. In spite of this the Executive of the State saw fit, by his proclamation of January 16, 1860, to call together the legislature to do that which they had repeatedly refused to do, viz: to vote more aid to the railroad companies of the state; "to plunge the state still deeper into the same system that has resulted in the prostration

¹Laws of Mo., 1853-59, p. 3.

of our credit, which has deceived our people at every step of its advance, and which was begun in error, prosecuted in extravagance, and is now about to end in ruin to the credit of the state, inflicting a lasting stigma on our people."¹

Regardless of this opposition a bill was passed to aid several companies. But the Governor notwithstanding that he was a staunch supporter of the aiding policy, felt compelled to veto the measure. His reason for doing so was that, "upon a careful examination of the bill," he found that, "instead of securing the completion of any of the roads, it finally prevents their completion, as will be seen by an examination of section seventeen of the bill, which leaves the state without any control in the premises, and leaves the whole power in the railroad company without any power on the part of the state; also section nineteen of the bill which releases the lien which the state has, for her own protection, under all former laws, preserved."² This was on March the twenty-ninth and the legislature adjourned sine die on the following day without further considering the bill. This was the last attempt in Missouri to grant aid to railway companies.

¹Senate & House, Called Sess., 1860, pp. 27-34. (Report of Majority Committee.)

²Ibid., p. 154.

To summarize: railroad construction in Missouri was undertaken by private companies who expected to finance the roads by subscriptions to the capital stock by individuals, towns and counties. Early in 1851 the people realized that the task was too great to be carried on without aid from the state. By legislative acts, aid was granted to seven companies who at the close of 1859 had not completed six hundred and twelve miles of their roads. Only two companies - the Hannibal and St. Joseph and the St. Louis and Iron Mountain had completed their lines.

We have seen that two of the state aid railroads failed to meet their interest payments due January 1, 1856. Beginning January 1, 1859 further failures of railroad companies occurred, and finally the state released her lien on the roads for "a very small sum." "With the exception of the Hannibal and St. Joseph Railroad, the career of every company was unfortunate and through her connection with them, the state was forced into a most unenviable position."¹

¹Million, "State Aid to Railroads in Missouri," p. 114. The only record found of construction on any non state aid road was the announcement of the completion of the Ohio and Mississippi R. R. The last rail was laid connecting St. Louis and Vincennes, Iowa, Sat., June 30, 1855, and on the 4th of July, the road was formally opened by a celebration at Vincennes. About 400 citizens of St. Louis went over the road and returned the next morning. This road provided continuous railroad communication between St. Louis and Eastern cities.

St. Louis Intelligencer, Apr. 20, 1857; Mo. Valley Farmer, July, 1855, p. 293.

TABLE 1.

STATE AID GRANTED TO RAILROADS.

	1852 Dec. 1.	1855 Nov. 10.	1856 Nov. 30.	1857 Oct. 1.	1858 Nov. 30.	1859 Sep. 30.	1860 Sep. 30.
Pacific							
Bonds authorized	3,000,000		6,000,000	7,000,000			
Bonds issued	500,000		4,700,000	6,380,000	6,780,000	7,000,000	
Hannibal and St. Joseph							
Bonds authorized		1,500,000	3,000,000				
Bonds issued		580,000	2,000,000	3,000,000			
North Missouri							
Bonds authorized		2,000,000	4,000,000	5,500,000			
Bonds issued		600,000	1,240,000	3,150,000	3,350,000	4,350,000	

1852 Dec. 1.	1855 Nov. 10.	1856 Nov. 30.	1857 Oct. 1.	1858 Nov. 30.	1859 Sep. 30.	1860 Sep. 30.
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St. Louis and
Iron Mountain

Bonds authorized	1,500,000	3,600,000				
Bonds issued	400,000	2,600,000	3,276,000	3,501,000		

Cairo and
Fulton

Bonds authorized			650,000			
Bonds issued			180,000	250,000	650,000	

Platte County

Bonds authorized		700,000				
Bonds issued		150,000	700,000			

1852 Dec. 1.	1855 Nov. 10.	1856 Nov. 30.	1857 Oct. 1.	1858 Nov. 30.	1859 Sep. 30.	1860 Sep. 30.
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South West
Branch

Bonds to be
guaranteed

3,000,000 4,500,000

Bonds guar-
anteed by
the state.

200,000 700,000 1,968,000 2,200,000 4,100,000

(The amounts in the columns are the totals to date.)

TABLE 2.

AMOUNT OF STATE CREDIT LOANED TO RAILROADS - ACTS UNDER WHICH ISSUED.

Name of company	Under what act of the General Assembly issued	Amount loaned each company	Total amount loaned each company	Amount of state bonds loaned to each company	Total amount state bonds loaned to each company	Amount of state bonds due each company
Pacific	"Act to expedite the construction of the Pac. & the H. & St. J. R. R., approved Feb. 22, 1851	2,000,000		2,000,000		
	"Act to accept a grant of land, made to the State of Mo., by the Congress of the U. S., to aid in the construction of certain R. R. in the state, and to apply a portion thereof to the Pac. R. R.," approved Dec. 25, 1852.	1,000,000			1,000,000	
	Same act to the S. W. Br. by the act subsequently mentioned, of Dec. 10, 1855, transferred to the Kansas road	1,000,000			1,000,000	
	"Act to secure the completion of certain R. R. in this State," became a law Dec. 10, 1855	2,000,000			2,000,000	

In addition to the bond issues the govt. granted the Pac. R. R. 127,000 A. of school land; the H. & St. J., 600,000 A.; the S. W. Branch, 1,040,000 A.

<i>Name of company</i>	<i>Order what act of the General Assembly issued</i>	<i>Amount loaned each company</i>	<i>Total amount loaned each company</i>	<i>Amount of state bonds to each company</i>	<i>Total amount state bonds loaned to each company</i>	<i>Amount of state bonds due each company</i>
	"Act to amend an act to secure completion of certain R. R. in the state, and for other purposes," approved Mar. 3, 1857	<u>1,000,000</u>	7,000,000	<u>780,000</u>	6,780,000	220,000
Pacific, South West Branch	"Act to secure completion of certain R. R. in the state," became law, Dec. 10, 1855 (Construction or guarantee bonds.)	3,000,000		1,400,000		
	"Act to amend act," above cited, approved Mar. 3, 1857	<u>1,500,000</u>	4,500,000		1,400,000	3,100,000
Hannibal & St. Joseph	"Act to expedite construction of Pac., and H. and St. J.," approved Feb. 22, 1851	1,500,000		1,500,000		
	"Act to secure completion of certain R. R. in the state, became law, Dec. 10, 1855.	<u>1,500,000</u>	3,000,000	<u>1,500,000</u>	3,000,000	
North Missouri	"Act to expedite construction of N. Mo. R. R., Dec. 23, 1853	2,000,000		1,950,000		

Name of company	Under what act of the General Assembly issued	Amount loaned each company	Total amount loaned each company	Amount of state bonds loaned to each company	Total amount state bonds loaned to each company	Amount of state bonds due each company
	"Act to secure completion of certain R. R. in the state," became law, Dec. 10, 1855	2,000,000		2,000,000		
	"Act to amend above Act," Dec. 10, 1855, approved Mar. 3, 1857	<u>1,500,000</u>	5,500,000	<u>400,000</u>	4,350,000	1,150,000
St. Louis and Iron Mountain	"Act to expedite construction of I. M. Br. of the Pac. R. R.," approved Dec. 25, 1852, & "An act explanatory and amendatory of said act," approved Apr. 23, 1853	750,000		750,000		
	"Act to aid in construction of St. L. & I. M., approved Mar. 3, 1855	750,000		750,000		
	"Act to secure completion of certain R. R. in this state," law Dec. 10, 1855	1,500,000		1,500,000		
	"An act to amend the above act," Dec. 10, 1855, approved Mar. 3, 1857	<u>600,000</u>	3,600,000		3,276,000	324,000

<i>Name of company</i>	<i>Under what act of the General Assembly issued</i>	<i>Amount loaned each company</i>	<i>Total amount loaned each company</i>	<i>Total amount of state bonds loaned to each company</i>	<i>Total amount of state bonds loaned to due each company</i>
Cairo and Fulton	Act to expedite construction of C. & F. R. R., "law Dec. 11, 1855	250,000		250,000	
	"Act to amend act to secure completion of certain R. R. in Mo.," approved Mar. 3, 1857	<u>400,000</u>	650,000		250,000 400,000
Platte County	"Act to amend an act to secure completion of certain R. R. in this state, and for other purposes," approved Mar. 3, 1857	<u>700,000</u>	<u>700,000</u>		
			24,950,000		19,056,000 5,894,000

Senate, 20th Gen. Assem., 1859-60, App., p. 52-53.

TABLE NO. III.

COUNTY SUBSCRIPTIONS TO STATE AID RAILROADS.

County	Pac.	S.W.Br.	H.&St.J.	St.L.&I.M.	C.&F.	No.Mo.
Marion				100,000		
Daviess				1,000		
Buchanan				100,000		
Jackson	200,000 ✓					
Johnson	150,000					
Morgan	50,000 ✓					
Osage	5,000 ✓					
Franklin	50,000 ✓					
Saline	200,000 ✓					
Cooper	250,000 ✓					
Lafayette	300,000 ✓					
Moniteau	75,000 ✓					
Pettis	170,000 ✓					
St.Louis	1,700,000 ✓			1,570,000		1,250,000
Henry	50,000 ✓					
Cass	150,000 ✓					
Washington				75,000		
St. Charles						100,000
Barry		10,000				
Dade		20,000				
Dallas		20,000				
Greene		100,000				
Jasper		25,000				
Laclede		30,000				
Lawrence		50,000				
Newton		50,000				
Polk		20,000				
Warren						50,000
Montgomery						50,000
Audrain						50,000
Boone						100,000
Randolph						125,000
Schuyler						50,000
Adair)						200,000
Shelby)						
Stoddard				150,000		
Butler				100,000		
Dunklin				100,000		
Scott				50,000		
Ripley				19,500		
City of			Ohio & Miss.			
St. Louis	500,000 (1857)		500,000	333,000 (1856)		750,000 (1857)
				500,000 (1857)		

TABLE NO. IV.

RECOMMENDATIONS OF COUNTY CONVENTIONS.

County	Pac.	H.&St.J.	S.W.Br.	St.L.&I.M.	C.&F.	Platte
Audrain						
Boone						
Buchanan		100,000				
Cooper	250,000					
Cole	50,000					
Greene	100,000					
Howard						
Johnson	250,000					
Jasper	50,000			25,000		
Livingston		25,000 ₂				
Lewis						
Madison	25,000 ₃					
Macon						
Monroe						
Moniteau	75,000					
Newton				50,000		
Platte						4,000,000
Pettis	400,000 ₅					
Randolph						
St. Francois				50,000		
St. Louis	1,700,000			1,570,000		
Charitan						
Linn	700,000 _—					
Lawrence	50,000 ₆			50,000		
Morgan	50,000					
Jackson	200,000					
Marion		100,000				
Daviess		1,000				
Osage	5,000					
Franklin	50,000					
Saline	200,000					
Lafayette	300,000 ₇					
Henry	50,000					
Cass	150,000					
Washington				75,000		
St. Charles						
Barry				10,000		
Dade				20,000		
Dallas				20,000		
Greene				100,000		
Laclede				30,000		
Polk				20,000		
Warren						
Montgomery						
Schuyler						
Adair						
Shelby						
Butler					100,000	
Stoddard					150,000	
Dunklin					100,000	
Scott					50,000	
Ripley					1,950	
Total	4,655,000	226,000	325,000	1,695,000	401,950	4,000,000

		Charitan Weston & Canton &		S. Kansas.
No. Ho.	& Randolph St.	Louis Bloomfield	S.W.Ho.	Osage Valley

100,000₁
100,000

250,000

150,000

125,000
100,000₄

50,000

200,000	200,000
1,250,000	200,000

50,000

100,000

50,000
50,000
50,000
200,000

2,325,000	400,000	250,000	150,000	50,000	50,000
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(Note). Some county subscriptions were qualified by certain conditions.

1 \$50,000 of this was voted provided the road passes through Mexico.

2 The dividends were forever to be used for common schools of the county.

3 Provided the Pacific was located on the route they desired.

4 Provided the North Missouri goes within twelve miles of Paris, or \$50,000 if it runs through any part of the county.

5 Provided the Pacific passes through Jefferson City.

6 Provided the road is built and the money spent west of Greene County.

7 Provided the route of the Pacific passes through the county.

TABLE 5.

RAILROAD CONSTRUCTION 1850-1860.

Road	Total length	Amount of construction.									
		1852	1853	1854	1855	1856	1857	1858	1859	Unfinished.	
Pacific	282	5	37		81		125		168	114	
South West Branch	283					3	7		49	234	
St. Louis and Iron Mountain	86.5					26	46		86.5		
Hannibal and St. Joseph	206.8					32	64	170	206.8		
North Missouri	236.75				25		75		168.75	68	
Cairo and Fulton	78							7	25	53	
Platte County	150								7	143	

Senate Journal, Adj. Sess., 1857, App., p. 5; Ibid., 1859, App., p. 8; Ibid., Reg. Sess., App., p. 148.

COUNTIES SENDING DELEGATES TO ST. LOUIS

NATIONAL CONVENTION 1849

RAILROADS 1837-1839

- 1837 ST. LOUIS MARINE
- 1837 HANNIBAL, PARIS, GRAND RIVER
- 1837 MARION CITY AND MISSOURI
- 1837 MINE A LA MOTTE, MISS.
- xxx 1837 BAILEY'S LANDING
- xx 1837 SOUTHERN
- xxx 1837 SOUTHEASTERN
- xxx 1837 ROCHEPORT
- 1837 LOUISIANA AND COLUMBIA
- 1837 FLORIDA AND PARIS
- 1837 ST. CHARLES
- xxx 1837 LIVINGSTON AND INDEPENDENCE
- xxx 1837 MINERAL
- xxx 1837 LIBERTY
- 1837 MONTICELLO AND LA GRANGE
- xx 1837 CAPE GIRARDEAU, SPRINGFIELD
- 1837 ST. LOUIS KENNEDY
- 1839 MISS. GRAND, MO. RIVER
- 1839 MISS. IRON MOUNTAIN
- 1839 KENNEDY
- 1837 PAINESVILLE, MISS. RIVER

RAILROADS 1847-1853

- xxxxx 1847 ST. L., BELLVUE, MINERAL
- 1849 PALMYRA, MISSISSIPPI
- 1849 ALEXANDRIA, ST. FRANCESVILLE
- 1849 MISSOURI AND WHITE RIVER
- xxxxx 1849 INDEPENDENCE, MO. RIVER.
- xx- 1849 MISSOURI AND MISS. RIVER
- 1851 CANTON AND BOONEVILLE
- xxxxx 1851 LEXINGTON AND DAVIESS Cy.
- 1851 SAVANNAH AND ST. JOSEPH
- 1851 ALEXANDRIA AND BLOOMFIELD
- xx- 1851 ST. LOUIS AND ST. CHARLES
- xxxxx 1851 JACKSON Cy. AND ST. JOSEPH
- xx- 1853 MISS. VALLEY R.R. NORTH
- 1853 LEXINGTON AND GRANDE RIVER
- 1853 LEXINGTON AND BOONVILLE
- 1853 WARSAW AND PACIFIC R.R.
- 1853 OHIO AND MISSISSIPPI R.R.
- 1853 FARMVILLE R.R.
- xx- 1853 PLATTE Co. R.R.
- xxxxx 1853 OREGON AND SAVANNAH
- xx- 1853 INDEPENDENCE, LIBERTY AND PLATTSBURG.

RAILROADS 1855-1857

RAILROADS 1857-1860

STATE AID RAILROADS.

- 1847 HANNIBAL AND ST. JOSEPH
- 1849 PACIFIC
- 1851 NORTH MISSOURI
- - - 1851 ST. L. AND IRON MT.
- x x x x 1853 PLATTE COUNTY
- x x x x x 1855 CAIRO AND FULTON
- x x x x 1853 S. W. BRANCH OF PACIFIC

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*The Statesman was the most valuable paper used, perhaps,
one reason was that it covered a longer span of years.

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