Hamline University DigitalCommons@Hamline

Departmental Honors Projects

College of Liberal Arts

Spring 2019

The Battle Over the Canal: The Dispute Between Sister Cities that Shaped the Future of the Twin Ports

Parker Bertel

Follow this and additional works at: https://digitalcommons.hamline.edu/dhp



Part of the United States History Commons

Recommended Citation

Bertel, Parker, "The Battle Over the Canal: The Dispute Between Sister Cities that Shaped the Future of the Twin Ports" (2019). Departmental Honors Projects. 83.

https://digitalcommons.hamline.edu/dhp/83

This Honors Project is brought to you for free and open access by the College of Liberal Arts at DigitalCommons@Hamline. It has been accepted for inclusion in Departmental Honors Projects by an authorized administrator of Digital Commons@Hamline. For more information, please contact digitalcommons@hamline.edu, wstraub01@hamline.edu, modea02@hamline.edu.

"The Battle Over the Canal: The Dispute	Between Sister Cities that Shaped the
Future of the 1	Twin Ports"

Charles Parker Bertel

An Honors Thesis

Submitted for partial fulfillment of the requirements

for graduation with honors in History

from Hamline University

Zenith City of the Unsalted Seas

At the turn of the 20th century, Duluth in Minnesota was a nexus of industry, shipping, and development. In the early 1900s, it was home to the highest per capita population of millionaires in the U.S: it was the playground of American titans of industry. Jay Cooke and other investors saw the city as instrumental to their wealth. Duluth was a rising star, some even believed that it would soon eclipse Chicago as the largest city in the American Midwest. Duluth's popularity and its claim to this destiny came from one source: its harbor. Situated at the mouth of the St. Louis River and the head of the Great Lakes, possessing a large natural harbor, Duluth was positioned perfectly as a hub for railroads and shipping. Able to export the vast wealth of natural resources produced from the iron range north of the city and send imported commodities and goods to the greater Midwest via rail, Duluth was one of the most important ports in the country. For a period, the city ranked second only to New York City in tonnage shipped annually. However, the development of Duluth's harbor and subsequent success relied upon one event, an event which almost did not happen: the 1871 digging of the Duluth Ship Canal.

When the St. Marie locks opened in 1855, the possibility emerged of large-scale shipping on Lake Superior. Duluth, Minnesota, situated at the western tip of the lake, was in a position to become the region's port of note. There was, however, one obstacle: the only inlet to the natural harbor on which the city was built was on the Wisconsin side of the bay. Without a protected harbor, Duluth would be unable to take advantage of its strategic position; so, in 1870, it

¹ Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 137-156.

commissioned the digging of a canal into the bay. Superior objected to this and years of contentious litigation followed. Superior, Wisconsin, which was just across the bay, had many advantages over Duluth, as a developing city. It was founded first; for most of the port's early history, it had a significantly higher population; and most importantly, it had the only entrance to the natural harbor created by Minnesota Point.

The dispute over the opening of the Duluth Ship Canal ran from 1870 to 1877 and was a turning point in the region's history. This event shaped the future of not only Duluth and Superior, but the entirety of Northern Minnesota. The dispute provides a snapshot of the post-Civil War Midwest, one filled with railroad moguls, self-interested politicians, and a federal government struggling to settle disputes between states. The dispute has been covered widely by local historians and there have been works tying the dispute to the larger context of Reconstruction in the Midwest. While the dispute is referenced in works on Jay Cooke and the Northern Pacific Railroad, as well as in works tying the agenda of the radical faction of the Republican party and Grant administration to the region, these works do not focus on the Duluth - Superior dispute itself. However, they are relevant to explaining how Duluth, lacking the natural advantages of Superior, beat its sister to become the largest inland port in the world.

The body of previous work on Duluth and the surrounding region in the 1870s can be separated into three categories: early histories written by the pioneers themselves to preserve an account of their actions; analysis of the development of the railroads in the region and the larger political and business interests that drove them; and contemporary histories of the events by local historians, focusing on the dispute for its novelty and connection to local history. The first histories written on the development of the towns during the period of the

dispute were written by those who had pioneered them. These handful of early works aim to chronicle the early history of the region and those who first settled it. However, they lack in deeper analysis and were often written simply to preserve the struggles and obstacles that were overcome by these first few for future generations.

The first history published on the head of the lakes was, *The Eye of the Northwest*, written and published by Frank Flower, Superior Wisconsin's statistician, in 1890. The book provides an account of the early investors and settlers of Superior Wisconsin, using letters and journal entries from those involved, often focusing on the hardships that they endured. It is unique in that it provides perspective of the early citizens of Superior on the developments in the bay.² Interestingly, the Canal dispute is not mentioned, which, humorously enough, is the topic of the first history written on Duluth.

In 1898, J.D. Ensign, Duluth's third mayor and city attorney at the time of dispute, published *History of Duluth Harbor*. Ensign's short book is a step-by-step re-telling of the digging of the Duluth Ship Canal and the subsequent dispute with Superior. Ensign employs court documents as well as reports from the Secretary of War to reconstruct the event. In his own words, Ensign describes his reason for writing the book as simply that he did not believe anyone else would.³ His contribution is seen by modern scholars as the most definitive account of the event.⁴

-

² Frank Abial Flower, "Eye of the Northwest"; *Annual Report of the Statistician of Superior, Wisconsin*. 1890.

³ J. D. Ensign, *History of Duluth Harbor*. Duluth News Tribune. Duluth, MN.:1898, 2.

⁴ Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 42.

In the years that followed, several more works were published on the subject of early Duluth. *History of Duluth, and of St. Louis County, to the Year 1870*, was published by John Carey in 1901; and *The History of Duluth & St. Louis County, Minnesota*, by Dwight Woodbridge and John Pardee followed in 1910. Like the works that had come before, neither was academic in nature, but both fulfilled the sole purpose of preserving the actions of the early settlers before their stories were lost to time forever. In 1925, Pardee and Woodbridge's *History of St. Louis County* was edited and re-released by Walter Van Brunt. Van Brunt, who had been a Duluth city clerk at the time of the canal dispute, greatly expanded the work, introducing excerpts from letters and interviews with those involved. These works, along with Jerome Cooley's self-published 1925 autobiography, *Recollections of Early Days in Duluth*, form the basis for modern historians' understanding of the early developments on the local level at the head of the Lakes.

The accuracy of these, at times, conflicting accounts has been questioned. ⁷ By the time they were written, many years had passed since the initial founding of the cities on the Bay of Superior. Now that the cities were booming and projected to surpass Chicago as the largest city in the Midwest, the inhabits of both towns lionized their founders much in the same way we, as Americans, mythologize the pilgrims and early European settlers of New England. However, one point on which they were all in agreement is that Jay Cooke was instrumental to the city's

⁵ Walter Van Brunt, *Duluth and St. louis County, Minnesota,: Their Story and People*. Forgotten Books, 2016.

⁶ Jerome Eugene Cooley, *Recollections of Early Days in Duluth*. Duluth, MN.: Published by the Author, 1925.

⁷Tony Dierckins, *Crossing The Canal: An Illustrated History of Duluth's Ariel Bridge*, 2.

success. Serious academic analysis of the origins of Duluth would not come for another several decades, but academic analysis of the development of the railroads in the region began to appear in the early 20th century.

After the turn of the century, railroads became recognized as one of the driving forces in the development of the Northern Midwest. In 1907, the historian Ellis Paxson produced *Jay Cooke: Financier of the Civil War*. The biography of the investment tycoon Jay Cooke focused primarily on his business dealings with the Northern Pacific Railroad. The biography chronicles the struggle of Cooke and the railroads to secure funding for their venture, as well as Cooke's connections to the Republican Party. Paxson uses a combination of business records, government documents, and letters written by high level politicians and railroad investors from New England to chronicle the development of the railroad. The work does not provide much deeper analysis, but rather serves as an all-encompassing chronological retelling of Cooke's dealings. In the end, it extolls him as a moral figure attempting to bring civilization to the West.⁸

Modern works on Cooke, such as John Lubetkin's *Jay Cooke's Gamble: The Northern Pacific Railroad, the Sioux, and the Panic of 1873,* published in 2014, paint Cooke as a flawed capitalist. They also depart from the detailed chronicling of business and political deals to instead focus on a much larger scale. As a consequence, the town of Duluth is barely mentioned in most contemporary works on Jay Cooke.

⁸ Paxson, Ellis, and Oberholtzer. *Jay Cooke: Financier of the Civil War. Vol. 2*, Philadelphia, G.W. Jacobs & Co, 1907.

⁹ John M. Lubetkin, *Jay Cooke's Gamble: The Northern Pacific Railroad, the Sioux, and the Panic of 1873.* University of Oklahoma Press, 2014.

In 1918, focusing on a more local level, historian Alfred Shippee wrote an article for the Mississippi Valley Historical Review, titled, "The First Railroad between the Mississippi and Lake Superior." This provided an academic analysis of the first railroad to reach the Bay of Superior the Lake Superior Mississippi Line. The railroad, also known as the "LS&M line," ran from St. Paul to Duluth. Shippee, building on Paxson's work and using transcripts from the Minnesota State legislature, focuses on a dispute over whether a railroad should be built from the Mississippi River through Wisconsin to Superior, WI, or through Minnesota to Duluth. Shippee concludes that the railroad was built through Minnesota due to the lobbying of several key Republicans in the state legislature and the efforts of early settlers at Duluth.¹⁰

Although neither Paxson's 1907 biography of Cooke nor Shippee's analysis of early railroads focus on Duluth, the choice of the city for these railroads' terminus was the catalyst for the digging of the Canal. Paxson's biography of Cooke and Shippee's article marks the first time the City of Duluth was connected to the larger context of politics and business in the post-Civil War Reconstruction era. They would not be the last.

As the century progressed, Duluth grew into the largest inland port in the world and several works focusing directly on the development of the twin ports were produced. In 1960, John Hansberger wrote an article for the Minnesota History Journal, titled, "Land, Lobbies, Railroads and the Origins of Duluth." Hansberger, building on Paxson's and Shippee's work and using congressional transcripts, argues that the choice of Duluth as the terminus of the railroads, rather than Superior, was due to a failed attempt by Cooke and railroad investors,

¹⁰ Lester, B. Shippee, "The First Railroad between the Mississippi and Lake Superior". The Mississippi Valley Historical Review, Vol. 5, No. 2, (Sept. 1918): pp 121 – 142.

many of whom were members of the Radical Republican Party, to secure a large portion of mineral rich lands north of Lake Superior through land grants from the federal government. The paper suggests the good fortunes of Duluth were the result of a land speculation scheme. This is a departure from earlier literature suggesting that Duluth's success was due solely to the hard work of its pioneers and Cooke's love for the city on the hill. 11/12

The Radical Republicans who Paxson, Shippee, and Harnsberger connected to the railroads were the dominant political faction in the U.S. at the time of the canal dispute, but history has not been kind to their legacy. Initially, they were viewed as Puritan idealists, free from the corruption that plagued the era; but by the middle of the 20th century, their "white knight" image had begun to fade. "Northeastern Business and Radical Reconstruction: A Re-Examination," written by Stanley Cobin and published in *The Mississippi Valley Historical Review* in 1959, tells a different story. Cobin asserts that the Radical Republicans were in the pockets of New England railroad investors and, through various corrupt dealings, sought to prioritize the development of the Northern Midwest over the rest of the country. ¹³ This narrative is maintained by Jay Cost in his 2016 book, "A Republic No More: Big Government and the Rise of American Political Corruption," which devotes several chapters to the link between the Radical

¹¹ John L. Harnsberger, "Land, Lobbies, Railroads and the Origins of Duluth." *Minnesota History* 37, no. 3 (1960): 89-100.

¹² It is also worth noting that in 1939 Superior got a similar treatment. Paul Gates, "Southern Investments in Northern Lands Before the Civil War.", published in the *Southern Journal of History*, argued that Superior had been founded as a land speculation venture headed by U.S. Senator Stephen Douglas and William Corcoran, a banker from New York, as well as several other prominent southern politicians.

¹³ Stanley Coben, "Northeastern Business and Radical Reconstruction: A Re-Examination." *The Mississippi Valley Historical Review*, vol. 46, no. 1, June 1959, pp. 67–90.

Republicans and the Grant administration and the New England investors involved with the Northern Pacific Railroad, at the time of the Duluth Canal dispute.¹⁴

These are not the first works linking the Northern Pacific to the Radical Republicans. In 1939, Irwin Bertram wrote, "Pacific Railways and Nationalism in the Canadian-American Northwest, 1845-1873." Bertram, using Paxson's work on Jay Cooke, connects those involved with the Northern Pacific Railroad, and prominent Radical Republicans in the Grant administration, to a scheme to annex Canada. Although Bertram never connects the scheme to the canal dispute itself, his work gives a concrete reason for the Radical Republicans' consistent support of the railroad.¹⁵

Absent from the academic works discussed is the canal dispute itself. Having been detailed in the earlier works of pioneer settlers, it was not until the late 20th century that the event began to gain recognition. Duluth's heyday had long passed, a series of economic downturns and other developments had relegated it to a declining industrial center with a bleak future. It was during this time that local historians began revisiting the tales of old Duluth as a historical novelty. However, due to the mystification of the early city created in the cities boom years, the lines between fact and fiction had become blurred.

1

¹⁴ Jay Cost, A Republic No More: Big Government and the Rise of American Political Corruption. Encounter Books, 2016.

For more on Radical Republican corruption in the 1870s see -

Morris, Roy. Fraud of the Century: Rutherford B. Hayes, Samuel Tilden, and the Stolen Election of 1876. Simon & Schuster, 2004.

¹⁵Leonard Bertram Irwin, *Pacific Railways and Nationalism in the Canadian-American Northwest, 1845-1873*. Greenwood P., 1968.

The dispute has been detailed many times in diverging accounts. *History of Minnesota Point,* by Frank A. Young, published by the St. Louis County Historical Society, uses interviews, autobiographies, and newspaper articles to reconstruct the digging of the canal. It describes a sensational scene with residents rising from their beds in the middle of the night to finish digging the canal before an injunction arrived, at the behest of Superior, to order the project be halted. In Frank Young's account, from the autobiography of Jerome Eugene Cooley, the officer carrying the injunction steps from the train just moments after the canal was finished. ¹⁶ As time passed, newer accounts of the event called Frank Young's description into question.

In 2004, Bill Beck and C. Patrick Labadie produced, *Pride of the Inland Seas: An Illustrated History of the Port of Duluth-Superior*, providing an in-depth analysis of the development of the twin ports. In reference to the Duluth Ship Canal, Beck writes, "In the 150 years existence of the Duluth Superior harbor, no event has been so mythical as the 1871 digging of the Duluth Ship Canal." Beck argues that many of the sensational claims surrounding the event are nothing more than myths. He questions the accuracy of Jerome Cooley's account and instead focuses on, *The History of Duluth's Harbor*, by J.D. Ensign. Beck rejects the story of citizens coming to help and points out that, according to J.D. Ensign and the newspapers of the day, the injunction did not arrive until several days after the completion of the canal. 18

¹⁶ Frank A. Young, *History of Minnesota Point*. Duluth, MN: Stewart Taylor Company. 1977, 3.

Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 42.

¹⁸ Ibid., 43.

In 2008, Tony Dierckins produced, *Crossing the Canal*, the most well researched account of the canal to date. He uses letters, photographs, newspaper articles, and local government documents, including the transcripts from Duluth City Council meetings, to reconstruct the event. Dierckins writes in his introduction that, while researching, he found, "nearly a dozen completely fabricated accounts of the digging." ¹⁹ Like Beck, Dierckins relies primarily on J.D Ensign's version of the event. Whereas the previous books painted Superior as the antagonist in the dispute, *Crossing the Canal* calls Duluth's role into question, suggesting that it was perhaps Duluth who was in the wrong and behaving as a bully. Dierckins also posits that Jay Cooke and the Northern Pacific Railroad were the primary drivers of the project.²⁰

While earlier modern accounts studied the canal dispute for its novelty and connection to local history, as time has gone on, the event has been researched in increased depth. As myth is separated from fact, a more in-depth analysis of the conflict, its roots, and its lasting impact on the region has begun to emerge. However, these contemporary accounts continue to focus primarily on the event itself and do not connect it to a larger context. This paper provides a definitive account of the digging, while explaining the larger forces at play on the political level. Using previously unavailable government documents as a basis from which to test the accuracy of the early accounts — as well as personal correspondence and congressional transcripts to flesh out the motivations of investors and politicians — this project combines the previously separate threads of railroad development, the Radical Republican agenda, and the

¹⁹Tony Dierckins, *Crossing The Canal: An Illustrated History of Duluth's Ariel Bridge*. Duluth, MN: X- communication, 2008, 1.

²⁰ Ibid., 13.

story of the pioneers to show how the digging of the canal, when placed upon the foundation created by these three blocks, supplied the capstone of Duluth's destiny.

Early Beginnings

The twin ports have their origins long before the towns of Superior and Duluth were founded – before, in fact, what would later become the States of Wisconsin and Minnesota even belonged to the U.S. The first Europeans to set foot on what would become the Ports of Superior and Duluth were French.

In the 1600s, the Great Lakes Region was an untamed wilderness, a never-ending forest ripe with nature and wildlife. In the early 17th century, the French came to the region in search of furs, primarily beaver, which was the height of fashion in Europe at the time. By the third quarter of the 1600s, the French had spread their fur operation into the northernmost part of the Great Lakes, Lake Superior. They had established several trading outposts, the most prominent of which being at what is now Sault St. Marie. It was from here that, in 1679, a French nobleman by the name of Daniel Greysolon, Sieur DuLhut, departed by canoe with a small party on a mission to the head of the Great Lakes. Their mission was to secure peace between two warring native tribes, the Anishinabe and the Sioux, to secure more profitable trade. On June 27, 1679, Greysolon and his party landed on what is now Minnesota Point, the spit of land running from the North Coast of Lake Superior, which created behind it the natural harbor that would become the twin ports. Legend states that the group portaged their canoes over the very site on which the Duluth Ship Canal would be dug some 191 years later. It is from

Daniel Greysolon, Sieur DuLhut, that Duluth would eventually take its name, and on his return trip, he is credited with bringing the first shipment of goods from the harbor.²¹

The French fur trade declined in the region after the formation of the U.S. In 1816, the U.S. government passed laws that prohibited foreign merchants from trading in the region, securing the fur trade for U.S. interests. It was at this time that John Jacob Astor rose to prominence. His trading company, The American Fur Company, would be dominant in the region until the fur trade's decline in 1830 due to evolving fashion trends in Europe. It was during this time that the first permanent settlement in the Duluth Superior area was established, Fort Fond Du Lac. The fort was situated on the St. Louis River, upstream from the head of the lake. ²² It had served as an outpost for fur traders for nearly half a century but was transformed into a military outpost by the U.S. Army and would play a key role in the region's development.

As the fur trade on the Great Northern Lake declined, the region saw another boom — this time in mining. Minerals including copper and iron were discovered on the northern shores of modern-day Michigan and Wisconsin. The wealth from these deposits proved vast, although transporting the materials back to civilization proved to be a challenge. At the time, there was next to no shipping on Lake Superior, as to reach it from Lake Huron one had to bypass a series

²¹ Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*. Afton, MN: Afton Historical Society Press, 2004, 16.

²² Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 19.

of deadly rapids. Any ships built on Lake Superior were confined to Superior alone.²³ In 1855, this would change.

Seeking a way to export the minerals mined on Superior's edge, a system of locks was created at St Mary's Falls, the modern Sault St. Marie, to allow passage from the Northern Lake to Lake Huron in the south. With the opening of these locks, mining and transporting raw materials was no longer prohibitively expensive, and the region experienced a flurry of investment and shipping. Even with the locks creating the possibility of large-scale shipping on the lake, challenges remained. Superior's rocky shores and violent weather made it near impossible to create a safe port to which these materials could be exported. Looking for a potential port, a U.S. surveyor found one of the only sandy and protected bays on Lake Superior. Situated on the southern shore of the lake at the end of the Minnesota Point, the peninsula Greysolon had portaged across many years before, there was a sandy entrance to the protected bay.

Formation of the Twin Ports

In 1789, the U.S. government passed the Northwest Ordinance in response to pressure by settlers who wished to move westward from the Appalachians. The ordinance created the first territory of the U.S. to encompass the Great Lakes. It marked the first step in bringing Western civilization to the region, setting up a system by which new states and political jurisdictions could be formed. By the mid-1800s, states had begun to form and Wisconsin

²³ Ibid., 21.

²⁴Tony Dierckins, *Crossing The Canal: An Illustrated History of Duluth's Ariel Bridge*. Duluth, MN: X- communication, 2008, 7.

received its statehood in 1848.²⁵ Although the U.S. laid claim to the land, much of it was still in the possession of Native American tribes. During this period, the government took steps to secure land from the tribes and push them west through several treaties. One such treaty, in 1842, ceded the land on which the town of Superior, Wisconsin now exists. As early as 1849, investors and pioneers flocked to Northern Wisconsin, hoping to lay claim to what was believed to be mineral-rich land. The minerals on the southern range of Wisconsin, however, were not the only ones in these early settlers' sights. Although little official surveying had been done of the land north of Lake Superior, there were rumors of rich silver and iron deposits along the lake's north shore. With this land still under the control of Native American tribes, the settlers bided their time on the south shore.²⁶

George Stuntz is said to have been one of the first settlers at the head of the lakes.

Stuntz was a surveyor. In the 1840s, he was contracted by General George A. Sargent to survey the northern lands surrounding Lake Superior. Stuntz was so impressed by the abundance of potential resources in the region that when his contract finished, he settled permanently on the bay of Superior. In 1852, Stuntz staked a claim on the southern end of the peninsula that created the bay of superior. Here, he built a small dock and a trading post and would go on to become one of the most important settlers in the twin cities that developed there.²⁷

²⁵Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 23.

²⁶ Walter Van Brunt, *Duluth And St. Louis County, Minnesota*,: Their Story and People. Forgotten Books, 2016, 64.

²⁷ John Richard Carey, History of Duluth, and of St. Louis County, to the Year 1870, 2.

In 1853, investors, realizing the potential of the Wisconsin side of the natural harbor, with its sandy inlet, created the town of Superior. The natural inlet was not perfect, the channel shifted regularly and only a boat with a very shallow draft could enter, but it had potential and its investors believed they had struck gold. While at this time any common settler could lay a claim on land, the founding of a town required investors to fund the endeavor. Superior's first investors were — out of place as it may seem in the frigid north — primarily Southerners and Democrats. These early prominent Southern investors included senators John C. Breckenridge, from Kentucky, Robert J. Walker, from Mississippi, Jesse D. Bright, from Indiana, and Stephen A. Douglas, from Illinois. In turn, they were backed by the financiers W. Cocoran of New York and George W. Cass of Pennsylvania, whose investment allowed the town of Superior to come into existence.

In the 1850s, tensions were running high in the U.S. and the Civil War was just around the corner. With the passage of the Missouri Compromise in 1850, which prevented the spread of slavery to new states, some historians have argued these Southerners were interested in creating a "watering hole" to which Southern land owners could safely take their slaves for vacation. However, it is much more likely that they were simply seeking involvement in what could be a valuable investment. These men were participating in land speculation schemes all over the country. Cocoran, who, after financing the Mexican War, was the government's

²⁸ Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 25.

²⁹ Paul Wallace Gates, "Southern Investments in Northern Lands Before the Civil War." The Journal of Southern History, vol. 5, no. 2, 1 May 1939, pp. 155–185, 166.

³⁰ Paxson, Ellis, and Oberholtzer. Jay Cooke: Financier of the Civil War. Vol. 2, Philadelphia, G.W. Jacobs & Co, 1907.

preferred banker and was providing the financing, was most likely involved as early as 1853 because it was a proposed site of several railroads. Between the Panic of 1857, the worst financial crisis the country had seen, and the eruption of the Civil War, most of these men lost their investments, with only the railroad men G. W. Cass and John Smith remaining. While Superior had been founded, it was still merely an island in the wilderness, yet to be connected to the east in anyway.

In 1854, the U.S. Army proposed a military road from St. Paul, its capital, to the head of the lakes. Though the obvious destination was Fort Fond Du Lac on the northern bank of the St. Louis, Superior's investors successfully lobbied for it to come to Wisconsin, the region's only port. This, unfortunately for Superior's investors, would not come to be. In the Treaty of 1854, the Anishinabe Tribe ceded a huge swath of Northern Minnesota to the U.S. Included was a tiny town that would come to be known as Duluth. Immediately, settlers from Superior began to cross the bay to stake claim on the new land, hoping to eventually become a suburb of Superior, piggybacking off the town's claim of destiny. However, now with a potential port destination within Minnesota, the proposed military road would go to the Fond Du Lac trading post to keep the benefits within the State of Minnesota.³² This would mark the beginning of the fierce rivalry between the cities of Duluth and Superior, a rivalry that would eventually turn to battle.

³¹ Frank Abial Flower, Eye of the Northwest; Annual Report of the Statistician of Superior, Wisconsin. 1890, 26.

³² Tony Dierckins, *Crossing The Canal: An Illustrated History of Duluth's Ariel Bridge*. Duluth, MN, 9.

The Age of Railroads

In the late 1850s, Superior was unquestionably the city of note in the region.³³ In 1855, the city boasted a population of around 600, while the small collection of houses across the bay in Duluth housed only 22.³⁴ By 1857, as a result of investment from the east, Superior's population had ballooned to 2,500.³⁵ How did a shanty town on the side of a hill rise to rival an established city with the only secure port in the region?

During the mid to late 1800s, the American imagination looked one way, west, and with this imagination traveled settlers. Manifest Destiny, the idea that it was God's sanctioned plan that the U.S. expand to connect the Atlantic and Pacific oceans, and the Homestead Act of 1864, which gave settlers land if they promised to cultivate it, drove this Western movement; but it was the railroads that carried it. During this period, railroad companies were some of, if not the most, powerful enterprises in the U.S. They had the power to make or break not only towns, but entire regions. As technology developed, transportation shifted away from waterways and canals as primary movers, towards the locomotive. Rich investors lobbied for land grants from the federal government to construct rail lines, connecting important parts of the country. Between 1850 and 1871, the federal government granted 150 million acres of public land to railroad companies. This land was given for free, but it carried with it a legal stipulation that a railway must be built on it. 36 These grants allowed for the construction of the

33 Ibid.

³⁴Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 35.

³⁵ Walter Van Brunt, Duluth And St. Louis County, Minnesota,: Their Story and People, 98.

³⁶ Robert W. Swenson, "Railroad Land Grants: A Chapter in Public Land Law," *Utah Law Review* 5, no. 4 (Fall 1957): pp 456-470, 458.

Union Pacific line, the first transcontinental railroad, completed in 1869, connecting the east and west coasts of the U.S.

After the Civil War, there was a considerable shift in public attitudes against the railroads. They were seen as soulless and, as Teddy Roosevelt would later say, "Big Business." Several scandals brought to light rampant corruption in the railroad industry, including collusion with members of the government. The most prominent was the Credit Mobilier scandal in which a subsidiary of the Union Pacific Railroad offered members of Congress stock in the company in return for a hands-off policy in regard to the railroad. This shift in public opinion also resulted in a shift in the attitudes in Congress regarding the funding of rail companies. This is shown in the speech to congress of Proctor Knott, a congressman from Kentucky, in 1871, titled, *The Untold Delights of Duluth!* The speech lampooned a proposed grant for a railroad from Hudson, Wisconsin to Superior, Wisconsin, while satirizing western boosterism. While the speech reflected a shift in congressional views of railroads, it also played a significant role in the development of the twin ports, which will be covered below.

The Northern Pacific

Perceptions of the railroads may have soured in the years following the Civil War, but in the 1860s, grants were being awarded liberally. It was during this time that the idea of a Northern Transcontinental Railway was conceived. The railroad received its official charter from

³⁷ Philip D. Jordan, "Proctor Knott's "Speech on Duluth"." *Minnesota History* 34, no. 2 (1954): pp 67-78. 68.

³⁸ Robert W. Swenson, "Railroad Land Grants: A Chapter in Public Land Law,". 560.

³⁹Philip D. Jordan, "Proctor Knott's "Speech on Duluth", 71.

Congress on July 2, 1864, and Josiah Perham, a businessman from Maine, was named its first president. All the original incorporators were prominent Northern businessmen and politicians. Their ranks included Henry D. Cooke, brother to famous Financier Jay Cooke, William E. Chandler, Secretary of Treasury for Abraham Lincoln and prominent figure in the Radical Republican party, General and future President Ulysses S. Grant, Vermont Governor John J. Smith, and Pennsylvania railroad man G.W. Cass, the latter two being some of the first investors in Superior.⁴⁰

With the Union Pacific, another transcontinental railway, already under construction, the process of securing the necessary funding for this venture was an immense task. The federal grant stipulated that construction must begin by 1866. Perham failed to gather the required funding and it appeared that the venture would fail. Perham was replaced and the company was reorganized, with John Smith, the former governor of Vermont, named the president. He was also one of the early proprietors of Superior. They petitioned Congress to renew the grant, facing stiff competition as the Union Pacific was close to completion and it was questioned whether the country needed two continental railways. However, the project was saved when Thaddeus Stevens intervened. 41

Senator Thaddeus Stevens was one of the original founders of the Republican Party in the 1850s, commanding more power than any other man since in the Senate. Stevens was the

⁴⁰ Paxson, Ellis, and Oberholtzer. Jay Cooke: Financier of the Civil War. Vol. 2, Philadelphia, G.W. Jacobs & Co, 1907, 97.

⁴¹ Eugene Virgil Smalley. *History of the Northern Pacific Railroad*. G. P. Putman & Sons, 1883, 135.

de facto head of the Republicans and an ardent abolitionist. 42 He and other Northern politicians had founded the party to fight for abolition. Dominant in the party were the Radical Republicans, a deeply religious group that abhorred corruption and fought the expansion of slavery at every turn, and Stevens was the most radical of them all. Due to their religious nature, many who held power in the party were also strong believers in Manifest Destiny and U.S. expansionism. After the end of the Civil War, the Radical Republicans became the dominant political power in the country. When Stevens heard of the Northern Pacific's plight, he fought for them in Congress. Due to the immense power he held in Congress, renewal of the grant was guaranteed. Stevens supported the venture for several reasons. As almost all involved with the project were from New England, a region with very strong Protestant roots, the railroad could almost be called a product of the Radical Republicans. 43 Stevens was also an expansionist, and a railroad through the northwest could secure a claim for the annexation of British Columbia and possibly even Canada. 44 At every turn, the Radicals helped to secure the future of the Northern Pacific.

Even with the renewal of the grant, the project faced an uphill battle. Funding still had to be secured and a definite eastern terminus had yet to be decided. These decisions would rest upon the fate of two railroads attempting to connect the Mississippi with the Great Lakes.

⁴² Ibid., 136, 137.

⁴³ Eugene Virgil Smalley, *History of the Northern Pacific Railroad*, 137.

⁴⁴ Leonard Bertram Irwin, *Pacific Railways and Nationalism in the Canadian-American Northwest, 1845-1873.* Greenwood P., 1968., 165.

First Railroad to the Head of the Lake

In 1856, lobbyists from Wisconsin received a grant of land to build a railroad from either Bayfield Wisconsin, a port on its northern shore close to the Michigan border, or from Superior, Wisconsin, ending at the St. Croix River in Hudson. ⁴⁵ Although the land was received, the process of securing sufficient investors and grants from the federal government to build a railway through untamed wilderness was a significant challenge and would take many years.

On the other side of the bay, several influential Duluthians began lobbying the state legislature in St. Paul for a line connecting the Mississippi River and Duluth. A railroad in this location had been conceived as early as 1854, but no concrete plans had been made. In 1857, the Duluthians had success and land was granted by the Minnesota State legislature to the Mississippi Nebraska line, which then changed its name to the "Lake Superior Mississippi line." Duluth's initial success quickly gave way to stagnation, as the Economic Panic of 1857 halted most rail building in the country. ⁴⁶ Interest would not return until the early 1860s, when the price of transporting grain from Minnesota to Chicago rose sharply. Minnesota required a more direct connection to the Great Lakes. ⁴⁷ Again, a railway between St. Paul and Duluth was considered, but several objections arose.

Building of the railroad would require substantial amounts of public money. At the time, the 200 mile stretch of land between St. Paul and Duluth was an entirely uninhabited

⁴⁵ Lester, B. Shippee, "The First Railroad between the Mississippi and Lake Superior". *The Mississippi Valley Historical Review*, Vol. 5, No. 2. Oxford University Press, (Sept. 1918): pp 121 – 142, 123.

⁴⁶ Ibid,125.

⁴⁷ Ibid,122.

wilderness. Not only would the railroad serve almost no communities in its path, the terrain on which it would be built was primarily swamp, thus not ideal for rail construction. The railway also attracted opponents in Wisconsin whose railways were currently transporting Minnesota grain to Chicago and who did not want to lose their monopoly on rail shipping. These parties were quick to note the grant for the St. Croix Hudson line, which had been given in 1856 to create a railroad between Hudson Wisconsin and Superior. Although construction on this line halted after the Panic of 1857, Wisconsin congressman lobbied in Washington that the Lake Superior Mississippi line should not also receive funding. They argued that it would be pointless for two railroads to begin mere miles from one another and to end no more than 15 miles apart. Since work had already began on the Wisconsin line, this should be the one to be constructed. Many in St Paul supported a line from St. Paul through Hudson to Superior, as they believed it to be the cheapest solution. 48

Despite these objections, in 1863, due to the efforts of lobbyists from Duluth and the desire to keep the benefits from the railroad solely in Minnesota, the Lake Superior Line began construction, heading to its northern terminus in Duluth.⁴⁹ Superior had first lost the proposed road from St. Paul and now the first railroad in the region to the small village across the bay; but it still had one thing Duluth did not: its port.

⁴⁸ Ibid,130-134.

⁴⁹ Ibid.140.

The Vision of Jay Cooke

While construction had begun on the rail line between Duluth and St. Paul in 1863,

Duluth's ticket had yet to be written. It remained a small collection of shacks on a hill, housing
only a few families, and lacking what would become its biggest asset – a safe harbor. As early as
1857, when the Lake Superior Mississippi Line was awarded the grant for a northern railroad,
Duluth began considering a canal and investors created the Minnesota Point Ship Canal
Company. The Panic of 1857 put a stop to these plans, and they would not be revived until the
1860s, when construction of the railroad was underway. Though obviously integral to the
city's future, there was no funding for the project. It would take the interest of one of the
country's wealthiest bankers to make the harbor a reality. That man was Jay Cooke.

Jay Cooke was born in 1821 in Sandusky, New York. When Cooke was 15, he was offered a job by a family friend in St. Louis, Missouri. As a young man, Cooke was taken by the beauty of the frontier. Later, he would come to see himself as "God's instrument" for opening the wilderness of the American West to settlers. ⁵¹ Cooke had an eye for investments, and by the end of the Civil War in 1865, he was one of the richest men in the U.S. He near singlehandedly financed the Union in the Civil War, issuing 360 million dollars (nearly 3 billion in today's money) in bonds to the U.S. government. Just as Corcoran had been the government's preferred financier in the 1850s during the Mexican-American War, Cooke was the current regime's favorite banker. When the war was over, he turned his attention west, becoming

⁵⁰ Tony Dierckins, Crossing The Canal: An Illustrated History of Duluth's Ariel Bridge, 9.

⁵¹ John M. Lubetkin, *Jay Cooke's Gamble: The Northern Pacific Railroad, the Sioux, and the Panic of 1873.* University of Oklahoma Press, 2014, 6.

enamored with railroads.⁵²Cooke, prompted by his brother Henry and Republican politicians, invested heavily in the venture, became the railroad's financial agent in 1869.⁵³ For Cooke, the Northern Pacific represented his dreams of opening up the west.

At this time, the Lake Superior Mississippi line, which had begun construction in 1863, was struggling. Construction through the dense wilderness of northern Minnesota, as its detractors had pointed out several years earlier, was proving near impossible. With the LS&M line requiring further backing, the president of the railroad, William Banning, learning of Cooke's interest in the Northern Pacific, reached out to Cooke to ask if he would be interested in becoming an investor. The grant provided to the railroad by the Minnesota state legislature included what were thought to be prime pine lands. The lumber would command high prices and constitute a solid investment. Cooke began investigating the venture, sending several agents to the head of the lakes. When these agents inquired as to who was most knowledgeable about the area, they were directed to George Stuntz, Superior and Duluth's first settler and the first pioneer to survey the lands north of Lake Superior. Cooke paid for Stuntz to travel to Pennsylvania for a meeting. Stuntz had been the first to settle at the head of the lakes and he would now change its fate forever.

While the meeting was supposed to be about pine lands, Stuntz, having been one of the only official surveyors to study the area, knew what most did not: the lands north of Superior

⁵² Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 39.

⁵³ Paxson, Ellis, and Oberholtzer. *Jay Cooke: Financier of the Civil War*. Vol. 2, Philadelphia, G.W. Jacobs & Co, 1907, 98.

⁵⁴ Ibid. 120.

Bay contained rich iron ore deposits. After the meeting, Cooke's interest in the region grew rapidly.⁵⁵ He became the primary investor in the LS&M line in 1866, as well as organizing the Western Land Association. The Association was a cabal of wealthy Pennsylvanian investors who bought up more than 64,000 acres of land along the northern stretch of the LS&M line.⁵⁶

Cooke was already heavily involved in the Northern Pacific, which had a planned terminus at St. Paul. At this stage, considering the information on the region's resources provided by Stuntz, he began to see the benefits of moving the terminus to the head of the lakes. He, with the other incorporators of the railway, including early Superior investor John Smith, the railroad's president, hatched an ingenious plan. Together with their Radical Republican allies in the federal government, who harbored their own motivations for backing the Great Northern Railway, they wrote a bill that granted the railroad an unprecedented amount of land around Northern Lake Superior. This would secure for them vast amounts of iron lands that most of the country did not yet know existed. Cooke dispatched his brother, Henry Cooke, and former Minnesota state legislator Ignacio Donnelly to Washington to lobby on behalf of the bills. They were not only to stump for the railroad, but also to do everything in their power to prevent the renewal of the St. Croix Hudson grant. ⁵⁷ Cooke did not like rivals.

In 1868, Cooke visited the head of the lakes himself. It was still undecided which town, Superior or Duluth, would become the railroad's terminus. Cooke based himself in

55 Walter Van Brunt, Duluth And St. Louis County, Minnesota,: Their Story and People ,174.

⁵⁶ Paxson, Ellis, and Oberholtzer. *Jay Cooke: Financier of the Civil War*. Vol. 2, Philadelphia, G.W. Jacobs & Co, 1907, 98.

⁵⁷ John L. Harnsberger, "Land, Lobbies, Railroads and the Origins of Duluth." *Minnesota History 37*, no. 3 (1960): 89-100.

Superior, as the fledgling community of Duluth remained a collection of shacks,⁵⁸ at the time of his visit housing just 14 families.⁵⁹ Cooke inspected the harbor by canoe, paddled by native tribesman around the bay. Evidently, he liked what he saw. After his visit, Cooke, much to the chagrin of many in Minnesota and Wisconsin and a significant portion of Northern Pacific investors who had interests in Superior, including its president, John Smith, concluded that Duluth should be the terminus of the Northern Pacific Railroad. However, nothing had been officially decided.

While Superior, with its ready harbor, was the more obvious choice, there are several reasons why Cooke may have favored Duluth. The first is that Superior was founded by Southerners, who, as Cooke believed, had hoped to use Superior as a retreat for slaves after the repeal of the Missouri Compromise. Cooke, having grown up in the North, had been opposed to slavery and may have disliked Superior for this reason. The second and most commonly accepted answer is that Duluth's beauty spoke to the frontiersman in him and he became enamored with the town. However, in a letter to his brother, he described Duluth as, "ludicrous, zig-zag, rude and half filled with Indians." The third and most likely reason was land speculation. For the Northern Pacific to receive the grant securing the northern iron range, it made sense for the terminus to be on the northern side of the lake.

⁵⁸ Paxson, Ellis, and Oberholtzer. *Jay Cooke: Financier of the Civil War*, 106.

⁵⁹ Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 40.

⁶⁰ Paxson, Ellis, and Oberholtzer. Jay Cooke: Financier of the Civil War, 107.

⁶¹ John M. Lubetkin, Jay Cooke's Gamble: The Northern Pacific Railroad, the Sioux, and the Panic of 1873, 7.

⁶² Paxson, Ellis, and Oberholtzer. Jay Cooke: Financier of the Civil War, 108.

⁶³ John L. Harnsberger, "Land, Lobbies, Railroads and the Origins of Duluth.", 100.

aspirations amounted to becoming a suburb of a prosperous Superior, was now its way to becoming the terminus of one of the greatest rail lines in the country.

The Failed Land Grab

With Cooke's secured involvement in the LS&M line and the Northern Pacific, the stage was set for the canal dispute. With the potential for iron mining on the northern shore, Duluth was no longer simply a future suburb of Superior, but instrumental to the plans of Cooke and his New England backers. To make these plans a reality, however, would require an uphill battle in Congress.

A plan was devised to secure this land, using several liberal railroad grants and a Duluth Harbor Bill. Henry Cooke, Jay's brother, Alexander Ramsey, a Minnesota Republican senator, and Ignacio Donnelly, another Minnesota Republican and former congressman, were dispatched to Washington to lobby on behalf of the Cooke and his investors. He effects of Cooke's involvement can be seen in the Congressional transcripts. At the beginning of the second session of the 41st Congress in 1870, Ramsey introduced two bills. One was titled "the Duluth Harbor Bill," seeking money for the construction of a break water and potential canal through Minnesota point, and another was seeking a grant for a railroad to Lake Vermillion, north of Duluth. Both grants called for extreme amounts of land. The Duluth Harbor Bill called for an appropriation of nearly 500,000 acres along the North Shore. The most dubious aspect of the bill, however, was that despite its stipulation that appropriations would not include any mineral lands, a small asterisk at the end of the bill marked in very fine print indicating, "mineral lands not meant to

⁶⁴ John L. Harnsberger, "Land, Lobbies, Railroads and the Origins of Duluth", 91.

include coal and iron lands."⁶⁵ This small addition did not go unnoticed, with several senators protesting its inclusion. To these accusations, Ramsey played coy:

"I think at this time there is no discrimination against coal and iron lands. Lands containing gold and silver are excepted from the grants; but in our legislation we do not discriminate against mere coal and iron lands, they are so universal everywhere; but I am not aware that there are any in that region ... of any great significance." 66

It would seem Ramsey was a poor liar, and both bills died in committee within the first few months of the session. However, Cooke and company did not give up so easily. The Duluth Harbor bill was reintroduced, this time by William Sprague, a Republican senator from Rohde Island with investments in the Northern Pacific Railroad. Unusually, the bill was identical in its wording to those previously introduced by Ramsey. By this point, most of Congress was aware of what was happening as Cooke's agents, Henry Cooke and Donnelly, had been lobbying up a storm. The bill went back and forth from the floor to committee several times. For most of the session, the bill repeatedly failed to come to a vote. This was due to the efforts of those who recognized the New England investors' scheme. However, the effects of Cooke's lobbying can be seen in the vote tallies. Each time the bill was brought forward, it failed by increasingly smaller

⁶⁵ U.S Senate. 41st Congress. 2nd session. A Bill Granting lands to the State of Minnesota, to aid in the improvement of the harbor at Du Luth, Lake Superior. (S. 763) Government Printing Office. 1872.

⁶⁶ Congressional Globe, 41st Congress, 2nd session, 5202.

⁶⁷ U.S Senate. 41st Congress. 2nd session. A Bill Granting lands to the State of Minnesota to aid in the construction of a breakwater and canal at the harbor of Du Luth, Lake Superior. (S.636) Government Printing Office. 1870.

margins. Gradually, those who previously voted *nay* were appearing in the affirmative column of the vote tally.

By early summer of 1870, the Cooke camp was certain that it had won sufficient support to pass the bill. ⁶⁸ The Duluth Harbor Bill, which would have secured Cooke and his investors nearly all of the iron range – as well as 250,000 dollars to dig a canal through Minnesota Point, giving Duluth a viable harbor – finally came to a vote in early July, just a week from the end of the congressional session. Many of the bill's opponents had already left for the summer, thus ensuring the bill was able to pass. Senator Harlan, the bill's main detractor, had one last trick up his sleeve. Realizing that the bill was going to pass, he voted in favor of it, then immediately invoked an antiquated parliamentary procedure, asking for the motion to be reconsidered. A request for a motion to be reconsidered may be used by a member of Congress who votes affirmatively on a bill. ⁶⁹ The motion means that the bill will be voted on again at the next most convenient time; ⁷⁰ however, as it was almost the end of the session, the bill was unable to come to a vote again, and it thus died. ⁷¹ The bill was reintroduced by Alexander Ramsey in the next session, with all of the language about mineral rights and land appropriation removed, the now asking only for the 250,000 dollar appropriation for harbor improvements. The land

⁶⁸ John L. Harnsberger, "Land, Lobbies, Railroads and the Origins of Duluth." Minnesota History 37, no. 3 (1960): 89-100, 97. For a more in depths analysis of Donelley and Ramsey's roles see Harnsberger's article.

⁶⁹ Congressional Globe, 41st Congress, 2nd session. pp. 5200 - 5475 (1870), 5200.

[&]quot;Glossary Term | Reconsider." U.S. Senate: Glossary Term | Reconsider, 19 Jan. 2018, www.senate.gov/reference/glossary term/reconsider.htm.

⁷¹ Congressional Globe, 41st Congress, 2nd session, 5475.

scheme had failed. Cooke and his associates, along with the settlers of Duluth, had had the rug pulled from under them.

The failure of this bill immediately cast a cloud over Duluth's future. While the city had exploded in population since becoming the intended western terminus of the Northern Pacific, it still lacked the one attribute it required the most – a harbor. Cooke's grain elevators, which had been constructed on Rice Point in the bay of Superior and now lacked any way for ships to reach them, were next to useless. Much to the chagrin of those in Duluth, many of the Northern Pacific investors, including Cooke's chief engineer in Duluth, De Costa, wanted to run a small bridge across the bay to Superior, once again making it the investor's primary city of interest. With the land scheme failing to materialize, Superior was once again the most attractive option. It is worth noting that many of Cooke's New England backers were invested in Superior and not Duluth. In fact, the president of the Northern Pacific himself, John Smith, former governor of Vermont, was one of the original proprietors of Superior. Cooke was not happy with this and he wrote to Smith, "I will resign at once all connection with the financial agency if I cannot trust implicitly the gentlemen associated with me." The settlers of Duluth, in the late summer of 1870, realizing that their destiny was in peril, had to act.

The construction of the LS&M line was completed in 1869, joining St. Paul and Duluth.

The lack of a true port in Duluth became apparent the same year. The goods delivered by rail could not be exported. A brief attempt was made to extend a wharf from the northern shore,

⁷² Walter Van Brunt, *Duluth And St. Louis County, Minnesota,: Their Story and People*, 190.

⁷³ Frank Abial Flower, Eye of the Northwest; Annual Report of the Statistician of Superior, Wisconsin. 1890, 100.

⁷⁴ Cooke quoted in Paxson, Ellis, and Oberholtzer. *Jay Cooke: Financier of the Civil War*, 252.

outside the bay, but the ferocity of Lake Superior proved too great and it was quickly abandoned due to storm damage. Duluth needed a harbor. With this in mind, the City of Duluth, with the support of Cooke, began digging the Duluth Ship Canal through Minnesota Point in September 1870.⁷⁵

The City of Superior had lost its railroad and was about to be rivaled in its one crowning attribute – its safe port. In 1867, Henry Bacon, an engineer based out of Chicago, who had been surveying Superior's port, wrote, "The bay of Superior may eventually be one of the greatest in the world." Superior would not easily surrender its destiny: there would be battle.

Before considering the dispute itself, it is important to note the history of the federal surveys of the potential harbor by the Army Corp of Engineers, as it was these surveys that formed the basis for further development of the port.

The Early Harbor

"The Bay of Superior may eventually be one of the greatest in the world" – Henry Bacon, reporting to Major J. D. Wheeler of the Army Corp of Engineers in 1867

The significance of the natural harbor created by the bay of Superior was recognized by the Army Corp of Engineers in the 1860s. Before the canal dispute began in 1871, the Corps ordered three assessments to be made of the bay. The first was conducted by Lieutenant Colonel W. F. Reynolds in 1866, the second in 1867 by Henry Bacon, being employed by Major J.

⁷⁵Tony Dierckins, Crossing The Canal: An Illustrated History of Duluth's Ariel Bridge, 3.

⁷⁶ Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 38.

⁷⁷Ibid.. 38.

D. Wheeler,⁷⁸ and the third by Captain James Culyer in 1869. These reports would form the basis for federal action at the harbor and were referenced many times during the resulting dispute.

Reynold's 1866 survey concluded that a harbor would be best supplied by improving the natural entrance on the Wisconsin side of the bay. He recommended that piers be extended from either side of the outlet to allow for a channel to be created through the sandy bay, through which ships may enter. Henry Bacon's 1867 report cited a different set of findings. In his report, he writes, in relation to the possibility of a canal, "A good harbor can be made by improving the present entrance, but a better one can be secured by the cut at a less original cost." However, he notes that, "Private interests might be so affected or invaded as to make it most expedient to maintain the natural channel." These "private interests" would have been the citizens of Superior. Bacon notes in conclusion that, "If the public advantages are very great and obvious, it seems as though such private claims could hardly be maintained either in law or in equity." Although a canal was recommended, at that point, the city of Duluth did not yet exist; thus, Reynold's plan was chosen and on March, 3, 1867, Congress appropriated 63,000 dollars (approximately one million dollars in today's money) to improve the natural entrance. In

⁷⁸ A letter from Major D.C. Houston, who was in charge of the improvements on the Superior harbor, on March 29, 1872, places Bacons survey on August 31st 1871, however, other Department of War reports place Bacons survey in 1867, this is confirmed by J.D. Ensigns, History of Duluth Harbor as well.

⁷⁹ U.S. Senate. 42nd Congress. 2nd session. *Letter From The Secretary of War*. (Ex. Doc. No. 60.) Government Printing Office. 1872, 57.

⁸⁰ J. D. Ensign, *History of Duluth Harbor*. Duluth News Tribune. Duluth, MN.:1898, 35.

The third report, by Captain James Culyer, sealed the deal in the eyes of the War Department. By the time of his report, the Lake Superior and Mississippi Railroad had reached the bay of Superior, though the tracks only ran as far as Rice Point. It remained undecided which town (Duluth or Superior) would be chosen as the terminus of the Great Northern Railway. 81 This influx of investment caused Duluth to boom and Culyer's report reflects on the needs of Duluth and Superior. His 1869 report presented three options. The first was to construct a breakwater extending from the northern shore of Lake Superior outside of the natural bay to create an outer harbor. The second proposal was to dig a canal through Minnesota Point and dredge for an interior harbor. The third option was to simply continue improving the Superior entrance, as it would surely be able to accommodate Duluth's commerce as well. This option was projected to be the cheapest. Major J.B. Wheeler, Culyer's boss, based out of Chicago, wrote to General A.A. Humphreys in the War Office. Humphreys was the head of the Corp of Engineers and the man to request an injunction on the digging of the canal. Wheeler strongly recommended the third plan, writing, "The third plan, if carried out, would amply accommodate all the commerce of Duluth for some time."82

Using these plans for reference, the Army Corp of Engineers continued to improve the natural entry. They were appropriated 45,000 dollars by Congress for harbor improvements in 1869, and a further 40,000 dollars in 1870.⁸³ The city of Superior, though lacking a railroad, was

⁸¹ Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*. Afton, MN: Afton Historical Society Press, 2004, 40.

⁸² U.S. Senate. 42nd Congress. 2nd session. *Letter From The Secretary of War*, 58.

⁸³ J. D. Ensign, *History of Duluth Harbor*, 32.

well on its way to having the only safe harbor on the western side of Lake Superior. The future was bright; but across the bay, just seven miles away, trouble was brewing.

Duluth, spurred by the investments of Jay Cooke's Northern Pacific and the Lake

Superior Mississippi Line, received a charter from the Minnesota State legislature on March 6,

1870, officially becoming a city. J.B. Culver, one of the city's earliest pioneers, was elected as its

first mayor. The defeat of the Duluth Harbor Bill left the Duluth pioneers in a precarious

position: they had a railroad, but were still without any viable port. Hearing rumors that John

Smith and other New England investors were going to name Superior the terminus, they

decided to act.

It is important to highlight the social climate of Duluth and Superior at the time. Settlers in both these cities were unconnected by bonds of kinship and shared background. For the most part, they did not see themselves as Wisconsinites or Minnesotans. Their backgrounds were diverse, a smorgasbord of Scandinavian immigrants and those who had come west after the Civil War to seek their fortunes. They were not families looking for places to settle and farm, but rather profiteers. This was what bound them together: money and a belief that it was their destiny to make it. All those coming to the head of the lakes at this time were looking to secure an investment. For the long-time settlers of Superior, those who had spent years braving grueling winters, miles from any semblance of civilization, there was no option but to believe that it was their destiny to cash in on this investment. Those who had crossed the bay to Duluth believed the land that they had staked would one day deliver them their fortune.

In the boom that resulted from Jay Cooke's patronage of the Northern Pacific and Duluth, this free-for-all attitude reigned supreme. Jerome Cooley, an early resident of Duluth, shares in his autobiography several stories that exemplify the philosophy of the early settlers. Cooley writes about how, after securing its town charter in 1870 and ability to issue bonds, Duluth began issuing them with blithe abandon:

"Enthusiasm ran so high that bonds were issued for almost everything that was suggested. It was impossible to halt the extravagance. To attempt it would have been considered treason ... Oh, it was fun starting and running a city in those days."

He even shares a story of a Superior man who came to Duluth to ask for a bond to open a smelting shop. Upon receiving the bond, he packed up his belongings in the middle of the night and went straight back to Superior.

On August 9, 1870, the city issued 50,000 dollars worth of bonds to the Lake Superior Mississippi Railway to build a breakwater to form an outer harbor for the city. ⁸⁴ Initially, the railroad had constructed its docks inside the Bay of Superior; however, ships repeatedly became stuck when attempting to come from the Superior entry, as the bay was too shallow. ⁸⁵ It was quickly realized that an outer harbor was needed, and the railroad set to work building a breakwater to the specifications suggested by the first option in Captain Culyer's 1869 report.

The outer harbor did not work out as planned. It was damaged by storms and afforded little protection to vessels at the LS&M docks in heavy seas. Though repaired numerous times, it proved no match for the power of Lake Superior. With the increase in commercial activity

⁸⁴ Jerome Eugene Cooley, *Recollections of Early Days in Duluth. Duluth, MN*.: Published by the Author, 1925, 13-16.

⁸⁵J. D. Ensign, *History of Duluth Harbor*,7.

expected from the Northern Pacific's construction, it became clear to Duluth that they would need a protected harbor. Fearing that it would lose its place as the Northern Pacific's intended terminus, Duluth took things into its own hands.

When Duluth received its charter, the city council was sure to grant the city the power "to construct or authorize any individual or corporation to construct canals connecting Lake Superior with Superior Bay." ⁸⁶ In 1870, W.W. Williams & Company was contracted to dig a canal through Minnesota Point. The site of the proposed canal was the same as the portage that Greysolon Siuer Du Luth, the cities namesake, had crossed nearly 200 years earlier. ⁸⁷ Work began that fall, stopping only when the weather became too cold for the dredge to operate.

The War Begins

"Had the most ingenious man that the world ever saw been directed to seek the point on Lake Superior ... that was absolutely the worst for founding a city, he certainly would have selected Duluth" – C.C. Washburn, Wisconsin Congressman, The Congressional Globe, February 2, 1871⁸⁸

Superior would not surrender its destiny without a fight. On September 13, 1870, the first shot was fired. C.C. Washburn, a Wisconsin Congressman, having been alerted to the digging of the canal by none other than George Stuntz, whose track of land on Minnesota Point would become an island if the canal were completed, sent General A.A. Humphreys, head of the Core of Engineers, a letter urging him to request an injunction on Duluth to cease the

⁸⁶ U.S Senate. 42nd Congress. 2nd session. *Report of the Solicitor General and Acting Attorney General*. (Ex. Doc. No. 76.) Government Printing Office. 1872, 7.

⁸⁷ Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 3.

⁸⁸ Congressional Globe, 41st Congress, 3nd session. 66- 1921 (1871), 917.

digging. Those in Superior feared that by diverting the flow of water through the canal, Superior's natural entry would fill with sediment, permanently closing it. ⁸⁹ He is likely to have sought help from the Engineer Corp because the Superior entry was federally funded and the Duluth Canal was not, thus the Engineer Corp would be keen to protect the U.S. government's investments. Nothing was heard from the War Department that year, and the story of the digging would not continue until the spring of 1871.

During the early winter months of 1871, all was quiet in the wilderness of the northern Midwest, but the battle raged on in Washington. Duluth had already stolen the LS&M railroad from Superior; but in the winter of 1871, it would again dash Superior's hopes of obtaining a railroad, even stealing some of its harbor funding.

Since 1856, the state of Wisconsin had been attempting to build a railroad from Hudson on the St. Croix River to Superior at the head of the lakes, and onto Bayfield in the Apostle Islands. The charter, granted by the federal government, had expired in 1864 and been renewed. No work had been completed on the proposed railway; and in 1869, the state of Wisconsin lobbied for it to be renewed once more. Between 1869 and 1871, the *Congressional Globe* indicates that the issue was hotly debated in Congress. At this time, Congressman C.C. Washburn fought tirelessly for the St. Croix and Superior Railroad, ⁹⁰ but attitudes towards the railroad in Congress were grim. Public opinion was turning against the railroads. People felt that

⁸⁹ U.S Senate. 42nd Congress. 2nd session. *Report of the Solicitor General and Acting Attorney General*, 1.

⁹⁰ Congressional Globe, 41st Congress, 3rd session, 67,912-917.

it was unfair for so much of the land to be controlled by these large corporations; and by 1869, Congress, aiming to avoid inflaming their constituencies, was loathe to distribute more grants.

On the surface, this may appear to be ample explanation for the failure of Wisconsin to renew the St. Croix Superior Railroads grant; but the transcripts of congressional debates between 1869 and 1871 tell a different story. Oddly enough, whenever the issue was debated, it was representatives from Pennsylvania who tended to raise the most objections. It should be remembered that, in the 1860s, using money from investors in Philadelphia, Jay Cooke bought thousands of acres of woodlands along the proposed route of the LS&M railroad connecting St. Paul and Duluth. 1 It is possible that the Pennsylvania representatives were attempting to protect the interests of these investors by preventing a rival line from being constructed. Wisconsin Senator Timothy Howe seemed to think so at least. Howe, when advocating for the rail line in Congress on April 4, 1869, after being rebuked by Senator John Scott of Pennsylvania, said,

"I understand that some very patriotic gentleman in Philadelphia have invested some money in the construction of a road running through the eastern part of Minnesota ... I concede that my friend from Pennsylvania should represent the interests of his constituents; but I ask the Senate to stand by the interest of the government." ⁹²

Again, in 1871, accusations were leveled against representatives from Pennsylvania, and this time, the city of Duluth. By the 1870s, representatives from both Minnesota and Wisconsin

92 Congressional Globe, 41st Congress, 1st session. 469 – 471 (1869), 469.

⁹¹ Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas*, 46.

were stumping for the grant. Transcripts show that Minnesota wanted the railroad because, "the people wanted competition in transportation."⁹³ Shipping grain along southern rail lines had become prohibitively expensive, and anything that broke the southern railroads' monopoly on shipping was good for Minnesota. On February 2, 1871, Eugene Wilson, a Minnesota congressman, accused Samuel Randall, a congressman from Pennsylvania, of fabricating evidence against the railroad. Several days earlier, Randall had presented the House with testimonies, purportedly from citizens of Wisconsin, advocating against renewal of the St. Croix Hudson grant. Wilson charged that, having examined the list of names, several belonged to people not even from Wisconsin. Wilson focused on one testimony which was credited to "a distinguished lawyer from Wisconsin,"⁹⁴ by the name of William Foster. Wilson presents evidence that the man in question was in fact a resident of Duluth and the brother of Thomas D. Foster, editor of Duluth's first newspaper, *The Minnesotian* — a paper which, as Wilson points out, had been running articles in opposition to the railroad.

In this same debate, C.C. Washburn, the Wisconsin Congressman who wrote to the Army Corp of Engineers alerting them of Duluth's effort to cut a canal, addressed the petitions brought by Randall and the interference of Duluth. Washburn assured the House that, "There was no man women or child in Wisconsin that did not want and desire the renewal of this grant." He pointed out that, in a statement of support drafted by the Minnesota legislature, there was only one dissenting vote. This one vote was from, as Washburn put it, "the celestial city of Duluth." Washburn continued that upon Superior, "Duluth looks with an evil eye,"

⁹³Congressional Globe, 41st Congress, 3nd session, 916.

⁹⁴ *Ibid*, 913.

explaining Duluth to be jealous as it had "no natural advantages" of its own, and going as far as to say, "Had the most ingenious man that the world ever saw been directed to seek the point on Lake Superior … that was absolutely the worst for founding a city, he certainly would have selected Duluth." ⁹⁵

These interferences from Pennsylvania, protecting Jay Cooke and New England investments, and Duluth, seeking to sabotage its sister city, certainly did their part to prevent the renewal of St Croix and the Superior line. However, they were not ultimately what killed it: that honor goes to a peculiar speech given by Kentucky congressman Proctor Knott.

The Untold Delights of Duluth!

"Duluth must be a place of untold delights, a terrestrial paradise, fanned by the balmy zephyrs of an eternal spring, clothed in the gorgeous sheen of ever-blooming flowers and vocal with the silvery melody of nature's choicest songsters" – *Proctor Knott, Congressional Globe, January 27,*1871⁹⁶

On January 27, 1871, Congressman Proctor Knott gave a speech before Congress, which, as Folklorist Philip D. Jordan wrote, was a "speech unlike any he had ever given before or was ever to give again." It would go down as one of the greatest humor speeches ever given in Congress and was printed and reprinted in various anthologies of great Americana. It was titled, *The Untold Wonders of Duluth!* The speech was given in opposition to the renewal of the St.

⁹⁶ *Ibid*, 68.

⁹⁵ *Ibid*, 917.

⁹⁷ Philip D. Jordan, "Proctor Knott's "Speech on Duluth". *Minnesota History 34*, no. 2 (1954):pp 67-78, 70.

Croix railroad, and in the case of Superior and Duluth, presents a vexing enigma. In the speech, Knott satirically extolled the wonders of Duluth. Knott explained that he had been unable to make out where the line from St. Croix was intended to terminate until he had heard the word "Duluth": "Twas the name for which my soul had panted for years." For over a half hour, he carried on about the wonders of Duluth. He showed a map that placed Duluth in the center of the world and went as far as to pity ancient peoples for never having heard of the city, proclaiming, "I was certain that Herodotus had died a miserable death because in all his travels ... he had never heard of Duluth." He even likened it to Atlantis. It was not until the last few lines that he said, "My constituents, for whom I am acting here, have no more interest in this road than they have in the great question of taste now perhaps agitating the public mind of Dominica." He then announced that, for this reason, he must oppose the bill.

The speech was a hit, hearing the boosterism they were so accustomed to satirized so perfectly spoke to the members of Congress, and later in the session of that year, the renewal was denied. Even Duluth was quite fond of it, and in Knott's honor, and named a township north of the city "Proctor." Unimpressed, John Smith, president of the Northern Pacific and advocate for Superior, wrote to Cooke and said that he thought the speech was "a very lame attempt to be witty." Jay Cooke, nevertheless, had a version of the speech – with the ending removed – printed and handed out to passengers on his railways. Proctor Knott's speech, although satirical, put Duluth into the public consciousness of the nation.

_

⁹⁸ Congressional Globe, 41st Congress, 3rd session, 67.

⁹⁹ Ibid.

¹⁰⁰ Ibid, 68.

¹⁰¹ Paxson, Ellis, and Oberholtzer. *Jay Cooke: Financier of the Civil War*, 306.

The speech raises a number of questions. Knott obviously knew that the railway was supposed to go to Superior, as the bill had been discussed many times. Why would he pretend it was going to Duluth? Philip Jordan proposes that since many of the investors in Superior were from the south, Knott did not want to step on the toes of his contemporaries. This is questionable. Another explanation can be found in a *New York Times* article published on January 21, 1883. Knott, when asked what inspired his speech, said that the idea came to him when a man came to his office asking for support for a bill to improve the Duluth harbor.

According to Knott, the man gave him a map that showed Duluth as the center of the world.

Knott said that, when he saw the map, "I saw that there was the finest field for a funny speech that had ever been presented in this country." Knott "couldn't keep the fun out of his head," and when given a chance to speak in Congress, he thought he would make a few jokes about Duluth to garner goodwill but got carried away. Whatever the reason for Knott's confused speech, it stood that Superior had lost its railroad and Duluth had entered the public consciousness.

Knott's speech not only changed the public's perception of Duluth, but Congress as well.

Whereas before the speech, when Duluth is mentioned in congressional transcripts, it is treated like any other city; afterword some joke always accompanies it. For example, on February 16, 1871, when former Minnesota governor Alexander Ramsey asked that Duluth be added to a bill to lift tax burdens, his colleague agreed, adding, "We all know that Duluth is an important

_

¹⁰² Philip D. Jordan, "Proctor Knott's "Speech on Duluth", 68.

¹⁰³"Proctor Knott's Duluth Speech". *The New York Times*. New York. January 21, 1883.

place. The isothermal lines all meet there!"¹⁰⁴ This notoriety may have, ironically, helped Duluth to secure the funding requested by Cooke's agent who had visited Knott, though not without some controversy.

On March 3, 1871, the Senate passed the Harbor and River Bill, giving appropriations to both Duluth and Superior in the amount of 60,000 dollars each. ¹⁰⁵ These equal amounts were not how the bill was first introduced. When the amendments were read, Zachariah Chandler, a senator from Detroit and head of the Commerce Committee, and at the time, head of the Radical Republicans, ¹⁰⁶ stated that they intended to appropriate 60,000 dollars for Duluth and 40,000 for Superior. Senator Howe from Wisconsin immediately objected, saying that there must have been some mistake. In plans for the bill, 100,000 was intended to go to the Superior Harbor; but Chandler explained that since Duluth and not Superior would be the terminus of a railroad, Duluth should receive the money. Senator Pomeroy from Kansas then chimed in, asking, "why the government need be appropriating for two such establishments within four miles of each other?" Chandler replied, "My impression is that Duluth will be a great town." Pomeroy continued, "Are you going to abandon the other place, after spending thousands and thousands of dollars on it?" referencing the 147,000 dollars already appropriated to the Superior Harbor. Chandler replied, "I cannot answer that question; but there is quite a town at Duluth."107 Senator Howe of Wisconsin continued to hound Chandler for an explanation.

¹⁰⁴ Congressional Globe, 41st Congress, 3rd session, 1312.

¹⁰⁵ U.S. Senate, 41st Congress, 3rd session, C.H. 117,118. *River and Harbor Bill*. Government Printing Office. 1871.

¹⁰⁶Patrick W. Riddleberger, "The Break in the Radical Ranks: Liberals vs Stalwarts in the Election of 1872." *The Journal of Negro History, vol. 44*, no. 2, 1959, pp. 136–157.

¹⁰⁷Congressional Globe, 41st Congress, 3rd session, 1881.

Chandler offered none, but threatened to strike Superior from the bill if Howe did not let up with his criticism. 108

After some discussion, a compromise was reached and the bill was amended to appropriate 60,000 each to Superior and Duluth. It received criticism from other members of the Senate, upset that they were spending 120,000 (close to 2.5 million dollars in today's money) on two towns with barely anyone in them. ¹⁰⁹ Upon examination of the finished bill, this seems an unusually large sum. The bill shows that other ports on the Great Lakes received much less. Milwaukee and Marquette, at the time the two largest cities on the Northern Great Lakes, received only 60,000 and 38,000, respectively. ¹¹⁰ It is possible that Chandler saw the potential of Duluth, but the report on which the Commerce Committee would have based its funding decisions was Captain Cuyler's assessment of Superior Bay, which suggested all money should go to the entrance at Superior.

One possible explanation, once again rests on the shoulders of Jay Cooke and his New England investors. In *Jay Cooke, Financier of the Civil War*, a reference is made to Cooke's business dealings with Chandler in the late 1860s. Cooke headed a scheme, in which Chandler invested, selling U.S. bonds abroad. ¹¹¹ Did Chandler appropriate the money to Duluth at Cooke

¹⁰⁸ *Ibid*, 1882.

¹⁰⁹ *Ibid*, 1912.

¹¹⁰ U.S. Senate, 41st Congress, 3rd session, C.H. 117,118. *River and Harbor Bill*. Government Printing Office. 1871.

¹¹¹ Paxson, Ellis, Oberholtzer. *Jay Cooke: Financier of the Civil War. Vol. 2, Philadelphia, G.W. Jacobs & Co, 1907*, 318.

or his associate's request? Possibly. However, regardless of its reasoning, the appropriation was the first federal money given to the Duluth harbor.

Knott's speech and the Philadelphia detractors robbed Superior of its railroad and forced the city to share its federal funding with the upstart across the bay. Back at the head of Lake Superior, spring had sprung and the ice that had prevented the dredge's progress in the fall of 1870 was melting away. Soon the dredge would be back at work, and the natural entry to the Bay of Superior, in Wisconsin's eyes, in peril.

Completion of the Canal and the First Battle

"No more convincing proof can be offered the public that Duluth is the seat of destiny, on Lake Superior, and entrepot of half a continent's wealth, than the malignant hatred with which her enemies fight and oppose every work of progress and development that is attempted within her corporate limit" – *Dr. Thomas Foster, Duluth Minnesotian, May 13, 1871*¹¹²

According to a report sent to General A.A. Humphreys, head of the Corp of Engineers, by Major D.C. Houston on May 1, 1871, dredging of the canal resumed on April 24.¹¹³ On April 29, as reported in the May 6 edition of *The Minnesotian*, the waters of Superior and the bay met for the first time. The paper reports that on the morning of Saturday April 29, the dredge commissioned to dig the canal struck a "thick stratum of frozen gravel, very hard and unmanageable," making "further progress of the Dredge into the Lake unmanageable." To help with the digging, citizens of Duluth took to the gravel with picks and blasting powder, allowing

¹¹² *Minnesotian*: "The Duluth Ship Canal," 6.13.1871. p. unk. Duluth Harbor Clippings, Duluth Public Library Collection, Duluth, MN.

¹¹³ U.S. Senate. 42nd Congress. 2nd session. Letter From The Secretary of War, 2.

the dredge to break through. At 1 pm, "the union of waters became forthwith an accomplished fact!"

The paper also noted that, along with citizens of Duluth, the leading men of Superior were present to take measurements of the water. They found that the water in the bay was 9.5 inches higher than that of the lake. This caused an influx of water through the opening, widening it significantly. The next day, a tug by the name of "Frank C. Fero," became the first boat to navigate the entrance. However, Duluth's celebration would be short-lived. On May 4, J.R. Cleveland, a U.S. Deputy Marshall, arrived by train from St. Paul and served a subpoena and bill of complaint to the Duluth City attorney J.J. Egan, requesting that the digging be halted and ordering the city to appear in the Minnesota District Court in front of Judge J.R. Nelson on May 9, on the grounds that the canal would cause serious injury to the Superior Entry. 115

General Humphreys had not forgotten the letter sent to him by Congressman Washburn and had forwarded it onto the Secretary of War in September 1870.

On March 28, the Secretary of War, William Belknap, upon learning that digging of the canal would soon resume, forwarded the letter to the U.S. Attorney General. On April 20, the Attorney General, Amos Akerman, wrote to Cushman Davis, the state attorney for Minnesota, requesting that he seek an injunction to restrict the digging of the canal. Akerman also placed Davis in contact with Matthew Carpenter, a Wisconsin Senator and renowned lawyer.

¹¹⁴ *Minnesotian*: "The Canal Injunction," 6.3.1871. p. unk. Duluth Harbor Clippings, Duluth Public Library Collection, Duluth, MN.

¹¹⁵ *Minnesotian*: "The Duluth Ship Canal," 6.13.1871. p. unk. Duluth Harbor Clippings, Duluth Public Library Collection, Duluth, MN.

¹¹⁶ U.S. Senate. 42nd Congress. 2nd session. Letter From The Secretary of War, 2.

Carpenter and Davis were to work together to develop the injunction. ¹¹⁷ With Carpenter's guidance, Davis secured a bill of complaint and subpoena on May 2, 1871, just three days after water first flowed through the canal. ¹¹⁸

The citizens of Duluth were furious with Superior. In *The Minnesotian*, Dr. Thomas

Foster wrote, "It's all bosh—and our enemies know it!"¹¹⁹ Upon learning that Judge Nelson would be hearing the case, the citizens of Superior were ecstatic. Nelson owned a substantial portion of land in the town and they were certain he would rule in their favor. ¹²⁰ However, on May 12, Deputy Cleveland returned with papers informing the city attorney, James Egan, that Judge Nelson, due to conflict of interest, had recused himself and the case would thus be heard by Supreme Court Justice Samuel Freeman Miller, who was riding Circuit in Topeka Kansas, on May 24. ¹²¹ James Egan, representing Duluth, set off for Topeka, where he would meet Davis and the attorney general of Wisconsin, who would represent the U.S federal government.

A quick note should be made of Egan. Of all the early settlers to come to Duluth in this period, few have as much importance to the story of the canal dispute as James Egan. Egan was a young attorney and former member of the Ramsey county legislature, who came to Duluth by way of the military road. In his own words, he arrived with nothing but "a satchel, some old clothes and a gold headed cane presented by an admiring constituency." Initially coming to

¹¹⁷ U.S Senate. 42nd Congress. 2nd session. *Report of the Solicitor General and Acting Attorney General*, 3.

¹¹⁸ Ibid, 7.

¹¹⁹ Minnesotian: "The Duluth Ship Canal,".

¹²⁰ Ibid

¹²¹ U.S Senate. 42nd Congress. 2nd session. *Report of the Solicitor General and Acting Attorney General*, 23. At the time Supreme Court Justices traveled the nation resolving circuit court cases.

Duluth as an agent of the Northern Pacific, upon his arrival, he became the young city's attorney. 122

Witnesses were unable to make the trip to Topeka on such short notice, so both sides brought with them a number of affidavits from "experts" to support their respective stances. Judge Miller did not know what to make of the case. While he acknowledged the plight of Wisconsin, he also noted that Congress had given money for Duluth Harbor improvements just that year. Since this was the case, the issue could not be viewed as a private enterprise interfering with a federal project. It seemed to Miller that Congress also wanted a harbor at Duluth. Zachariah Chandlers River and Harbor Bill appropriation helped Duluth in more ways than one.

Although Miller conceded that there were federal interests in Duluth, he decided that in this instance it would be preferable to order the digging of the canal be halted until more concrete information on its effects could be gathered. He was unimpressed by the affidavits, stating that they were, "by no means clear or precise in their statements." Miller did add, however, that if it could be proven that the canal could be dug without interfering with the Superior entrance, the injunction could be lifted. 123

Superior had won this fight, and the ruling was potentially a serious setback for Duluth.

If the digging were to be halted, the canal would quickly fill in and all Duluth's effort and capital (almost 50,000 dollars) would be wasted. 124 It is unlikely the city would have ever been able to

¹²² Walter Van Brunt, Duluth And St. Louis County, Minnesota,: Their Story and People, 172.

¹²³ United States v. Duluth et al, 1 Dill. 469: 10 Am. Law Reg. N.S. 449 (1871).

¹²⁴ U.S. Senate. 42nd Congress. 2nd session. Letter From The Secretary of War, 15.

resume work on the canal. Egan later wrote that, following the decision, "with a heavy, sad heart, I turned my face toward home." However, before leaving, he requested that the court clerk "not be in a hurry about forwarding the order." The Wisconsin side had been in such a hurry to telegraph the news home that they had forgotten to get the injunction papers properly signed. That night, bonfires lit up the Superior side of the bay in celebration, but James Egan had a trick up his sleeve. Duluth would not be so easily defeated. 125

On June 6, Egan wrote to General Humphreys, pleading Duluth's case. He suggested that Duluth could build a breakwater across the entire bay so that the flow of the current would not be disturbed. He asked that the federal government allow a 100,000-dollar bond to be issued for the construction of this breakwater. He also suggested that, while the dike was being built, the injunction should be lifted so that the work already completed on the canal would not be lost. To Humphreys, this seemed to be the best of both worlds and he readily agreed, sending a letter to Egan, the Secretary of War, and the Solicitor General, supporting the plan. 126 Egan, 1886, said of the dike that, "I had no knowledge that the city of Duluth could or would do it, but it was the best that could be done." 127

On June 8, the Solicitor General wrote Davis in St. Paul that he should comply with whatever course of action the Secretary of War suggested. Davis received the letter on June 12, and upon learning that the Secretary of War had recommended lifting the injunction, immediately felt something was not right. He thought that the concession had been obtained

¹²⁵ Walter Van Brunt, Duluth And St. Louis County, Minnesota,: Their Story and People, 195.

¹²⁶ U.S. Senate. 42nd Congress. 2nd session. *Letter From The Secretary of War*, 15.

¹²⁷ Walter Van Brunt, Duluth And St. Louis County, Minnesota,: Their Story and People, 195.

by "untrustworthy representations." ¹²⁸ Davis immediately sent a letter requesting revocation of these instructions. Just five days later, before any reply could reach him, James Egan arrived at Davis's door with the letter of support from Humphreys and a bond drawn up by the Duluth City attorney himself. Davis had no choice, under the instructions that he had received from the Solicitor General, other than to dissolve the injunction and accept the bond. The injunction had been served by Deputy Cleveland in Duluth on June 13. Egan managed to have the injunction dissolved on June 19,¹²⁹ it was in place for just six days. There is a reason why Jerome Cooley, in his 1925 autobiography, refers to Egan as, "as bright an attorney as there ever was." ¹³⁰

Wisconsin and the Attorney General, Akerman, were furious to learn that the injunction had been dissolved, and hounded Davis and the Secretary of War for an explanation. Even worse, as Matt Carpenter, the Wisconsin senator who had helped obtain the bill of complaint would point out, the language of the bond Egan had presented made it impossible for the government to legally collect on it. While official documents never definitively say who wrote the bond, Egan later stated that it was the work of J.D. Ensign himself – something Ensign, perhaps conveniently, left out of his history of the harbor. Superior may have won in court, but the legal acrobatics of James Egan allowed Duluth to come out on top again. The digging would resume, and Duluth's investment would be safe. That summer, the Northern Pacific

_

¹²⁸ U.S Senate. 42nd Congress. 2nd session. *Report of the Solicitor General and Acting Attorney General*, 7.

¹²⁹ *Ibid*, 8.

¹³⁰ Jerome Eugene Cooley, *Recollections of Early Days in Duluth*, 22.

¹³¹ U.S Senate. 42nd Congress. 2nd session. *Report of the Solicitor General and Acting Attorney General*, 14.

¹³² Walter Van Brunt, *Duluth And St. Louis County, Minnesota,: Their Story and People,* 195.

declared Duluth to be its official eastern terminus.¹³³ Now, the city only had to figure out how to build a dike across the entire bay.

The Impossible Dike

"It will be impossible to locate this dike anywhere so that someone will not object to it" – Major

D.C. Houston, engineer in charge of Superior Harbor improvements, letter to General

Humphreys, Chief of Engineers¹³⁴

To say that Wisconsin was unhappy with the arrangement would be an understatement. Not only was Superior's entry in peril once again, but the proposed dike threatened to block Superior's access to the rail lines in Duluth. After failing to obtain its own railroad, Superior would not even be able to benefit from that of its rivals. To make matters worse Duluth, which was supposed to start construction of the dike in June, did not do so until October of 1871. Even then, the dike was so poorly made that it did almost nothing to prevent the flow of water — managing only to cut Superior off from half of the bay. 135

During this time, the citizens of Superior repeatedly complained that the canal was filling up their entrance and preventing ships from accessing their harbor. When these claims were investigated by the federal engineers on site, they were found to be untrue: the depth of the Superior entry, even with the Duluth Canal in place, had not changed. The engineers on site began to feel that the dike would not be needed; but the Secretary of War, embarrassed to

¹³³ Paxson, Ellis, and Oberholtzer. *Jay Cooke: Financier of the Civil War*, 255.

¹³⁴ U.S. Senate. 42nd Congress. 2nd session. Letter From The Secretary of War, 19.

¹³⁵ Ibid, 47.

¹³⁶ Ibid. 4.

have been tricked into issuing the 100,000-dollar bond, insisted it must be built, threatening to close the canal unless Duluth rebuilt the dike to more stringent specifications. Duluth complied, doubling down on its efforts and finishing construction in April 1872. There was just one issue: the water level had been unusually low that year, and when the spring flooding came, the water washed over the top of the dike. It was useless.¹³⁷

By the spring of 1872, federal engineers on site were certain that the canal was not having a detrimental effect on the Superior entrance. Boats were not becoming trapped because of the canal, but because the Superior entrance was simply not ideal and preventing it from naturally shoaling was near impossible. Referencing Bacon's 1867 report, they endorsed the Duluth Canal. Bacon's plan that suggested if the commerce of Duluth required a harbor, a canal was the best option. 138

Superior, bloodied but unwilling to give up, took Duluth back to court in the late spring of 1872. This time, the city argued that the dike must be removed and the canal filled in as it was against the law for Duluth to obstruct the navigable waterways of Wisconsin. The city of Duluth and its Mayor, Sidney Luce, were subpoenaed. Jay Cooke's Northern Pacific was also charged as it was with the companies locomotives that the dike had been built. The case was once again heard by Judge Miller, this time in St. Paul; but in a twist of fate, the Northern Pacific retained Cushman Davis, the Minnesota District Attorney who had prosecuted the case against Duluth just one year earlier. Davis had resigned from his position and was now on Jay Cooke's

¹³⁷ *Ibid*, 11, 53.

¹³⁸ Ibid. 57-62.

payroll.¹³⁹ Ultimately, Miller came to the conclusion that since the suit was between a state and an individual who was not a resident, Sidney Luce, the District Court had no jurisdiction over the Issue and the case was dismissed.¹⁴⁰ After the decision, Jay Cooke supplied a private rail car for Judge Miller to visit Duluth.¹⁴¹ Superior had lost once again.

A Short Peace

"I have to say that the war between the cities of Superior and Duluth has been terminated by a treaty of peace, amity, and commerce" – Wisconsin Senator Timothy Howe, The Congressional Globe, February 17, 1873¹⁴²

After being rebuked by the District Court, Wisconsin prepared to appeal the decision. Jay Cooke, not wanting to garner ill will towards the Northern Pacific in Wisconsin, instructed the head of the railroad to reach out to Cadwaller Washburn, now the governor of Wisconsin, to make a deal. Cooke proposed that if Wisconsin stopped pursuing its case against Duluth, he would build a railroad along the route that Washburn had fought so hard for in Congress three years before. Washburn readily agreed and he, the President of the Northern Pacific and the Duluth city attorney, headed to Washington. There they worked with Wisconsin legislators to form a plan to secure the necessary grants. On February 17, the bill went before the House and was passed.

¹³⁹J. D. Ensign, *History of Duluth Harbor*, 19.

¹⁴⁰ State of Wisconsin v. City of Duluth, The Northern Pacific Railroad Company, and Sidney Luce, Mayor of Duluth, 2 Dill. 406 8th C.C.R. (1873).

¹⁴¹ J. D. Ensign, *History of Duluth Harbor*, 19.

¹⁴² Congressional Globe, 42nd Congress 3rd session. 1408 (1873).

¹⁴³ J. D. Ensign, *History of Duluth Harbor*, 25.

¹⁴⁴ Congressional Globe, 42nd Congress 3rd session. 1408 (1873).

It would be nice to be able to say that the story ended here, with both sides happy; but unfortunately, this was not the case. Just several months later, Cooke and the Northern Pacific would declare bankruptcy. In his intense drive to fulfill his dream of opening the northwest to settlers, Cooke had overextended himself, and in the fall of 1873, everything came crashing down around him. Cooke's bank was the largest in the U.S. at the time and Cooke's bankruptcy would plunge the nation into the Panic of 1873, one of the worst economic crashes in American history, until the great depression of the 1920s. 145 Washburn's railroad would not be built.

Cooke's failure not only ended the deal with Wisconsin but also crippled Duluth. With the flurry of investment brought by Cooke gone, the young city collapsed. Many of the early pioneers who had stuck their necks out to fund the canal also were also forced into bankruptcy. By the mid-1870s, Duluth would lose its charter as a city, being once again reduced to a village. No longer able to afford to maintain the canal, Duluth turned it over to the federal government in 1874. 146

Superior, with no railroad, no viable harbor for deep draft boats, and a quickly shrinking population, had lost. It would, in a last-ditch effort, take its case against Duluth to the Supreme Court in 1877. The opinion of the court, once again written by Justice Miller, surprised everyone. Rather than considering the arguments brought by Wisconsin Miller stated that, since the Duluth Canal was under the control of the federal government, he could not order that it be destroyed. The war was officially over. The canal was there to stay. Duluth had

¹⁴⁵ Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 46.

¹⁴⁶ Jerome Eugene Cooley, *Recollections of Early Days in Duluth*, 17-20.

¹⁴⁷ Wisconsin v. Duluth, 96 U.S. 379 (1877).

triumphed. However, though the hard work of the pioneers certainly played a role, it does not explain the immense support received from Radical Republicans and the Grant administration.

The Radical Connection

"I will remain here ... as you confidentially know, to work for the annexation to the U.S., rather a good joke on this dominion administration!" – Oscar Malmros, U.S. Consul to the Dominion Government of Canada, writing to Alexander Ramsey, 1870

Time and again, Duluth and the Northern Pacific received aide from the Radical Republicans; and while simple corruption and self-interest may have played a role, there is a better explanation: the annexation of Canada. Irwin Bertram's 1939 book, "Pacific Railways and Nationalism in the Canadian-American Northwest, 1845-1873," lays out this scheme in detail. According to Bertram, the railroad was championed by the Radical Republicans from its inception for this very reason. 148 Bertram writes that the de facto leader of the Radicals at the time, and the Senator who helped Duluth secure its harbor funding, Zachariah Chandler, "declared that if England refused to cede Canada, we would take it." President Grant also described it as one of his chief aims. 149

Others involved with the Duluth dispute also spoke ardently on the topic, with Alexander Ramsey giving memorials to Congress on the topic¹⁵⁰ and carrying on a confidential correspondence with Oscar Malmros, U.S. Consul to the Canadian government, discussing the

¹⁴⁸ Leonard Bertram Irwin, *Pacific Railways and Nationalism in the Canadian-American Northwest*, *1845-1873*. Greenwood P., 1968. 102.

¹⁴⁹ Ibid, 124.

¹⁵⁰ Ibid. 125.

scheme.¹⁵¹ Malmros had been appointed as Consul by the U.S. Secretary of State Hamilton Fish. Fish who, as should come as no surprise to the reader by now, was also on the board of directors of the Northern Pacific.¹⁵² Even in Duluth, there existed evidence of the scheme. The day ground broke on the Northern Pacific, Dr. Thomas Foster, Duluth's first newspaper editor and the mouthpiece of Jay Cooke, gave a speech in which he declared that the railroad would be "an assistant to compelling the annexation of Canada to the United States." Thus, while the Radicals may have publicly abhorred corruption and greed, their hand in helping Duluth fulfill its destiny shows that they were not afraid to bend the rules when their larger geopolitical goals were at stake. ¹⁵⁴

The Duluth Canal dispute offers a snapshot into early post-Civil War America. At the end of the age of the political machine, it shows how politics and business intersected, not without the help of resourceful pioneers, to define the future and development of entire regions. The Upper Midwest represented, to businessmen, a giant apple with a dollar sign on it, just waiting to be plucked. To politicians, a vehicle to further their ideological goals of Manifest Destiny; and to settlers, a gamble and a hard-fought battle. These three forces came together to provide the foundation for Duluth's eventual success. Some questions remain, but one thing is certain: it is a heck of a story.

¹⁵¹ Oscar Malmros to Alexander Ramsey 1870, Ramsey Papers, Minnesota Historical Society, Microfilm Collection, Roll 19, frame 00071.

¹⁵² Leonard Bertram Irwin, *Pacific Railways and Nationalism in the Canadian-American Northwest*, 1845-1873, 131.

¹⁵³ Walter Van Brunt, Duluth And St. Louis County, Minnesota,: Their Story and People, 198.

¹⁵⁴ For a more in depth analysis of Radical Republican annexation schemes see Leonard Bertram Irwin, *Pacific Railways and Nationalism in the Canadian-American Northwest, 1845-1873*

Aftermath

"The scythe of time and the march of progress have laid the pioneers low ... let me express the hope that the banner of commerce and industry, planted by the hardy spirits of the early days, may float wide and high on these rocky shores!"- Jerome Cooley, Recollection of Early Days in Duluth¹⁵⁵

The Panic of 1873 may have reduced Duluth and Superior to next to nothing, but the effort expended by Duluth's early pioneers was not wasted. When economic conditions began to improve and iron was discovered north of Duluth, the canal was there and waiting to usher in a new era for the port. By the mid nineteen teens, Duluth would have a population of nearly 100,000. Superior would also prosper, even getting its own railroad built by railroad tycoon Jerome J. Hill; but the ill will generated by the canal dispute would not be forgotten. An article published in the *Superior Telegram* in 1914 questions the safety of the canal after a ship lost its way attempting to navigate the Duluth entrance during a storm. In the article, a Superior city engineer states, "the present Duluth entrance should be closed entirely except for the discharge of sewage." Even 43 years later, the wounds had not yet healed.

¹⁵⁵ Jerome Eugene Cooley, *Recollections of Early Days in Duluth*, 99.

¹⁵⁶lbid, 20.

¹⁵⁷ Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth – Superior*, 51.

¹⁵⁸ The Superior Telegram: "City Engineer Banks Suggest Closing of Duluth Ship Canal" 6.5.1914 p. unk. Duluth Harbor Clippings, Duluth Public Library Collection, Duluth, MN.

The dispute over the Duluth Ship Canal was a turning point in the development of Duluth and Superior. The dispute shows how geography, the whims of politicians and the determination of settlers to secure what they believed to be their destiny, came together to make or break the fortune of cities in the late 19th century. If it were not for the actions of individuals such as James Egan and Jay Cooke and the support of Radical Republicans in Congress, Superior may have succeeded in closing the canal. Duluth's victory allowed it to become the largest inland port in the world, a title which it maintains to this day. Superior did not lose all claims to fame though. The city, according to an article on the website of Mix 108, a Duluth radio station, currently contains the fourth highest number of bars per capita in the entire U.S.¹⁵⁹ Perhaps defeat is easier to accept with a beer in hand.

_

¹⁵⁹ MIX 108, 28 May 2013, mix108.com/minnesota-and-wisconsin-rank-among-highest-in country for-bars-per-capita/.

Bibliography

- Beck, Bell and Labadie, C. Patrick. *Pride of the Inland Seas: An illustrated History of the Port of Duluth Superior*. Afton, MN: Afton Historical Society Press, 2004.
- Brunt, Walter Van. *Duluth And St. Louis County, Minnesota,: Their Story and People*. Forgotten Books, 2016
- Carey, John Richard. History of Duluth, and of St. Louis County, to the Year 1870. 1901.
- Coben, Stanley. "Northeastern Business and Radical Reconstruction: A Re-Examination." *The Mississippi Valley Historical Review*, vol. 46, no. 1, June 1959, pp. 67–90.
- Cost, Jay. A Republic No More: Big Government and the Rise of American Political Corruption.

 Encounter Books, 2016.
- Cooley, Jerome Eugene. *Recollections of Early Days in Duluth*. Duluth, MN.: Published by the Author, 1925.
- Gates, Paul Wallace. "Southern Investments in Northern Lands Before the Civil War." *The Journal of Southern History*, vol. 5, no. 2, 1 May 1939, pp. 155–185.
- Congressional Globe, 41st Congress, 3nd session. 66- 1921 (1871)
- Congressional Globe, 42nd Congress 3rd session. 1408 (1873)
- Congressional Globe, 41st Congress, 2nd session. pp. 5200 5475 (1870)
- Congressional Globe, 41st Congress, 1st session. 469 471 (1869)

- Ensign, J. D. History of Duluth Harbor. Duluth News Tribune. Duluth, MN.:1898
- Dierckins, Tony. *Crossing The Canal: An Illustrated History of Duluth's Ariel Bridge*. Duluth, MN: X- communication, 2008.
- Flower, Frank Abial. Eye of the Northwest; Annual Report of the Statistician of Superior,
 Wisconsin. 1890.
- Harnsberger, John L. "Land, Lobbies, Railroads and the Origins of Duluth." *Minnesota History* 37, no. 3 (1960): 89-100.
- Irwin, Leonard Bertram. *Pacific Railways and Nationalism in the Canadian-American Northwest,*1845-1873. Greenwood P., 1968.
- Riddleberger, Patrick W. "The Break in the Radical Ranks: Liberals vs Stalwarts in the Election of 1872." *The Journal of Negro History*, vol. 44, no. 2, 1959, pp. 136–157.
- Jordan, Philip D. "Proctor Knott's "Speech on Duluth"." *Minnesota History* 34, no. 2 (1954): pp 67-78.
- Lubetkin, John M. *Jay Cooke's Gamble: The Northern Pacific Railroad, the Sioux, and the Panic of*1873. University of Oklahoma Press, 2014.
- MIX 108, 28 May 2013, mix108.com/minnesota-and-wisconsin-rank-among-highest-in-country for-bars-per-capita/.
- Minnesotian: "The Canal Injunction," 6.3.1871. p. unk. Duluth Harbor Clippings, Duluth Public Library Collection, Duluth, MN.

- Minnesotian: "The Duluth Ship Canal," 6.13.1871. p. unk. Duluth Harbor Clippings, Duluth
 Public Library Collection, Duluth, MN
- Morris, Roy. Fraud of the Century: Rutherford B. Hayes, Samuel Tilden, and the Stolen Election of 1876. Simon & Schuster, 2004.
- Oscar Malmros to Alexander Ramsey, 1870, Ramsey Papers, Minnesota Historical Society,
 Microfilm Collection, Roll 19, frame 00071.
- Paxson, Ellis, and Oberholtzer. *Jay Cooke: Financier of the Civil War*. Vol. 2, Philadelphia, G.W. Jacobs & Co, 1907.
- Robert W. Swenson, "Railroad Land Grants: A Chapter in Public Land Law," *Utah Law Review 5,*no. 4 (Fall 1957): pp 456-470

"Proctor Knott's Duluth Speech". The New York Times. New York. January 21, 1883.

- "Glossary Term | Reconsider." U.S. Senate: Glossary Term | Reconsider, 19 Jan. 2018, www.senate.gov/reference/glossary_term/reconsider.htm.
- Shippee, Lester, B. "The First Railroad between the Mississippi and Lake Superior". *The Mississippi Valley Historical Review,* Vol. 5, No. 2. Oxford University Press, (Sept. 1918):

 pp 121 142
- Smalley, Eugene Virgil. History of the Northern Pacific Railroad. G. P. Putman & Sons, 1883.
- State of Wisconsin v. City of Duluth, The Northern Pacific Railroad Company, and Sidney Luce,

 Mayor of Duluth, 2 Dill. 406 8th C.C.R. (1873)

Wisconsin v. Duluth, 96 U.S. 379 (1877)

- U.S Senate. 42nd Congress. 2nd session. *Report of the Solicitor General and Acting Attorney General*. (Ex. Doc. No. 76.) Government Printing Office. 1872.
- U.S. Senate. 42nd Congress. 2nd session. *Letter From The Secretary of War*. (Ex. Doc. No. 60.)

 Government Printing Office. 1872
- U.S. Senate, 41st Congress, 3rd session, C.H. 117,118. *River and Harbor Bill*. Government Printing Office. 1871.
- U.S Senate. 41st Congress. 2nd session. A Bill Granting lands to the State of Minnesota, to aid in the improvement of the harbor at Du Luth, Lake Superior. (S. 763) Government Printing Office. 1872.
- U.S Senate. 41st Congress. 2nd session. A Bill Granting lands to the State of Minnesota to aid in the construction of a breakwater and canal at the harbor of Du Luth, Lake Superior.(S.636) Government Printing Office. 1872.

United States v. Duluth et al, 1 Dill. 469: 10 Am. Law Reg. N.S. 449 (1871)

Young, Frank A. History of Minnesota Point. Duluth, MN: Stewart Taylor Company. 1977,