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Article Summary: The Morrill Act provided grants of land to assist the states in financing farmers' and laborers' colleges. Nebraska received more income from the sale of agricultural-college land than many states and, for the most part, avoided scandal related to land sales.

Scroll down for complete article.

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Photographs / Images: map of Nebraska's agricultural college land grants (90,000 acres in 8 counties)

Tables: I. Number of acres granted to various entities in 1869 and 1870
II. Acres of agricultural-college land sold, average selling price per acre, and number of acres reverting to the state, 1878-1900
III. Summary of agricultural-college land finances as of June 30, 1948

Nebraska's Agricultural-College Land Grant

By Agnes Horton

WHEN Nebraska became a state on March 1, 1867, it received from the federal government for the establishment and support of an agricultural college, a grant of land totaling almost 90,000 acres. Early in the nineteenth century there had developed in the United States a demand for schools which would offer American youth opportunities for training in agriculture and the mechanical arts. In fact, the insistence for such training centers had become so strong that agricultural societies, farm magazines, various social reform groups, and labor organizations were giving whole-hearted support to the movement. By 1857 this movement had gained such impetus that Justin Smith Morrill, representative from Vermont, became interested in federal aid for agricultural education and introduced into the House a bill providing grants of land to assist the states in financing farmers' and laborers' colleges.

The first Morrill bill, introduced in Congress for the purpose of obtaining an agricultural-college land grant, provided that each state be given 20,000 acres of public land for each senator and representative it had in Congress.¹ In making such a grant there were two general types of states to be considered—the older eastern states and the newer western states. By 1857 most of the eastern states had little or no federal public domain available within their own boundaries. In lieu of an actual grant of land, the Morrill bill provided that such states receive land

¹Paul Wallace Gates, *The Wisconsin Pine Lands of Cornell University* (Ithaca: Cornell University Press, 1943), p. 4.

scrip equal to the amount in acres for the deficiency of their distributive shares. These states were not to enter this public land themselves but were "required to sell it to assignees who could use it to enter any of the unappropriated lands of the United States subject to sale at private entry at one dollar and twenty-five cents, or less, per acre."² In the western states public land still existed. There state or college officials were to make the selection from lands available within the state itself. These states had the right to sell such land immediately or to hold it for a higher sale price.

When Congress began to debate the Morrill bill, it was soon evident that while agitation in support of the measure was vigorously maintained by some interests, there were other equally strong interests on hand to offer stiff opposition. The older states, which had the greater number of representatives in Congress and were not public-land states, gave support to the measure. Opposition came from the South, the new states, and the territories in the West.³ The opposition interests realized that their acreage would be small in comparison with that of the more populous eastern states which had the greater representation in Congress. Furthermore, the eastern states were compelled to sell their scrip to assignees who would in turn locate their land from any unappropriated lands which were available in the West. George E. Pugh of Ohio expressed the views of many westerners when he suggested that the non-public-land states would sell their scrip at very cheap prices to speculators, and these lands would soon fall into the hands of absentee proprietors.⁴

After several months of bitter argument and sectional jealousy, Morrill was able to push his measure through both houses of Congress. But even so, all was not smooth sailing for this hard-fought proposal. It suffered its death knell at the hands of President Buchanan who vetoed

²*Ibid.*, p. 4.

³*Ibid.*, p. 5.

⁴*Ibid.*, p. 10.

the measure. An attempt was made to override his veto, but on the final vote, the veto was sustained.

In 1862 the agricultural-college bill, also called the Morrill Act, once more was introduced into Congress. At this time the land grant was increased to 30,000 acres for each representative and senator in Congress.⁵ Other provisions were substantially the same as they had been for the first Morrill Act. A few weeks after the new bill was introduced, the measure passed both House and Senate to become law when President Lincoln affixed his signature.

At the time the second Morrill Act was passed, Nebraska was still a territory. This new law provided that organized states must express acceptance of this grant through their legislatures within a two-year period after the Agricultural-College Act became law or forfeit their claims. New states to be created from territories were permitted a three-year period to declare acceptance commencing from the date their statehood was recognized by the federal government. When Nebraska became a state March 1, 1867, she had to accept the offer by March 1, 1870, or lose the right to participate in the federal grant. It took Nebraska less than two years to avail herself of the land Congress was willing to give her. In 1869, on the birthday of the President who had signed the federal enactment into law, the Nebraska legislature, in a joint resolution, assented to and accepted the state's agricultural-college land heritage.⁶

The federal bill provided that all expenses of selection, management, and superintendence of these lands must be assumed by the states. It also stipulated that all money received from sale of land or land scrip must be invested in the stocks of the United States or other safe stocks and that this capital fund should remain forever undiminished.⁷ In order to make certain that a school of agriculture would actually be established in each state,

⁵*U. S. Statutes at Large*, Vol. 15, p. 13.

⁶*Laws of Nebraska*, 1869, p. 312.

⁷*U. S. Code Annotated*, Title 7, Ch. 13, pp. 156-157.

the federal statute further provided if a college were not established within five years from acceptance of the grant, the delinquent state would be required to return to the federal government any unsold land and all money received from any lands previously sold.⁸

Nebraska had followed an unusual procedure in that she provided ways and means for selecting the agricultural-college lands before she had officially accepted them. Six months after being admitted to statehood, Nebraska enacted a law whereby selections of the several federal land grants, the agricultural-college grant included, could be made from those lands remaining as part of her public domain. On June 17, 1867, the state legislature had passed an act empowering the governor to appoint commissioners, who, acting under his direction were to make the final land selection.⁹ But the state did not show comparable alacrity in making these selections. Although the necessary legal machinery for land selection had been passed early in 1867, it was not until 1871 that the actual acreage was chosen.

One of the first problems confronting state officials was the selection of the best available area within Nebraska's public domain from which the 90,000 acres of agricultural-college lands could be located. By 1870 the choice of public land in eastern Nebraska was somewhat limited. Dr. Addison E. Sheldon, in his book, *Land Systems and Land Policies in Nebraska*, points out that legal settlement in Nebraska began in the summer of 1854 and that settlers were not slow in availing themselves of the privilege of claiming a farm under the pre-emption act. People from Iowa were crossing the Missouri and staking out claims.¹⁰ During 1856 a steady stream of emigrants crossed the Missouri and entered Nebraska territory. Soon

⁸U. S. Code Annotated, Title 7, Ch. 13, p. 159.

⁹*Laws of Nebraska*, 1867, p. 60.

¹⁰Addison E. Sheldon, *Land Systems and Land Policies in Nebraska* (Lincoln: Nebraska State Historical Society, *Publications*, Vol. XXII, 1936), p. 35.

scores of new towns were springing up all along the eastern border.¹¹

Some idea of the rapidity with which lands were being entered in 1869 and 1870 may be had from a letter written to Governor David Butler by E. K. Valentine, Register, U. S. Land Office at West Point (Cuming County). Governor Butler had requested Valentine to itemize the lands entered in the West Point land office during these two years. In compliance with the request Valentine prepared a statement of lands entered by cash, land warrants, railroads, number of homesteads, and pre-emption filings together with the total amount of each transaction. The following table, clearly indicating that entries for land were being made rapidly and that the acreage was relatively large, was incorporated in the letter:¹²

TABLE I

	No.	1869 Acres	No.	1870. Acres	No.	Total Acres
Cash	.....	35,869.54	.....	36,140.88	.....	72,010.42
Land Warrants	.....	20,680.00	.....	5,960.00	.....	26,640.00
Railroads	.....	.....	.....	.....	.....	78,200.00
Homesteads	824	87,278.34	493	59,673.34	1317	146,951.68
Pre-emption Filings	677	89,200.00	316	51,120.00	993	140,320.00
Final Homestead	94	13,619.57	111	14,348.53	205	27,968.10

In addition to the large areas of land taken by the ever increasing numbers of settlers and homesteaders arriving in Nebraska during the late fifties and sixties, large tracts of land were granted by the federal government to several other groups and agencies. The Union Pacific Railroad crossed the state from east to west and had received extensive grants which followed the roadbed. The Burlington and Missouri River Railroad, now a part of the modern Chicago, Burlington, & Quincy system, was unable to claim all the alternate sections to which it was

¹¹*Ibid.*, p. 36.

¹²E. K. Valentine, West Point, to Governor David Butler, December 27, 1870 (Executive MSS., Nebraska State Historical Society).

entitled because much of this land already had been taken by settlers. It was thus necessary for the Burlington to select considerable land in areas remote from its tracks. Some of this land was located as far as 50 to 150 miles from the roadbed, and the Burlington company was shrewd enough to take possession of excellent farm land in the eastern rain-belt section of the state.¹³

Other grants included almost another 3,500,000 acres. The state penitentiary, the common school lands, saline lands, state university, and the state itself all received sizeable grants under the Enabling Act, April 19, 1864.¹⁴

With the exception of the common school lands which consisted of sections sixteen and thirty-six in every township, the larger portion of these grants also was located in the eastern half of Nebraska. Consequently, by the time Nebraska finally was ready to select its agricultural-college grant there were only two large areas open for

¹³Sheldon, *op. cit.*, pp. 90, 301, 360.

To show the extent of U. S. land grants to railroads, the following figures are given:

		<i>Acres</i>
Union Pacific	1862	4,846,108
Burlington & Missouri River	1864	2,374,090
St. Joseph & Grand Island	1866	380,769
Sioux City & Pacific	1864	38,228

¹⁴*U. S. Statutes at Large*, Vol. 13, p. 47.

Various grants included:	<i>Acres</i>
Erection of Legislative and Judicial buildings	12,800.00
Penitentiary	32,039.55
Internal Improvements	501,314.60

(Figures from the *Colored Plats of Government Land Grants to the State of Nebraska*, compiled by Robert Harvey, 1918-20, pp. 48, 59, 79).

Common Schools	2,802,739.33
Saline Lands	32,789.44
Normal Schools	12,804.80
State University	45,439.93

(Figures taken from the *Thirty-fifth Biennial Report*, Board of Educational Lands and Funds, p. 17.)

selection—one in the western half of the state and the other in the northeastern corner.

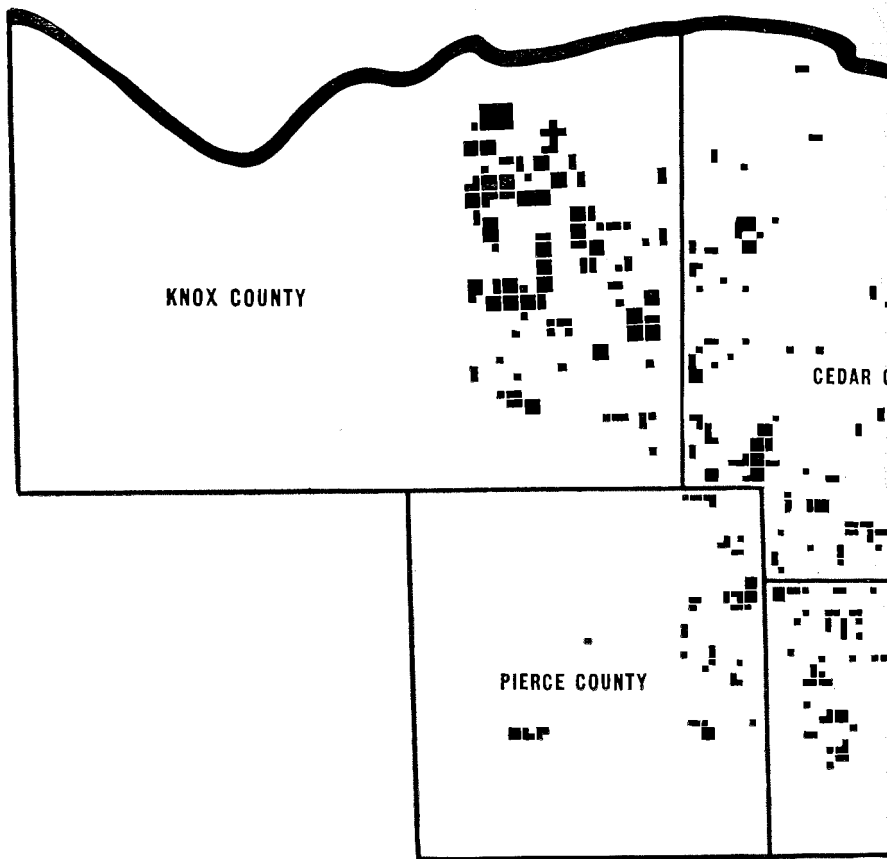
The western section of the state was little known and considered suitable only for the growth of cactus and sage brush. There were no soil surveys available for Nebraska in 1871 to reveal the fertility of western land. Northeastern Nebraska was known to be a gently rolling country comprising much good farm and pasture land. This area lay between the Niobrara and Elkhorn river valleys on the north and west and the great Missouri on the east. Throughout the area there are many small creeks and streams which add materially to the agricultural value of the land.

There were no railroads in either of these two areas in 1871. Poor's *Manual of the Railroads of the United States* in 1871-1872 shows the railroads nearest to the northeastern part of Nebraska to be the Omaha and North Western Railroad which ran from Omaha to Blair, and the Fremont, Elkhorn, and Missouri Valley Railroad which ran some fifty miles northeast from Fremont. Both the west and the east shared the benefits of the Union Pacific since it crossed the state, while the southeastern part of the state was served by the Burlington.

The best means of travel were on foot and by horseback. The expanses of the West were so great that only a few cared to endure the hardships of this mode of travel until the vantage points of more populous areas were reached. The same types of travel prevailed in the northeastern section of Nebraska, but there was one distinct advantage—the Missouri River was close by. Here at various points were ferries to take passengers and wagons across the river, and steamboat travel up and down the river was common.¹⁵

Several railroads were being proposed for this region at this time, and it was only a matter of a few years before operating lines would serve this area. Poor's information is borne out by facts derived from a map

¹⁵Sheldon, *op. cit.*, p. 36.

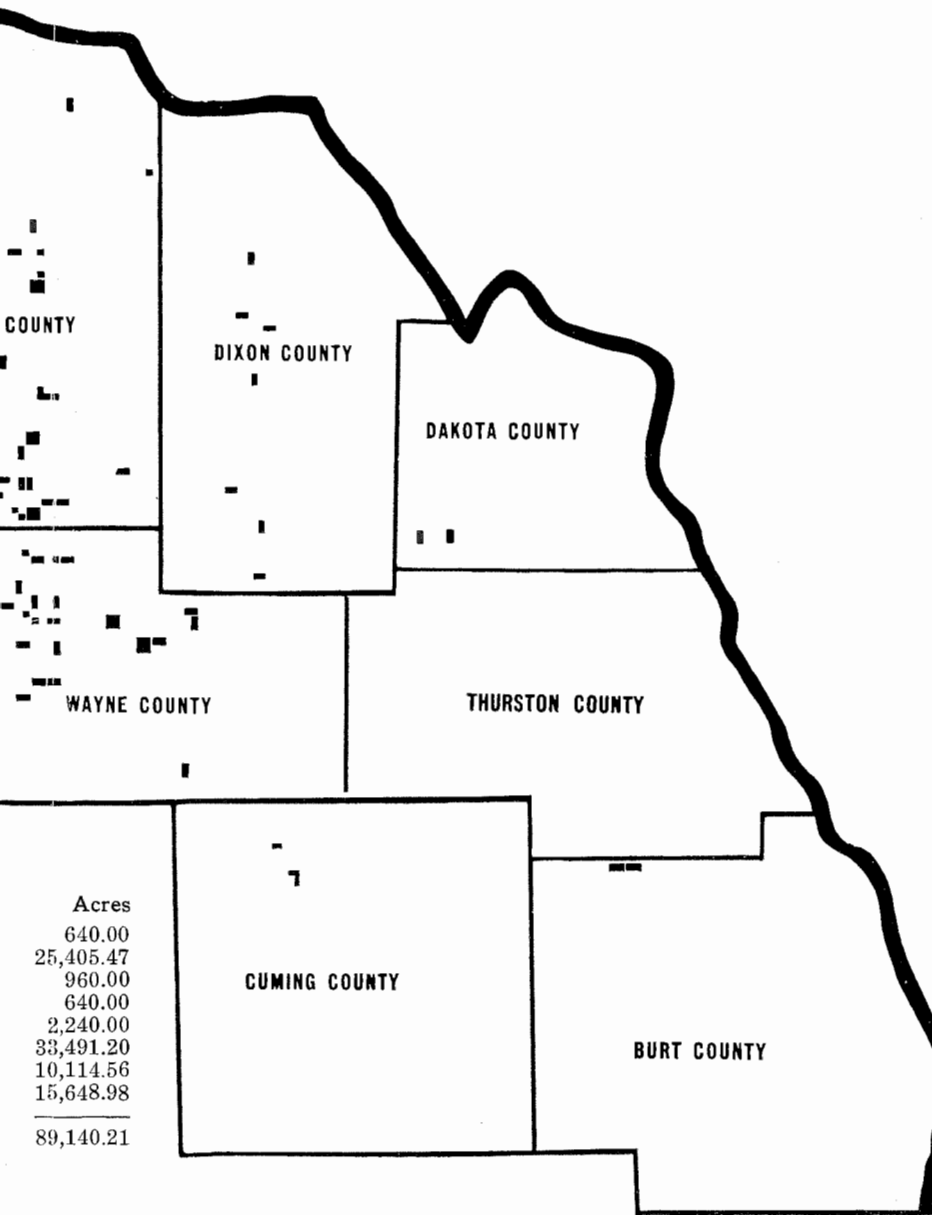


Nebraska's Agricultural College Land Grant

(Map compiled by Agnes Horton from colored plates of government land grants to the State of Nebraska, as compiled by Robert Harvey, by authority of C. L. Shumway and Dan Swanson, 1918-1920, through the courtesy of the Board of Educational Lands and Funds, State of Nebraska.)

County
Burt
Cedar
Cuming
Dakota
Dixon
Knox
Pierce
Wayne

Total



made in 1885.¹⁶ According to this map the Elkhorn Valley area was crossed by the Fremont, Elkhorn, and Missouri Valley Railway, which ran close to the southern boundary of Knox County through Pierce, Stanton, Cuming, and Dodge counties, connecting with the Union Pacific at Fremont. To the east of this was the Chicago, St. Paul, Minneapolis, and Omaha Railroad which crossed Burt County, and parts of Cedar, Wayne, and Cuming counties.

There was another well recognized asset in north-eastern Nebraska which made it a desirable area from which the agricultural lands might be selected. It was generally known that eastern Nebraska lay in the more humid part of the state.¹⁷ This gave the land in this section greater value than it had in parts where the average rainfall was known to be considerably less.

Therefore, since the soil of this region was relatively good, the transportation facilities of the Missouri close at hand, the rainfall ample, cities and towns were being rapidly established, and the seat of the government itself was in the east, it was only reasonable to expect that in locating a new land grant the visible advantages of the east would outweigh any possible potential advantages which might be found in the western half of the state.

When Governor David Butler was impeached in 1871, it was up to Acting Governor William H. James to carry out plans for selecting the agricultural land grant. Acting Governor James appointed two men, John M. Bradford and B. F. Chambers, to locate and secure these lands for Nebraska.¹⁸ It will be recalled that the state legislature had passed an act in 1867 authorizing the selections to be made. But the actual selection program had suffered prolonged delays, and the time left for making the selections had become very limited. Bradford wrote a letter

¹⁶Official Railroad map of Nebraska compiled by F. Herschfeld, C. E., Lincoln, 1885 (Nebraska State Historical Society map collection).

¹⁷Sheldon, *op. cit.*, p. 90.

¹⁸*Clear Lists No. 1 and No. 2.* See introduction to each list (Office of Educational Lands and Funds).

from Dakota City, September 21, 1871, to Acting Governor James in which he said:

I have the honor to acknowledge the receipt of my 'Commission to Locate and Secure the Agricultural College Lands'.

As you were informed by this office on the 19th current, by Instructions from the Commissioner of the Govt. Land Office to date 11th Sep., the State is limited to *Thirty days* from the date of your notification by this office, to wit: the 19th Sep., in which to make the Selections and report them complete to this office. There seems to be no appeal from this decision as the report is required by the Commissioner of the Genl. Land Office in time for his next Annual Report to Congress, and a failure to comply with his instructions would forfeit the last vestige of the State's claim to the 'Agricultural College Lands.'

You will appreciate the situation in which I, as the Agent of the State, am placed, in being required to have the lists completed and in the office by the *19th of October*. The selections extend, as you [are] aware, over a vast area of country, and even should I be favored with no drawbacks whatever, I will not have the time that I would like, to do the business justice. My duty, however, in the premise is very plain. I must employ the time allowed me to the greatest advantage, and to do that, I shall start upon a tour of examination today. . . .

I think I am fully armed for the undertaking, and shall report progress to you, especially if any new obstacles should arise.¹⁹

Chambers already had made his selections and filed his report on September 18, 1871, just one day before the letter quoted above was written. Prior to both the Chambers and Bradford reports, one Abram Deyo, Nebraska State Agent of the Dakota Land District, had made his first list of lands available November 19, 1870. On January 6, 1871, he reported a second list of tentative selections.²⁰ From the correspondence available it would appear that Deyo did not receive an official commission to make the final selections. In the same letter which Bradford wrote to Acting Governor James he says, "The Department

¹⁹John M. Bradford, Dakota City, September 21, 1871 to Acting Governor William H. James, Agricultural-college land correspondence file in Educational Lands and Funds Vault (hereinafter Educational Lands and Funds).

²⁰The two Deyo lists are in the correspondence file for agricultural-college lands (Educational Lands and Funds).

was furnished with a copy of B. F. Chambers' Commission, though not with A. Deyo's." Another letter written by George W. Wilkinson, Register, Land Office, Dakota City, to Governor James on September 19, 1871, states:

We are in receipt of a communication relative to a list of lands left at this office by Mr. A. Deyo from which the State designed to select Lands for Agricultural College purposes

We are directed to notify you, that the State Authorities will be allowed thirty (30) days from date of this communication to designate by a duly authorized Agent such tracts of those embraced by Mr. Deyo as will make up the amount of land which the State is entitled too [sic], or so much thereof as the State desires to select from this district under the Agricultural Act of July 2nd 1862 - deducting therefrom the amount previously selected by B. F. Chambers. . . . ²¹

There seems to be no doubt but that the Deyo lists were used at least for reference. Various checks and marks appear on them in the same faded ink in which the list itself is written. Many of the tracts Deyo selected also appear in the official clear lists.

When the actual selections were reported, only two final lists were accepted. Chambers had selected 11,504.96 acres from Cedar, Dakota, Stanton, Dixon, Burt, and Wayne counties. His selections were accepted and recorded by W. W. Curtis, U. S. Department of Interior, General Land Office, on September 20, 1871, and became officially known as Clear List No. 1.²² Later, the 640 acres located in Stanton County were found to have a prior claim and were relinquished by Nebraska to the federal government. No further selections were made in this county.

Bradford reported his selections October 13, 1871. He had chosen 77,947.82 acres which were approved December 18, 1871, by Willis Drummond, U. S. Department of Interior, General Land Office. These lands were lo-

²¹George W. Wilkinson, Dakota City, to Acting Governor James, September 19, 1871 (Educational Lands and funds).

²²Clear List No. 1.—See introduction for official copy, U. S. Government acceptance (Educational Lands and Funds).

cated in Wayne, Knox, Pierce, and Cedar counties and comprise Clear List No. 2.²³

The accompanying map shows the exact location of the land selected in each of the eight counties. It will be noted that most of the selections were made in Knox, Cedar, Pierce, and Wayne counties; and the greater amount of land selected was made in the vicinity where the corners of these counties tend to converge at a central point. With the exception of a few scattered tracts in Dixon, Dakota, Cuming, and Burt counties, the agricultural lands were selected within the confines of a relatively small area and were located in rather close proximity to each other.

According to the clear lists the total amount of agricultural land originally selected was 89,452.78 acres; However, errors soon discovered in figuring and surveying reduced this total somewhat.

In reading the correspondence concerning additional selections to complete the 90,000 acre grant, it is found that several attempts were made during the ensuing years to correct the small deficiency. On January 14, 1880, J. M. Armstrong, Acting Commissioner of Lands at Washington, wrote to F. M. Davis, State Land Commissioner, that according to the most recent surveys and the federal records, Nebraska was entitled to 450.1 acres in excess of its two former selections.²⁴ As time went on there is evidence to show that Nebraska again attempted to complete additional selections to receive its full grant. According to a letter dated November 1, 1880, sent by the Department of Interior to Mr. Davis, selections had been made and would be granted if a clear title existed for the land chosen. Upon investigation it was found that part of this land had been entered by a George Metzler but the remainder was open for grant.²⁵ There is no further reference to this

²³*Clear List No. 2.* See introduction for official copy, U. S. Government acceptance (Educational Lands and Funds).

²⁴J. M. Armstrong, Washington, D. C., to F. M. Davis, January 14, 1880 (Educational Lands and Funds).

²⁵Henry Cower, Department of Interior, Washington, D. C., to F. M. Davis, November 1, 1880 (Educational Lands and Funds).

tract of land, but no portion of it was accepted by the state at this time. Additional correspondence relating to other selections continues as late as December 30, 1881, ten years after the original selections had been made and accepted.²⁶ After this date no further reference is made in the correspondence extant except an undated, unsigned notation found on the letterhead of the Nebraska Secretary of State indicating that 640 acres were still to be claimed if Nebraska were to inherit its full grant.²⁷ In later surveys it was found that Nebraska needed almost two sections to fulfill its quota. Suffice it to say, the State of Nebraska finally recognized that its official grant amounted to 89,140.21 acres, and the acreage legally due was never claimed in its entirety.²⁸

The agricultural lands were required by law to be located in plots of not less than 160 acres.²⁹ This regulation was stipulated to prevent the commissioners from selecting a few choice acres here and there and leave behind scattered acres of less desirable land. The commissioners received four dollars per day and traveling expense incurred for each day actually spent in performing their duties.

The agricultural-college lands were not disposed of immediately. Governor Robert W. Furnas reported in 1873 that no disposition had been made of any of these lands.³⁰ The first sale recorded in the *Abstract of School Land Sold* was made in 1881 at the legal minimum price of seven dollars per acre.³¹ There seems to be a slight discrepancy in fixing the date for this first sale. The second biennial report of the Commissioner of Public Lands shows that 240 acres were sold as early as 1880.³²

²⁶N. C. McFarland, to A. G. Kendall, Washington, D.C., December 30, 1881, to Nebraska Secretary of State (Educational Lands and funds).

²⁷Notation found in correspondence relating to agricultural-college lands (Educational Lands and Funds).

²⁸Board of Educational Lands and Funds, *Thirty-fifth Biennial Report*, 1944-46, p. 17.

²⁹*Laws of Nebraska*, 1869, pp. 308ff.

³⁰*Nebraska House Journal*, 1873, p. 146.

³¹*Abstract of School Land Sold*, Vol. I, pp. 224-242 (Office of Educational Lands and Funds).

³²Commissioners of Public Lands and Buildings, *Second Biennial Report*, I (1880), 29.

The following table has been compiled from the biennial reports of the Commissioner of Public Lands and Buildings from 1878 to 1900 inclusive and indicates the amount of activity in agricultural-college land sales, average selling price per acre, and in part, the number of acres reverting to the state because the purchaser failed to comply with the terms of his sales contract.

TABLE II

Year	Acres Sold	Amount of Sale	Average Per Acre	Acres reverting to the State
1878	None	\$.....	\$.....	.....
1880	240.00	1,680.00	7.00	None
1882	4,477.61	33,762.20	7.54	None
1884	20,467.76	145,518.85	7.10	240.00
1886	11,077.19	77,780.33	7.02	5,540.32
1888	7,400.30	53,017.58	7.16	4,120.00
1890	5,362.56	38,939.83	7.26	4,200.00
1892	10,298.92	75,336.39	7.31	No figures
1894	9,284.01	65,340.28	7.03	No figures
1896	1,117.12	8,169.84	7.31	No figures
1898	8,796.71	No figures	.....	1,403.53
1900	None	.....	.....	320.00

In the same report it is found that fewer than 9,000 acres were sold in the decade 1902 to 1912. By 1914 a total of 76,878.04 acres had been deeded, and in the ensuing years land sales were both small in acreage and relatively few in number.

The first state constitution, adopted in 1866, provided that a certain amount of legal restraint be exercised in regard to the sale of any and all school lands. No land was to be sold for less than its appraised value, or for less than five dollars per acre in addition to the appraised value of any improvements thereon.³³ This provision was changed when a new constitution was adopted in 1875. At this time the five dollar per acre minimum was increased to seven dollars per acre. When land was bought the purchaser made a first payment of ten per cent of the total value of

³³*Constitution of Nebraska, 1866.*

the land and arranged under the terms of his sales contract the time and terms for subsequent payments. For the amount due on each sale a promissory note bearing interest at ten per cent per annum was drawn. This interest rate was changed from time to time until it reached a low of five per cent. In case of non-payment of interest or principal the land reverted to the state with all the improvements thereon.³⁴

Sales contracts normally ran for a period of twenty years and could be extended. Lands not sold were leased and the lease continued in force for a period of twenty-five years with the provision that at the expiration of every five-year period the land should be reappraised to determine the rental value.³⁵ The lessee was given the privilege of converting his lease into a sales contract by conforming with certain requirements.

In 1897 Representative Addison E. Sheldon introduced House Roll 124 which repealed all former school land law and re-enacted it in a revised form. Sheldon refers to his act as the "Sheldon School Land Law." The chief purpose of the law was to prohibit the further sale of all school lands and to establish a perpetual leasing system instead.³⁶ In his book, *Land Systems and Land Policies in Nebraska*, Sheldon presents figures to show the gain to the agricultural-college and university funds as a result of his law. When the agricultural-college land figures are presented by themselves, it will be observed that these lands derived comparatively small benefit under the new law. According to the Land Commissioner's report of 1898, 8,790.34 acres had been deeded and 68,629.84 acres were under sales contracts. This left fewer than 12,000 acres under lease which the several lessees could convert into a sales contract if they so desired.

Since the Sheldon Law did not abrogate existing contract and lease agreements, it was possible to complete

³⁴*Laws of Nebraska*, 1867, p. 41.

³⁵*Idem*.

³⁶*Nebraska House Journal*, 1897, p. 206.

the sale of practically all the agricultural-college land under the terms of the old law. The most noteworthy exceptions occurred in those lands which subsequently reverted to the state through forfeited sales contracts and leases which were not converted into sales contracts. The state profited under the Sheldon law only for a very limited amount of the agricultural grant.

Sales contracts issued just prior to the 1897 enactment would continue in force until 1917, and if any extension of time were granted, such contracts could then remain in force for a longer period. Leases were permitted to run for a period of twenty-five years which meant that leases issued just prior to 1897 would not terminate until 1922 and could be converted into sales contracts in the interim. Therefore, actual sales and deeding of lands did not cease until 1922, and even then, in some instances, sales contracts were extended to run beyond this date. The biennial report for June 30, 1922, shows that 82,143.92 acres of agricultural-college land had already been deeded.

Since 1897 there have been several minor changes in the statutes regarding the administration of school lands, but all new legislation has continued to prohibit further sales of the land to private individuals except in isolated tracts containing fewer than forty acres. These lands must be sold at public auction at prices not less than ninety per cent of the appraised value. Such appraisals enable the state to sell lands at a price in keeping with current values. But so few acres can now be sold that the increased revenue gained from such sales amounts to a very small sum. Limited amounts of educational lands can also be acquired through the exercise of eminent domain proceedings as provided for by law.³⁷

The following table presents a summary of the agricultural-college land finances as of June 30, 1948.

³⁷Board of Educational Lands and Funds, *Thirty-fifth Biennial Report*, 1944-46, pp. 12-13.

TABLE III

*1. Total Agricultural-College Trust Fund	\$697,372.78
**2. Profits from Sale of Municipal Bonds, 1943-45	\$ 14,357.69
***3. Profits from the Exchange of U. S. Bonds	\$ 13,995.19
4. Total Endowment from Land Only, 1880-1948	\$669,019.90
****5. Losses as Accepted by the Investigation of 1943	\$ 43,368.61
6. Total Endowment from Sale of Land if no Loss Had Been Sustained	\$712,388.51
7. Number of Acres of Land Sold to June 30, 1946	85,066.12
8. Average Selling Price Per Acre	\$ 8.37

The figures for this table were compiled from:

*Treasurer's report for the State of Nebraska, June 30, 1948.

**Ledger of Motor Vehicle Fund to Soldiers' Relief Bonds. See Capital Reserve Fund to Offset Past Capital Losses as per Legislative Bill No. 97, State Treasurer's Office, 1942-46.

***Summary of Sale under date of May 3, 1943, showing amount of bonds sold from each of the various trust funds. See numbers 2, 4, and 5 for those dealing with agricultural-college funds, State Treasurer's Office.

****Figures accepted by the State Treasurer's Office as amount of loss sustained by the agricultural-college fund.

The foregoing table is self-explanatory except for item five which presents one of the most colorful if unfortunate episodes to be recorded in connection with the school funds belonging to the state. This concerns the defalcation of Joseph S. Bartley, state treasurer from 1893 to 1897. Rumors of the defalcation were rife during the campaign of 1896. In 1897, when Mr. Bartley failed to make a satisfactory settlement with his successor, J. B. Meserve, the charges were investigated. Reporting on the investigation in a special message to the legislature, Governor Silas A. Holcomb revealed that the total defalcation amounted to \$537,762.13. The larger amount of this shortage was found to be in the permanent endowment funds of the common schools, the state university, the agricultural college, and the normal school at Peru.³⁸

The prosecution of the defaulting Bartley and the

³⁸*Nebraska House Journal*, 1897, pp. 457-460.

many attempts to regain the stolen money created a dramatic story. Six years were spent in futile litigation against bondsmen without a single penny being recovered. Bartley was found guilty in the District Court, and the Supreme Court upheld the lower court's decision that Bartley was guilty of embezzling \$201,884.05.³⁹ Other losses to make up the half million dollar deficit had been brought about through loans made during the years. Many of these loans were repaid only in part or not at all. Bartley was sentenced to twenty years in the state penitentiary and began serving his sentence July 6, 1898. On January 1, 1902, he received a full pardon from Governor Ezra P. Savage. Although fifty years have elapsed since the Bartley affair, it still continues to hover like a dark cloud over the several educational funds.

At the time Congress passed the Morrill bill, a clause was incorporated which provided that if any portion of the permanent agricultural-college fund was lost through any action or contingency, it should be replaced by the state which sustained the loss.⁴⁰ The same was also true of the common school and all other school funds.

Another investigation relative to the missing funds was made by the state in 1943. As a result of this investigation, a levy was made and the funds accruing from this levy were designated to be paid into the permanent school fund to offset its losses, although to date, no action has been taken to replace similar losses sustained by the other school funds. At the present time the agricultural-college endowment fund continues to sustain the loss of \$43,368.61.⁴¹

³⁹*Nebraska Briefs*, Vol. 53, Brief 9347.

⁴⁰*Laws of Nebraska*, 1869, p. 308ff. (See also n. 7).

⁴¹The auditor's record compiled for the 1943 investigation to show losses for the several educational funds (State Treasurer's Office). Losses were suffered as follows:

Permanent School Fund	\$270,133.45
Permanent University Fund	9,775.93
Agricultural-College Endowment Fund	43,368.61
Normal School Fund	12,600.09
Temporary School Fund	12,500.00
General Fund	16,231.85

In 1943 the state sold and exchanged, at a profit, some of the bonds belonging to the agricultural-college endowment fund. These profits were placed in the endowment fund, so that in addition to the actual sale of land, this endowment fund has gained an additional \$28,352.88.

In the matter of leases the state generally has maintained a very liberal policy toward its lessees. This was true not only in the days gone by but also continues to the present time. Whenever the state had land which was not deeded or under sales contracts, such lands were leased for rental purposes. In 1883 speculators realized that under existing law they could easily and cheaply obtain control of large tracts of valuable lands.⁴² The result was that speculators began acquiring leases in wholesale lots. Some speculators leased as much as fifty or sixty thousand acres. By careful and shrewd manipulation of the law, these men were often able to get control of the land for as little as one cent or less per acre. Joseph Bent, whose purchases of agricultural-college lands will be discussed later, acquired some 40,000 acres of such leased land.⁴³ In the state leasing program the agricultural-college lands probably suffered to some extent from the laxity of the law. But there are no figures directly relating to this premise. There seems to be reasonable evidence to show that lease speculation in the agricultural lands was at a minimum.

In Table II it will be noted that the yearly land sales from 1880 to 1898 inclusive progressed rapidly. This fact in itself would support the supposition that for the most part agricultural-college land leases did not generally fall into the hands of lessee-speculators since the state must of a necessity have had control over this land in order to make such extensive sales.

Further support for the claim that Nebraska had a liberal rental policy is found in the figures given by the Commissioner of Lands in 1890. He reported that 40,811.96

⁴²Sheldon, *op. cit.*, pp. 245-246.

⁴³*Ibid.*, p. 246

acres of agricultural lands were under lease. The annual rent received from these lands amounted to \$7,209.10 or an average cost to the renter of about eighteen cents per acre.⁴⁴ Today there are 3,811 acres of agricultural-college lands under lease which produce a rental of \$4,248.60 or an average of about \$1.10 per acre. The general rental average for all school lands is \$0.56 per acre.⁴⁵ It should be remembered that monies received from leases do not form part of the agricultural-college endowment but are allocated annually to the University of Nebraska to form a part of its expendable income.

The disposal of the agricultural lands and agricultural lands scrip presents a fascinating study. Twenty-seven states received land scrip, and twenty-one states selected lands from within their own limits. Paul Wallace Gates, in *The Wisconsin Pine Lands of Cornell University*, describes the situation generally as follows: "The story of the disposal of the agricultural-college scrip is one of neglect, carelessness, incapacity, and something closely akin to corruption. The result was that in a number of instances the proceeds from the sale of the scrip were disappointingly small."⁴⁶

The terms of the agricultural-college act provided that the money received from the sale of scrip should be placed in an endowment fund and only the interest derived therefrom could be used for the support of the agricultural colleges to be established. Since colleges had to be established within five years after accepting the grant, many states felt a pressing need to turn their scrip into cash as soon as possible. States which could not afford to hold their scrip offered such large amounts of it on the open market that in some instances the price fell to a low of 42 cents an acre and correspondingly depressed the price of land offered by public-land states.⁴⁷

⁴⁴Commissioner of Public Lands and Buildings, *Seventh Biennial Report*, 1880-1890, Vol. III, pp. 58-59.

⁴⁵Board of Educational Lands and Funds, *Thirty-sixth Biennial Report*, 1946-48 (in process of being printed).

⁴⁶Gates, *op. cit.*, p. 27.

⁴⁷*Ibid.*, p. 28.

Many states realized very little from the sale of their scrip. Rhode Island scrip was sold for 42 cents per acre; Kentucky and North Carolina sold their scrip for 50 cents an acre; New Hampshire and Ohio sold theirs for 53 cents an acre; and Indiana sold its scrip for 54 cents an acre. Other states including New York and Illinois did somewhat better by holding their scrip and selling it at a later date.⁴⁸

Many states preferred to dispose of all their scrip in one large transaction, and the broker who was able to buy in large quantities at one time was the one most likely to close the deal. This meant that the market was dominated by a few land monopolists, and by 1867, one man, Gleason F. Lewis of Cleveland, acting for himself and David Preston of Detroit, bought all the scrip offered for sale by five states and part of the scrip in several others totaling more than 3,000,000 acres. Lewis then continued to buy nearly 2,000,000 acres more. In carrying out this gigantic buying program, Lewis was able to enjoy a one-man control over much of the scrip offered for sale.⁴⁹

The Morrill Act provided for a maximum of 1,000,000 acres of scrip entries in any public land state. The scramble for scrip entries in Nebraska more than reached the maximum in 1868. When the totals were compiled in all the Nebraska land offices, it was discovered that the 1,000,000 acre maximum had been exceeded by some 78,000 acres. Other states were not so fortunate as Nebraska because their excess amounted to so much more. The entries in Michigan exceeded the legal limit by as much as 397,000 acres.⁵⁰ For nearly two years holders of this land were doubtful whether their entries would be considered legal. However, in 1870, Congress dispelled their fears by legalizing all such entries made beyond the amount designated for scrip entry within any free land state.⁵¹

Prior to the limiting of scrip selections, the problems

⁴⁸*Ibid.*, p. 28.

⁴⁹*Ibid.*, p. 30.

⁵⁰*Idem.*

⁵¹*Ibid.*, p. 31.

arising from the sale of land scrip had become a genuine handicap to the western states. Whole townships in Nebraska were withdrawn from settlement in a single day by large land promoters who were using the scrip which they had purchased for a mere pittance.⁵² *The Nebraska City News* of September 30, 1867, reported, "Seven thousand acres of land lying west of Lincoln were entered by a gentleman from Pennsylvania last week."⁵³

In 1868 Congress attempted to curb these land scrip selections by passing a bill limiting to three the number of sections acquired by scrip in any township. But during the time required to pass the law and in the interval elapsing before the General Land Office in Washington sent out official notices to the local land offices within the states, the speculators made the best possible use of the time and exercised exceptional haste to enter as much land as they could before the new measure became effective.⁵⁴

Gates supports the view that most of the western states which received land fared very little better in the financial returns from the sale of their lands than did the eastern and southern states from the sale of their scrip. He cites three exceptions—Minnesota, California, and Kansas.⁵⁵ He also shows that Illinois and New York managed the sale of their scrip in a more efficient manner and thereby did much better financially than many other scrip-holding states. In fact the University of Illinois averaged as much as \$12.95 per acre for the 25,440 acres it had entered in Nebraska and Minnesota.⁵⁶

At this juncture something should be said in defense of Nebraska's land policy in so far as it relates to the sale of agricultural-college lands. By consulting item eight in Table III, it will be observed that Nebraska received an average of \$8.37 per acre for the sale of her agricultural grant. This sum greatly exceeds the average price

⁵²Sheldon, *op. cit.*, p. 87.

⁵³*Ibid.*, p. 87n.

⁵⁴Gates, *op. cit.*, p. 32.

⁵⁵*Ibid.*, p. 34.

⁵⁶*Ibid.*, p. 48.

per acre received by most of the eastern states for the sale of their scrip and compares quite favorably with the sale of land in many of the public land states.

It can be generally conceded, however, that most of the states gained only a fractional part of the benefit which Congress had intended at the time the Agricultural-College Act was passed. Congress had given nearly 11,000,000 acres to the several states.⁵⁷ For many states their financial remuneration was so scant that it has been impossible for them to support an agricultural college on the income derived from their endowment. Then, as now, funds for this purpose had to be obtained from other sources.

Nebraska's endowment was of necessity destined to be small since she was entitled to receive only 90,000 acres. Whether Nebraska could have improved its land policy by holding this land for a longer period is, of course, a matter for conjecture. But it is only fair to conclude that the state did not fall victim to policies which caused so many states to sell their agricultural inheritance for a few cents per acre. In more recent years, sales have averaged a much higher figure. In consulting the abstract of sales for Knox County from 1905 to 1908, it is found that sales during these years averaged \$20.45 per acre; in Pierce County from 1905 to 1913 the average was \$24.00 per acre; and for about the same period in Cedar County the average price per acre was \$13.70.⁵⁸

Another fascinating phase of the agricultural-college land grant story develops from a study of this same sales abstract in an effort to reconstruct the picture behind the sale of the Nebraska agricultural-college grant. It is generally believed that in Nebraska as elsewhere, speculation and graft ran rampant in the sales of most public lands. Gates concludes that, "much of Nebraska was still relatively undeveloped (1870-1890), partly because the state and federal land systems had been so rigged to favor

⁵⁷Sheldon, *op. cit.*, pp. 76-77.

⁵⁸Figures compiled for computing total acreage sold and total sale price for the years stated above as found in the *Abstract of Sales*.

speculators that they had easily acquired large amounts of land, thus here, as elsewhere, retarding settlement."⁵⁹ Sheldon expresses a similar conviction in his summary of the national and state land policies when he declares, "it becomes evident that we have been extravagant, wasteful and shortsighted. The promoter and fortune-chaser have dominated our dealings with land."⁶⁰

The foregoing quotations raise the question whether similar speculation and graft accompanied the sale of the Nebraska agricultural-college land grant. The discussion which follows is offered to support the premise that insofar as these particular lands were concerned there is little evidence to sustain the conclusions expressed above.

An examination of the official *Abstract of Sales* reveals that most of the sales were made in comparatively small tracts. Scores of different names appear on the pages devoted to the agricultural-college lands. The larger group of these people purchased less than 640 acres. There can be no doubt that these people were buying land on which to build homes for themselves and their families. In instance after instance the record shows that the original buyer became the holder of the deed. No land speculator was interested in 80 or 160 acres or even in a section.

It must not be inferred, however, that no large purchases were made. There were five men who acquired agricultural-college land acreage as follows:⁶¹

George A. Brooks	3777
Joseph A. Bent	3463
Thomas A. Creigh	3149
B. C. Church	2886
J. A. Frazier	1280

These men, as well as the smaller buyer, made the required ten per cent down payment, and in no instance was any of the land sold to them for less than the legal minimum of \$7.00 per acre.

It was possible to examine the abstract history of

⁵⁹Gates, *op. cit.*, p. 47.

⁶⁰Sheldon, *op. cit.*, p. 316.

⁶¹These figures were compiled by tracing every purchase made by Brooks, Bent, Creigh, Church, and Frazier as recorded in the official *Abstract of Sales*, Vols. I, II, III.

every tract of land these men purchased from the time the land was first acquired until the date the deed was issued. The record is so constructed as to show the disposition of each forty-acre tract into which the total agricultural-college land grant had been divided for the purpose of recording sales. This was both a long and tedious process, but it revealed a vast fund of interesting data.

Brooks made only two purchases but bought large tracts composed of adjoining forties. Ten of these tracts amounted to 160 acres each and two included complete sections. Brooks bought all of his land within a two-day period. December 3 and 4, 1883; and he kept all of this land for three years or more. The first assignments occurred in 1886 when he assigned three tracts, but the greater part of his holdings were not transferred until 1897. Nine different assignees bought all of this land, with John A. Creighton, a member of the well-known Omaha family, buying more than one-half of Brooks' entire holdings.

The record of Thomas Creigh follows about the same general pattern as that of Brooks. On January 1, 1887, Creigh made one purchase of land located in Knox County. The greatest activity in Creigh's sales extends from 1888 to 1901. He released his land in small tracts to some twenty different assignees.

B. C. Church acquired all of his land December 31, 1885, and he disposed of his entire holdings on August 21, 1886, to a Minnie Wallingford. On January 2, 1889, she, in turn, assigned all of her land to a John F. Smith of Union, Oregon, with the exception of a few forties which she assigned on October 14, 1886, to Benjamin Wallingford of Geneseo, Illinois. After these second transfers were made, the assignees began transferring their equities to various individuals.

Of the five leading buyers, J. A. Frazier of Kansas City, Missouri, presents the briefest record. He purchased all of his land on June 18, 1886, and on the very same day assigned half interest in all but 160 acres to William Frazier. In the case of the 160 acres, William received full

interest. By 1896 the Fraziers had assigned their total holdings to several different parties. The largest number of transfers occurred in 1894 and 1895.

The record of Joseph A. Bent is much more varied than any of the others. Bent made purchases on seventeen different dates commencing May 20, 1885, and ending July 1, 1897. The bulk of his purchases were made in 1886, 1889, and 1897. Bent paid \$7.00 per acre for all but 160 acres, and for these he paid an average of \$8.00. He paid all of the interest due and was careful to let none of his land revert to the state. He was the only large buyer to pay additional principal on his original investment. Bent and Creigh were the only two to have any of their land deeded to themselves—each finally holding deeds for eighty acres. During the years that Bent controlled any of the agricultural-college land, he assigned tracts to more than twenty-five assignees. It is interesting to leaf through the pages of the official sales abstract belonging to the common school lands and note that Bent also had large holdings in these lands.

Since these men obviously did not buy this land for their own use, it is only reasonable to assume that they were land speculators. It is also reasonable to assume that these same men bought agricultural-college lands with the idea of making a profit and make a profit they no doubt did. There is no information at hand to show the price per acre they received upon assigning the land to a second party. Whether their large purchases aided or hindered the development of any community or area is not a part of this story at this time. The primary object of this research has been to trace the history of obtaining and selecting the agricultural-college lands and to study the manner of their disposal.

Of course, there is always the hypothesis that if these large purchases had not been made, the state might have retained the land for a longer period until prices increased. But there is strong evidence to refute this theory. It has been pointed out that these men made most of their purchases from 1883 to 1889. Subsequent purchases were made

for the next several years by small investors at the established minimum price of \$7.00 per acre. If the professional land buyers, who bought about one-sixth of the total agricultural lands, had not made their purchases at all, it generally may be presumed that the smaller buyers would have gained possession of the land through leases or sales contracts issued under the law of 1879. Under either type of purchase—speculator or homeowner—the agricultural-college endowment fund would have received the same income, and it seems fair to conclude that this fund was not materially diminished as a result of the purchases made by the five speculators.

Other factors have contributed to make the opportunity for speculation less in this particular grant. By 1880 when the sale of this land began, the state was fairly well established and was well aware of the dishonesty and graft which had accompanied earlier grants. Previous experience had taught state officials how to avoid many of the pitfalls which had previously beset them in the sale of the common school lands and other grants.

The small size of the agricultural-college grant was another drawback to speculation. At a time when other grants amounted to millions of acres, a share of some 89,000 acres would not appear particularly alluring to the big speculator and absentee proprietor. The smallness of the grant coupled with the fact that not one single acre could be sold for less than \$7.00, no doubt had a deterring effect on would-be-money-makers who were definitely interested in acquiring land at the lowest possible price. Land scrip selling from fifty to ninety cents per acre had proved much more attractive to the professional investor. From the evidence at hand it is easy to see why the Nebraska agricultural-college lands were comparatively free from the graft and corruption which accompanied not only other land grants but was also found in the sale of agricultural-college land and land scrip of many states.

Today 84,906.12 acres have been deeded, and there are 3,811.12 acres under lease. At the present time the state derives very little interest from uncompleted sales

contracts for there is only the sum of \$3,600 outstanding on 400 acres. There are a few tracts along rivers and in inaccessible places which are not rented, but such lands comprise only twenty-two acres.⁶² The agricultural-college endowment amounts to \$697,372.78 of which \$611,500 is invested in federal bonds, \$82,400 in school and municipal bonds, and about \$3,400 is on hand for investment.

Insofar as Nebraska is concerned the monetary value derived from the generosity of Congress in 1862 amounts to \$697,372.78 now in the endowment fund, 3,811 acres of leased land appraised at \$56,240, and \$3,600 due on sales contracts.⁶³ This makes the total agricultural-college land endowment worth \$757,212.78. If the state legislature replaced the \$43,368 shortage, Nebraska would then have a little more than \$800,000 in its endowment fund.

Nebraska's income from the sale of agricultural-college land has surpassed that of many states. For example, Wisconsin received 240,000 acres for its agricultural college and sold this land for only \$300,000.⁶⁴ Although Nebraska could never support its agricultural college from the returns on its grant, it can be said in the management and sale of this grant, Nebraska did as well or better than most of the other states.

⁶²Board of Educational Lands and Funds, *Thirty-fifth Biennial Report*, 1944-46, pp. 15-17.

⁶³*Ibid.*, pp. 15-17.

⁶⁴Gates, *op. cit.*, p. 245.