

# ANNALS OF IOWA

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## AN INDUSTRIAL HISTORY OF SCOTT COUNTY

THE TWENTIETH CENTURY  
1900-1936

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The Civil War, and above all the coming of the railroad, mark the change from the Pioneer to the Middle Period. The transition from the Middle Period to the present century is less marked, but none the less real. The increase in the number of banks with a corresponding expansion of the currency through bank credit accentuated factors which characterized the first three decades of the present century. Other distinguishing factors were the coming of the automobile and its general use after the World War, the building of paved roads, further mechanization of industry, and rapid urban growth.

### TRANSPORTATION

Though steamboats were moving up and down the Mississippi almost every day in the season at the beginning of the present century, steamboating as a major branch of transportation at that time clearly had had its day. Still, as a minor branch, it continued to hold its own. Meanwhile the renewed efforts to insure a deeper channel held forth hopes for a long lease of life for newer forms of river craft.

The improvement of the channel of the Mississippi had gone on since the beginning of white settlements in Iowa. In the early days some of the rocks were blasted out of the rapids above Keokuk and the rapids between Davenport and Le Claire. Due to the importance of the river traffic to pioneer settlements in Iowa, the need for a continuous channel of navigable water was quickly felt and the need was especially obvious in dry seasons. In the eighties the problem seemed to have been solved with the completion of improvements,

which it was thought would insure a continuous 4-foot channel from St. Louis to St. Paul.<sup>1</sup> The problem, however, was not solved and the project for a 6-foot channel was broached in 1907. Two canals were cut in the channel between Davenport and Le Claire, one on the Iowa and another on the Illinois side. By 1920 \$12,000,000 had been spent on the whole project between St. Louis and the Twin Cities, and the work had been nearly half completed by 1925.<sup>2</sup> Before this time, however, a new project had been announced, which finally received presidential sanction in 1934. According to this, a continuous 9-foot channel was to be established between Minneapolis and St. Louis by means of 26 dams and locks, at an expected cost of \$124,000,000 and an annual maintenance cost of \$1,750,000.<sup>3</sup> The new project included provisions for a lock at Le Claire, a roller dam—said to be the largest of its kind in the world—between Davenport and the Island, and a dock and terminal at Rock Island, all of which have later been completed.

The Davenport packet lines ran their boats between points on the Upper Mississippi until the steel barges had proved their superiority as freight carriers. In the first decade of the century an occasional new packet line appeared, such as the Anchor Line, which was organized in Davenport in 1906. Its capital was only \$10,000<sup>4</sup> and it does not appear to have been in business very long. The older Carnival City Packet Line, dating from 1892, did a brisk freight and passenger business under the able management of Captain Walter A. Blair. But in 1922 it stopped service, and surrendered its charter.<sup>5</sup>

After having purchased in 1911 the boats belonging to the Diamond Jo Line, which at one time was the big line on the Upper Mississippi, the John Streckfus Line boosted its business, and prospered for a while. Then the freight business slumped, so that scarcely anything but sand and gravel were carried; the line also had to limit its passenger traffic to ex-

<sup>1</sup>*Weekly Davenport Democrat*, December 30, 1869; E. H. Schmidt, *Davenport City Directory* (1882), p. 36; *Iowa State Atlas*, (1904), p. 275.

<sup>2</sup>Hartsough *From Canoe to Steel Barge on the Upper Mississippi* (1934), pp. 271, 275.

<sup>3</sup>*Ibid.*, pp. 277, 278; *The American Yearbook*, 1935, p. 626.

<sup>4</sup>*Der Tägliche Demokrat*, March 19, 1922; Hartsough, *op. cit.*, p. 180.

<sup>5</sup>Hartsough, p. 180.

cursions, a business, however, which continued to be profitable.<sup>6</sup>

Rafting declined rapidly in the first decade of the present century. The industry wound up for good in August, 1915.<sup>7</sup>

River transportation underwent a fundamental change during the World War: the privately-owned steam packet passed off the stage and the publicly-owned steel barge came on. The first steel barges that came to Davenport—it was in 1914—were owned by the Chicago, St. Louis, and Gulf Transportation Company. The Upper Mississippi Barge Line Company was formed in 1925. Both of these companies yielded to Federal operation of the river barges, which began during the World War with the creation of the Federal Barge Line. The latter was united with the Inland Waterways Corporation in 1928. The barges carried cargoes of sugar, sisal, coffee, etc., up the river, and grain and various kinds of manufactured goods down.<sup>8</sup>

Believing that Davenport would continue to be an important grain center on the Upper Mississippi, the Western Flour Mills built a river terminal wharf, completed in 1930. It is equipped with a marine leg by the means of which a barge of grain can be unloaded in about ten hours and loaded in from two to six hours.<sup>9</sup>

The traffic between Davenport and Rock Island was so heavy that the free government bridge was never able satisfactorily to accommodate it, a good deal therefore went by ferry. Although the ferry company ran two boats on a 15-minute schedule in March, 1917, and in 1918 built a new wharf, nevertheless, the city council found it necessary to threaten "to jolt" the company into making further necessary improvements.<sup>10</sup>

At the turn of the century railroads radiated from Davenport towards the north, the northwest, the southwest, and the south; and all of these roads had good connections with the railroads east of the river. The Davenport, Rock Island, and

<sup>6</sup>*Der Tägliche Demokrat*, June 5, 1913, July 2, 1914; Hartsough, *op. cit.*, p. 180.

<sup>7</sup>Walter A. Blair, *A Raft Pilot's Log* (1930), p. 308.

<sup>8</sup>Hartsough, *op. cit.*, pp. 239-240; *The American Yearbook*, 1932, p. 290.

<sup>9</sup>*The Davenport Democrat*, December 31, 1929.

<sup>10</sup>*Der Tägliche Demokrat*, March 25, 1917, July 18, 1918; *The Davenport Democrat*, December 6, 1922.

Northwestern Railway Company had just completed the road running along the shore between Davenport and Clinton; this company also had built the Crescent Bridge connecting Davenport and Rock Island, which enabled it to run its trains into East Moline without leaving its own tracks. Both road and bridge were controlled by the Chicago, Milwaukee, and St. Paul, and the Chicago, Burlington and Quincy railroad companies. The Chicago, Milwaukee, and St. Paul owned the north-going road, which split at Eldridge from where a branch led to Maquoketa. All the other roads were controlled and operated by the Chicago, Rock Island, and Pacific Railway Company. Practically all the small towns of the county were on railroads at the opening of the century.

In 1901 the Chicago, Rock Island, and Pacific began the construction of a new depot, and an embankment running through the city, wide enough to accommodate four tracks. These improvements were completed the following year. By 1907 Davenport had become the fifth city in importance on the entire Rock Island System: over 117,000 carloads of freight were handled at this point annually, sixty-nine passenger trains entered it daily, affording the traveler opportunities for direct train service at almost any hour, day and night, to Chicago and the East, St. Louis and the South, Kansas City and the Southwest, St. Paul and the North and Northwest, Omaha, Denver, and intermediate points.<sup>11</sup>

The Chicago, Rock Island, and Pacific Railroad Company by leases and purchases of other railroads grew to be one of the largest railroad systems in the country. By the consolidation of several larger roads, the Chicago, Rock Island, and Pacific Railroad interests formed the Chicago, Rock Island, and Pacific *Railway* Company, in which the former company held most of the stock. The Chicago, Rock Island, and Pacific Railroad Company in turn became a subsidiary of the Rock Island Company chartered in 1902 in New Jersey. Both the *Railroad* and the *Railway* Company continued their separate corporate existence, the latter as the operating company, until 1914, when as a result of the inability of the Railway Company to pay a dividend, a reconstruction was forced which elimin-

<sup>11</sup>Davenport, *The Eastern Gateway of Iowa* (1908), pp. 12, 13.

ated the holding companies and left the Railway Company in complete control of the Rock Island System.<sup>12</sup>

The Chicago, Milwaukee, and St. Paul Railway Company—since 1928 the Chicago, Milwaukee, St. Paul, and Pacific Railroad Company and the Chicago, Burlington and Quincy Railroad Company used the same depot in Davenport as did the Davenport, Rock Island, and Northwestern Railway Company, though it was a very modest structure and soon inadequate for the growing traffic of the roads of these three companies. Plans were made for a new depot in 1911, but due to financial difficulties of the railroads it was not built until after the World War. This, as well as a freight house for the Milwaukee, was erected on ground belonging to the municipal levee.<sup>13</sup>

Electric interurban lines had their day during the first decade of the present century. Several were proposed in Scott County,<sup>14</sup> and two were built—one from Davenport to Clinton, and another from Davenport to Muscatine. Trains began to run over the first, the Iowa and Illinois, in 1904; and over the second, the Davenport and Muscatine, in 1912. The latter bought the Iowa and Illinois in 1916 and both were henceforth operated by the Clinton, Davenport, and Muscatine Railway Company, which became a subsidiary of the Tri-City Railway and Light Company of Iowa.<sup>15</sup>

The interurbans gave the county a transportation system which benefited both the towns and the countryside. It gave the farmers along the lines a dependable all-year transportation system and brought more of them to the towns to trade. But since it did not give all the farmers this privilege, the question of the improvement of the country roads remained a live issue.

Some country road improvement had been made continually—draining, grading, graveling,<sup>16</sup> putting in new bridges, and, beginning in the first decade of the present century, fre-

<sup>12</sup>Henry V. Poor, *Manual of the Railroads of the United States*, 1906, p. 401; 1916, p. 1875.

<sup>13</sup>*The Davenport Democrat*, January 1, 1922, May 22, 1924.

<sup>14</sup>*Iowa State Atlas* (1904), pp. 275, 276.

<sup>15</sup>John Moody, *Manual, Public Utility Section*, 1917, p. 1187; *Der Demokrat*, July 2, 1903, August 6, 13, 1903.

<sup>16</sup>*Iowa Yearbook of Agriculture*, 1908, p. 816.

quent draggings to keep the roadbed smooth.<sup>17</sup> The General Assembly created the Iowa State Highway Commission in 1904 and reorganized it in 1913.<sup>18</sup> In 1919 it also established our present system of primary and secondary roads.<sup>19</sup> Meanwhile special state and federal funds had become available for the paving of the primary roads.

When the time came for hardsurfacing her roads, Scott County was one of the leaders in the state. Nearly two miles were paved with concrete in 1920<sup>20</sup> by Scott County, and about sixteen miles in 1921. Including bridge and culvert work, Scott County spent in 1921 close to a million dollars on its primary roads and over one hundred thousand dollars equally divided between county and townships on the secondary roads.<sup>21</sup> By 1926 Scott County had paved 78.3 miles of its primary road system. Of the other counties only Polk had a greater paved mileage.<sup>22</sup> By 1928 the paved mileage of Scott County had increased to ninety-one miles,<sup>23</sup> partly brick, but mostly concrete.

Like most other Iowa counties, Scott County financed its paving projects by state and federal subsidies and by special bond issues. Two bond issues were floated—one of \$2,000,000 in 1919 and another of \$1,250,000 in 1924. These bonds are being redeemed through the county's allocations from the state gas and automobile license taxes, and will not increase millage taxes except perhaps as an emergency might make such a procedure necessary.<sup>24</sup> By 1934 Scott County had reduced its bonded road indebtedness from \$3,250,000 to \$2,469,000.<sup>25</sup>

Hardsurfaced roads at once brought bus and truck lines, which ushered in a period of lively competition between these new carriers and the railroads causing the latter to retrench. The Davenport, Rock Island, and Northwestern greatly curtailed its service and the Rock Island reduced the number of local trains.<sup>26</sup>

<sup>17</sup>*Laws of Iowa*, 1906, p. 40.

<sup>18</sup>*Ibid.*, 1904, p. 108; 1913, pp. 109-117.

<sup>19</sup>*Ibid.*, 1919, p. 264.

<sup>20</sup>*Report of the State Highway Commission*, 1920, p. 250.

<sup>21</sup>*Ibid.*, 1921, p. 287.

<sup>22</sup>*Ibid.*, 1926, p. 80.

<sup>23</sup>*Ibid.*, 1928, p. 85.

<sup>24</sup>*The Davenport Democrat*, March 17, 1924.

<sup>25</sup>*Report of the State Highway Commission*, 1934, p. 46.

<sup>26</sup>*The Davenport Democrat*, January 1, 1922, September 20, 1922.

A less formidable, but more spectacular competitor for the older transportation systems appeared in the airplane. Frank Wallace established the Wallace Field near Bettendorf where he and a capable corp of assistants in 1922 were demonstrating to interested Bettendorfers and Davenporters the practicability of aviation. The Tri-Cities saw the possibility for air mail,<sup>27</sup> and in 1925 Mayor Louis E. Roddewig appointed a committee of four aldermen as a special airport committee to make a study of the subject and to prepare a report. Subsequently, Cram Field was laid out and improved with the necessary equipment for giving the city the benefits of commercial aviation. The Cram Field is now a station on the lighted airways of the country, "ready for arial visitors twenty-four hours a day, and 365 days of the year."<sup>28</sup>

#### RETAIL BUSINESS

The three decades, 1900-1930, were years of intensive urban growth. Seven more small towns in Scott County with populations ranging between fifty-five and 223 in 1910, and one, Bettendorf, with a much larger population, were incorporated during the first decade. The seven small towns were Blue Grass, Dixon, Donahue, Long Grove, McCausland, Maysville, and New Liberty.<sup>29</sup> Le Claire, Princeton, Buffalo, Walcott, and Eldridge had been incorporated earlier.

Most of the small towns did not increase greatly in population, and some even declined. The one outstanding exception was Gilberttown. This little village was transformed into the bustling little city of Bettendorf, which in 1930 had a population of 2,768. The population of Davenport grew from 35,254 in 1900 to 60,751 in 1930.

The number of lines of retail business in the small towns did not vary greatly from decade to decade though the tempo of life in general surely quickened. As an instance of this we may take Blue Grass in 1910 and 1930. This town with a population of 223 in 1910 reported the following lines of business, most of which would be classified as retail businesses: one bank, two general stores, one lumber yard, one meat

<sup>27</sup>*The Davenport Democrat*, May 23, 24, 1922.

<sup>28</sup>*Ibid.*, September 27, 1927, January 8, 1930.

<sup>29</sup>*Abstract of the United States Census, 1910*, p. 589; *The United States Census, 1920, Population, I*, 211-217. A part of Rockingham Township was incorporated as the Town of Rockingham. It has since been absorbed by the City of Davenport.

market, one implement store, one blacksmith shop, one barber shop, one physician, and "several" saloons.<sup>30</sup> In 1930 the population was 246 and the business houses, though not all strictly speaking retail houses, included two general stores, an implement store, a meat market, two garages, three soft drink parlors, a lumber yard and farmers' elevator, a coal dealer, a barber shop, a harness shop, and a poultry and produce business.<sup>31</sup>

Several of the larger towns maintained—and have continued to maintain—drug stores and hardware stores. Of other special stores Princeton had until recently a clothing store and Le Claire a boot and shoe store.

By 1920 all the saloons in Scott County, and, most of the liverys, had been discontinued. Instead of the saloons had come confectionery stores and soft drink parlors—not always strictly limited to selling what the name indicated. Gas stations and garages to a certain extent had taken the places of the former liverys. Most of the wagon makers had gone, but the ubiquitous blacksmiths remained. By 1935 most of the hotels in the small communities had closed. Paved roads had made small town hotels, except in out-of-the-way places, largely superfluous.

Centralized control and newer methods of merchandising did not to any great extent affect small town business. The small town merchant handles "convenience goods" and does not need to advertise much. Methods of arrangement and display, however, are as effective in stimulating sales in small town business as they are in the cities.

Chain stores seek the cities. Still they are not entirely lacking in the small towns. In Scott County several of the lumber yards in the small towns are branches of similar businesses in various Iowa cities.<sup>32</sup>

Most of the retail businesses in Bettendorf consisted of groceries, meat markets, restaurants, and various service shops. A business directory for 1930 mentions ten groceries, five meat markets, five restaurants, three hotels, three ice dealers, two fuel dealers, a lumber yard, a drug store, a jeweler, an auto-

<sup>30</sup>Downer, *History of Davenport and Scott County, Iowa*, I (1910), 384.

<sup>31</sup>*The Davenport Democrat*, December 29, 1929.

<sup>32</sup>R. G. Dun and Company, *The Mercantile Agency, Reference Book*, 1920, 1928, 1935.

mobile dealer, and four gas stations.<sup>33</sup> The absence of furniture stores, shoe stores, clothing stores, and milliners is noticeable for a city of 2,768; and the main reason is not difficult to find: Bettendorf is close to Davenport with its large stores of footwear, wearing apparel, and house furnishings.

Population in Davenport between 1900 and 1930 increased 70 percent, but units of retail business only half as much. Of the strictly retail businesses in 1930 there were about 1,100, and around 600 of the various kinds of service and mechanics' shops. Counting also realtors, bankers, insurance men, and those merchandising professional services there would be a total of close to 2,000 units in the retail mercantile group, broadly speaking, and as opposed to the wholesale group.<sup>34</sup>

The groceries numerically led the strictly retail businesses with 183 units. Next came the restaurants with eighty-seven, the meat markets with sixty-seven, the drug stores with thirty-three, and the soft drink parlors with thirty.

There were thirteen department stores in Davenport in 1930—three of the five cents-to-one dollar class, and ten of the general class. All of the former were representatives of out-of-state chains—the S. S. Kresge Company, the F. W. Woolworth Company, and McLellan Stores Company. In the general class Sears, Roebuck and Company, Montgomery Ward Company, and W. T. Grant Company represented out-of-state chains. Of the locally owned department stores Harned and Von Maur, Inc. also operated the Petersen, Harned and Von Maur Store, the oldest department store in Davenport. The other general department stores were Fiske and Looseley Company, Hills Dry Goods Company, M. L. Parker Company, R. Schlegel Department Store, and Tenebom's Uptown Department store.<sup>35</sup>

The retailers have constantly felt that certain "menaces" should be combated in favor of the home merchant. Accordingly they fought house-to-house canvassers until they were pretty effectively limited in their operations by city ordinances, though now and then they managed to work for a while with scant regard for such regulations. The mail order

<sup>33</sup>R. L. Polk and Company, *Davenport City Directory*, 1930, pp. 893-1039.

<sup>34</sup>*Ibid.*

<sup>35</sup>*Ibid.*

houses too have continued to come in for an occasional overhauling. Recently the chain store has made many a home merchant "jump for his life." Though not entirely unknown in Davenport before the World War, it was not until the later twenties that the chain store began to make serious inroads upon the local retail trade. The gas, drug, grocery, cigar and tobacco lines especially have been affected. In 1930 the Great Atlantic and Pacific Tea Company alone maintained ten grocery stores in Davenport, and the Mid-West Piggly Wiggly five. Several local chains also have added their share to the complications of the home merchant. Still, only a smaller percentage of the total retail trade was then—and is now—controlled by the chains.<sup>36</sup>

The municipality always kept tab on the retail business in particular. Licenses and permits were required. Merchants were under obligations to use correct weights and measures. Hours of business were prescribed, and a definite system of grading certain goods made mandatory with qualifications. Necessary as such requirements generally were admitted to be, they were not always taken to kindly by the merchants. Instances of shortweighing occurred, sometimes of so grave a character that heavy fines were imposed.<sup>37</sup> The general retailer's license of \$5 annually was usually paid with alacrity, but there were instances of determined opposition.<sup>38</sup> The regulation of the sale of milk, on the other hand, may be given as an instance when the retailers—and wholesalers—without serious opposition submitted to a rigid system of regulation.<sup>39</sup>

The retail liquor business always presented a peculiarly knotty problem. Public sentiment in Scott County was overwhelmingly in favor of retail liquor establishments. But there was also a determined prohibition minority ever on duty in their warfare against what they fervently considered an intolerable evil. At the beginning of the present century this minority did not aim so much at putting the saloons out of business as to hold them down to an observance of the laws in force. Unwary liquor dealers could be compelled to conform

<sup>36</sup>*The Davenport Democrat*, April 21, 1922, February 19, 1926, February 13, 1930; *Der Demokrat*, October 4, 1906, October 7, 1916; Polk and Company, *op. cit.*

<sup>37</sup>*Der Tägliche Demokrat*, August 21, 23, 1913, June 28, 1918.

<sup>38</sup>*Ibid.*, July 26, 1914.

<sup>39</sup>*The Davenport Democrat*, September 19, 20, 1922, January 15, 1923.

to law by injunctions and other legal expedients, and a number of them were.<sup>40</sup>

Urged on by the prohibitionists, the General Assembly in 1909 enacted the Moon Law which limited the number of saloons that each town might have to one, if the population was less than a thousand, and, if a larger population, to one for each one thousand of the population. Establishments already in existence might continue until voluntarily closed or until forced out of existence for violation of law.<sup>41</sup> Compliance with the law inevitably tended to reduce the number of saloons. Davenport had 181 in 1908, and 145 in 1912.<sup>42</sup> But the smaller towns had only one each.

The repeal of the Mule Law in 1915, followed in a few years by national prohibition, outlawed the retail liquor establishments. Observance of the new laws was extremely lax. Indeed, in some counties including Scott County, prohibition appeared to have resulted in an increase in the number of places where intoxicating liquors could be purchased. For several years Davenport was said to be "wide open." Then federal enforcement officials stepped in and the business was driven more into hiding.<sup>43</sup> Still it persisted—for it was difficult to conduct the soft drink parlors "on the square"—until the repeal of state and national prohibition again gave it the protection of regulatory laws.

Benefits accrued to the retail merchants from improved means of travel. Graveled roads, interurbans, and especially paved roads brought more people to town from distant places. In April, 1922, cars of prospective buyers were counted on the streets of Davenport from Iowa and Illinois cities beyond a circuit of one hundred miles.<sup>44</sup>

At the same time retail trade was straining itself to attract more customers through a variety of new forms of display. Advertising indulged in flights of freakish fancy. There were "dollar days," "spring and fall openings" for the purpose of displaying new goods, and the 'grand openings' of

<sup>40</sup>*Der Demokrat*, December 17, 1903, July 6, 1905, June 25, 1913.

<sup>41</sup>*Laws of Iowa*, 1909, p. 139.

<sup>42</sup>*The Register and Leader*, January 2, 1908; *Iowa Telephone Directory*, Davenport, 1912.

<sup>43</sup>*The Davenport Democrat*, July 16, 18, 26, 27, 1922, September 13, 1922, November 2, 1922, October 9, 1927.

<sup>44</sup>*Ibid.*, April 2, 1922.

new business houses vied in scream and color with the carnival.<sup>45</sup>

The old problem of credit was ever a new one. This is evidenced by the presence of several local collection agencies. There were ten of them in Davenport in 1930.<sup>46</sup> The amount of business done by the credit associations may be judged by the report of the Davenport Rating Association for 1923, according to which the association had received and answered 40,464 calls for information during the year. The report furthermore stated that a number of local merchants reported a loss of only one-tenth of one percent due to poor accounts.<sup>47</sup>

The retailer was prosperous during the first and second decades of the present century. Only a few failures then occurred. After the World War times became jittery. Not even a lively building boom in the twenties and appreciating urban real estate values could prevent tax sales by the hundreds in 1922 and by the thousands in the later twenties. New methods in management and generally sharper competition then forced discontinuance and outright failures of a number of retail stores. Still in spite of this, retailing as a whole flourished—in numerous instances to a greater extent than earlier in the century.<sup>48</sup>

#### WHOLESALE BUSINESS

Davenport had a well-established reputation as a wholesale center at the opening of the present century. Salesmen of the Davenport wholesale houses penetrated eastern Iowa and parts of Missouri, Illinois, and Wisconsin. The Davenport food wholesalers distributed large quantities of flour, bakery goods, fruit, tea, coffee, and spices. Others furnished dry goods, hardware, leather goods, and electrical goods. The dry goods houses were the largest in the State. A bag and paper house sold more bags and other paper goods to the retail trade than any other house of its kind within the State.<sup>49</sup>

In general the wholesale business progressed steadily in this period. Such impediments as might arise proved no

<sup>45</sup>*Ibid.*, February 6, September 11, 1922.

<sup>46</sup>R. L. Polk and Company, *op. cit.*, p. 931.

<sup>47</sup>*The Davenport Democrat*, January 11, 1924.

<sup>48</sup>*Der Demokrat*, July 27, 1913; *The Davenport Democrat*, December 11, 1922, May 21, 1924, November 8, 1929, February 23, 1930.

<sup>49</sup>*Davenport, The Eastern Gateway of Iowa* (1908), pp. 20, 21.

permanent barriers to the advance of the various lines which were already represented, or to the appearance of new lines. Of course, such an important factor as fair rail rates could only be secured by constant vigilance.<sup>50</sup>

Newer methods of distribution, as for instance warehousing<sup>51</sup> and direct deliveries, created problems, but also acted as a stimulus to make proper adjustments to keep up with the times. The improvements in river transportation complicated freight matters at the same time that they held forth the possibilities of decreasing costs.

In 1930 upwards of eighty wholesale firms, most if not all corporations, distributed goods in the territory along the Upper Mississippi and its immediate hinterland. Several of these wholesalers were also manufacturers or processors, especially those selling food products. The most numerous wholesale houses were in the bakery goods and fuel lines, each being represented by twelve firms. Next came lumber with seven firms, flour with six, paints with five, meat and tobacco each with four, oil and tires each with three.

A list of wholesalers in Davenport in 1930 contains but few of the names of twenty-five years ago. Some of the firm names that have persisted unchanged or slightly changed are the Halligan Corporation, T. Richter and Sons, H. Korn Baking Company, Crescent Macaroni and Cracker Company, John F. Kelly Company, and John P. Van Patten and Sons.<sup>52</sup>

The grain business always bulked large. Wheat, rye, oats, barley, and corn poured into Davenport, not only from other Iowa towns, but from Nebraska and the Dakotas as well. According to a pamphlet published in 1908 the Davenport elevators handled thousands of carloads of grain annually. Some of this grain was reshipped and some processed locally into flour, feed, and malt.<sup>53</sup>

The improvement of the channel of the Mississippi tended to establish Davenport even more securely as a grain center. Local improvements were made in later years in anticipation of this. The Western Flour Mills completed improvements

<sup>50</sup>*Der Demokrat*, August 2, 1913.

<sup>51</sup>*Ibid.*, May 24, 1900; *The Davenport Democrat*, May 11, October 15, 1922.

<sup>52</sup>R. L. Polk and Company *Davenport City Directory* (1930), pp. 893-1039; *Davenport Telephone Directory*, 1930.

<sup>53</sup>*Davenport, the Eastern Gateway of Iowa* (1908), p. 18.

of its terminal facilities in 1930 which included enlarged storage capacity and a wharf equipped with a marine leg capable of loading and unloading a barge of grain in a few hours.<sup>64</sup>

#### BANKING

The present century opened auspiciously for banking. What was called the sound money policy had triumphed. Congress passed the Gold Standard Act in 1900. Bankers looked ahead confidently, and banks multiplied during the next two decades with a rapidity unknown in Iowa since the flush years of the middle fifties.

New state as well as federal legislation promoted the growth of banking. In 1913 the General Assembly of Iowa greatly extended the powers of loan and trust companies, and prescribed conditions under which fiduciary powers might be conferred upon state and savings banks. Congress followed suit and granted national banks similar privileges. Furthermore, all banking throughout the country gained in cohesion and elasticity by the establishment of the Federal Reserve System.

The general economic conditions were favorable. Land prices in Iowa were steadily rising. Employment and markets for farm and factory products were generally good. Real American prosperity seemed to have come to stay. The skies looked blue. America felt young. The history of banking in Scott County during the first two decades of the present century definitely reflects this happy state of affairs. There was growth, stability, and confidence.

Going back for a moment to the chapters on the earlier periods, it will be remembered that there were nine or ten banks in Scott County in 1858, such as they were. In the next few years there was a drop to two or three, and then again an increase until there were thirteen by 1900. Eleven of these were in Davenport, and two in the smaller towns.

By 1910 the number of banks in the county as a whole had increased to twenty-six, of which fourteen were in the small towns and twelve in Davenport. But while the twelve banks in Davenport comprised two national banks, eight savings

<sup>64</sup>*The Davenport Democrat*, December 31, 1929.

banks, and two loan and trust companies, all the small town banks were savings banks. The fourteen small town banks were well distributed; Walcott and Eldridge had each two, Bettendorf, Blue Grass, Buffalo, Dixon, Donahue, Le Claire, Long Grove, McCausland, Princeton, and New Liberty each had one.<sup>55</sup>

During the decade 1900-1910, there was accordingly an increase in the number in the small towns from two to fourteen; but in Davenport, only from eleven to twelve. The small increase in Davenport was partly due to the fact that there were two mergers of older banks. The German Savings Bank absorbed the Citizens National Bank; and the Union Savings took over the Davenport National.<sup>56</sup> By these mergers the total number of banks was decreased by two. But the three new banks made a net increase of one bank for the decade. The new banks were the Security Savings, the Home Savings, and the Citizens Trust and Savings.

Two trends are clearly indicated by these changes: savings banks gained at the expense of national banks, and the former began to add trust functions to the powers which they already possessed.

More unmistakable signs of increase in banking in Davenport are seen in the growth of capital stocks, deposits, loans, and general business turnover. In 1910 the deposits of the German Savings Bank exceeded \$10,000,000, and those of Scott County Savings Bank, and Davenport Savings Bank, respectively, about one-half and one-third of that amount. Reports of the local clearing house show that clearings increased from \$29,439,839 in 1895 to \$67,110,645 in 1909.<sup>57</sup>

The exceptions to this record of "nothing but increase and success," especially so far as Davenport was concerned, were distinctly minor ones. The Davenport loan and trust companies were still in the formative stage during the decade under consideration. Of the several new ones then projected—the Union Trust Company, the U. S. Trust Company, and the Davenport Trust Company, only the latter one seems to have

<sup>55</sup>*Proceedings of the 24th Annual Convention of the Iowa State Bankers' Association*, 1910, pp. 143, 144; 1912, p. 213.

<sup>56</sup>*Der Demokrat*, October 31, 1901.

<sup>57</sup>*Biennial Report of the Auditor of State*, 1910, p. 155; Downer, *History of Davenport and Scott County, Iowa*, I (1910), 758.

reached the organized stage, and then only to begin a struggle for existence which ceased a few years later with the surrender of its charter.<sup>58</sup>

In the small towns there were at least two bank failures during the decade 1900-1910. A successful Durant (Cedar County) merchant, who had also been doing some banking business after a fashion, decided to expand his banking business. In 1901 he started private banks at Dixon and New Liberty. A sorry mess of mismanagement and embezzlement forced the closing of both banks in 1904. During the nearly three years of liquidation which followed, only a fraction of the claims were paid.<sup>59</sup>

While there were panics in the country at large, only once did the situation look threatening in Scott County. That was in 1907. When Eastern banks refused to pay drafts except in clearing house certificates, the Davenport bankers became panicky and passed resolutions that local savings banks were to require sixty days' notice of withdrawal of deposits, that national banks were not to pay out an amount exceeding \$25 on any commercial account, and that clearing house certificates only were to be issued for any withdrawal in excess of \$25. As was true during the panic of 1893, so there was now an avalanche of notices of withdrawal aggregating millions of dollars. Some bankers spent sleepless nights, and there might have been worse calamities had President Theodore Roosevelt not come to the rescue promptly. Through the issuance of \$100,000,000 in treasury certificates to remain in circulation for one year, he quickly brought relief to the Eastern bankers, and bank credit everywhere became easier to obtain. By this "act" of President Roosevelt the so-called Millionaires' Panic came to an end as suddenly as it had begun.<sup>60</sup>

The decade 1910-1920 witnessed no increase in the number of banks in the small towns and an increase of only one regular bank in Davenport. Two new Davenport banks, however, were organized during the decade—the Northwest Davenport Savings and the North Harrison Trust and Savings banks.

<sup>58</sup>*Ibid.*, 764; *Proceedings of the 22d Annual Convention of the Iowa Bankers' Association*, 1908, p. 143.

<sup>59</sup>*The Davenport Democrat*, January 12, 1930; *Der Demokrat*, March 9, April 27, May 4, 18, July 27, 1905, February 22, 1906.

<sup>60</sup>C. A. Ficke, *Memories of Fourscore Years*, (1920), pp. 350-351.

But the older Farmers and Merchants Savings merged with the American Commercial and Savings Bank—formerly the German Savings Bank—leaving a net increase of only one bank.

The North Harrison Trust and Savings Bank ranked lowest of all the Davenport banks in the amount of deposits. This circumstance, however, should not have been an obstacle to the bank's success since the times were propitious for banking. But forged checks, embezzlement, and a proposed assessment of 100 percent on the stockholders threatened to disrupt the institution within a few years after it had been organized. Complete dissolution, however, was averted through a reorganization early in 1919 by which its continued existence was assured, but under the new name of the People's Trust and Savings Bank.<sup>61</sup>

Other new bank names appeared near the close of the decade. In 1917 a Morris Bank with a capital of \$50,000 was opened in Davenport.<sup>62</sup> World War psychosis forced changes in the names of the German Savings Bank and the German Trust Company, which were afterwards known as the American Commercial and Savings Bank and the American Trust Company. Similar changes were made in the names of the German savings banks at Eldridge and New Liberty.<sup>63</sup>

The small increase in the number of banks must not be taken as the real measure of bank prosperity in this decade. Substantial and progressive growth there was in deposits, in loans, in capital stocks, in new bank buildings, in surpluses and undivided profits. Dividends rose to unprecedented highs—ten to twenty-one percent.<sup>64</sup> All classes of banks prospered, but the resources of the savings banks grew faster than those of the national banks. The German Savings Bank increased its deposits from \$10,179,512.47 in 1910, to \$11,883,700 in 1918. In 1916 it had an all-time maximum of \$13,215,161. It was then the largest bank in Iowa. The deposits of the Scott County Savings Bank and the Davenport Savings Bank in 1918 were approximately half of those of the German Savings.

<sup>61</sup>*Der Tägliche Demokrat*, June 15, July 26, November 23, 1917, January 1, 8, 1918.

<sup>62</sup>*Ibid.*, January 20, March 20, 1917. At this time there were Morris Banks in 63 U. S. cities including Des Moines and Cedar Rapids.

<sup>63</sup>*Ibid.*, April 9, 30, June 7, 16, 1918.

<sup>64</sup>*Ibid.*, January 9, 1917.

The total deposits of all the Davenport banks in 1918 were about \$40,000,000 and those of the small town banks over \$5,500,000.<sup>65</sup>

Cooperative financial institutions did not fare so well as the regular banks. The state auditor's reports show that the number of building and loan associations under state supervision dropped from four to two between 1900 and 1920, and the assets of the remaining two were lower in 1920 than in 1900.

High tensions marked the decade from 1920 to 1930 in business and banking, bank failures the country over, and in Iowa in particular, increased at an alarming rate. But while they were numerous in many Iowa counties, they were relatively few in Scott County. Whatever the causes—long and varied experience in banking, personal integrity, large reserves, or a thrifty and loyal clientele—the fact remains that whatever the county as a whole may have suffered from the depression and the bank crisis, the bankers were able to make their adjustments in a sane, orderly, and generally considerate manner, though not without losses to the depositors.

There were no outright bank failures in Davenport between 1920 and 1930, but there were some mergers and liquidations. In the biennium 1918-1920 the Farmers and Mechanics Savings Bank merged with the American Commercial and Savings Bank. The Industrial Savings, a new bank organized in the fiscal year ending June 30, 1922, with a capital stock of \$100,000, liquidated a few years later. The American Trust Company took over the Security Savings Bank. The Davenport Savings merged with the Union Savings and the latter also absorbed the Scott County Savings Bank. The new combination took the name of the Union Savings Bank and Trust Company. Its deposits topped \$10,000,000. This merger, furthermore, operated the Union Bank and Mortgage Company, whose stockholders were the same as those of the merger. Another huge combination appeared when the First National and the Iowa National banks merged.<sup>66</sup>

In spite of all these changes, the Davenport banks finished

<sup>65</sup>*Ibid.*, January 1, 1918; H. H. Preston, *History of Banking in Iowa* (1922), p. 160; *Report of the Superintendent of Banking*, 1918, p. 43 *et seq.*

<sup>66</sup>*The Davenport Democrat*, January 11, 1923, May 18, 1924; *Report of the Superintendent of Banking*, 1920, p. 6, 1922, p. 5, 1923, p. 4, 1925, p. 4, 1926 pp. 4, 5.

the third decade of the present century in what was considered the strongest position in their history. Deposits had continued to rise, so that at the close of 1930 the total for all the banks of the city stood at \$64,336,709. Clearings had risen from \$67,110,645 in 1909 to \$683,829,387 in 1929.<sup>67</sup>

The record of the small towns is not quite so good. The savings bank at McCausland closed, reorganized, and again closed.<sup>68</sup>

Tensions increased as the fourth decade began. The savings bank in Le Claire closed, and the two banks in each of the towns Eldridge and Walcott merged. In Davenport, the People's Trust and Savings Bank liquidated. The American Commercial and Savings Bank absorbed the Citizens Trust and Savings, and took the name of Davenport Savings Bank and Trust Company. But only a short time after, the merged banks closed. The Union Savings Bank and Trust Company, furthermore, took over the First National Bank. This venerable institution had celebrated its fiftieth anniversary in 1913 by the publication of a history entitled, *The History of the First National Bank in the United States*. Each of the two latter mergers increased its capitalization to \$1,600,000.<sup>69</sup>

Shortly before President F. D. Roosevelt declared the National Bank Holiday in 1933, only five Davenport banks remained open: The American Trust Company; the former George M. Bechtel and Company, now the Bechtel Trust Company; the Home Savings Bank; Northwest Davenport Savings Bank; and Union Savings Bank and Trust Company. At the same time banks were open in Blue Grass, Buffalo, Dixon, Donahue, Eldridge, Long Grove, New Liberty, Princeton, and Walcott. The Walcott Trust and Savings Bank was the largest small town bank in the county, in June, 1932, its deposits, which were nearly all savings deposits, stood at \$967,745.<sup>70</sup>

While the older financial institutions had thus greatly shrunk in number, newer kinds of institutions had come to aid in rendering the banking services which a highly organized community constantly demands. From 1910 on, postal sav-

<sup>67</sup>*Davenport, The Bright Spot*, (1931), p. 10.

<sup>68</sup>*Report of the Superintendent of Banking*, 1924, p. 5, 1930, p. 6.

<sup>69</sup>*Ibid.*, 1931, pp. 7-10, 41, 1932, p. 9.

<sup>70</sup>*Ibid.*, 1932, pp. 22-41.

ings banks to a small but growing extent competed with the savings banks. In the late twenties and early thirties of the present century, this competition became very real. At the same time a new form of cooperative banking had come into vogue, namely the credit union. There was only one in Davenport in 1927 and two in 1930, but fifteen in 1936.<sup>71</sup>

Personal finance companies established branch offices all over Iowa after the passage of the Small Loans Act of 1921 by the General Assembly, and their volume of business grew steadily for years. In Davenport the number of personal finance companies increased from six in 1928 to eleven in 1933, but dropped to ten in 1935.<sup>72</sup>

Competition also stiffened in the business of placing larger loans. In this field new investment companies vied with the older trust companies. Two of the principal representatives of the former class of financial institutions in Davenport were the White-Phillips Company and the A. J. Boldt and Company.<sup>73</sup>

Immediately, or soon after the National Bank Holiday, two banks opened in Davenport and one in each of the eight small towns of the county. The two Davenport banks were the Davenport Bank and Trust Company, and the First Trust and Savings Bank, the latter formerly the Bechtel Trust Company. The Davenport Bank and Trust Company was a reorganization of the former Davenport Savings Bank and Trust Company. Its capital stock in 1936 was \$600,000 and its deposits \$22,186,875. Of the other Iowa banks only the Iowa-Des Moines National Bank and Trust Company had larger deposits.

In the small towns in 1936 there were banks operating in Blue Grass, Buffalo, Dixon, Donahue, Eldridge, Princeton, and Walcott. Their capital stocks ranged from \$12,000—minimum for savings banks being \$10,000—to \$50,000, and their deposits from \$209,735 to \$591,780.<sup>74</sup>

On the whole, the bank record of Scott County has been one of healthy growth and positive progress. Tested methods were adhered to, but new ideas at times had to be tried. In times

<sup>71</sup>*Ibid.*, 1927, p. 7, 1930, p. 9, 1936, pp. 10, 11.

<sup>72</sup>*Ibid.*, 1928, p. 6, 1933, p. 11, 1935, p. 15.

<sup>73</sup>The *Davenport Telephone Directory* for 1930 lists 29 other investment companies.

<sup>74</sup>*Ibid.*, 1933, pp. 20-38, 1936, pp. 22-39. Out of town banks maintained offices in New Liberty and Le Claire.

of stress, prompt adjustments were made to avoid the possibly worse consequences of delay. After the severe trials of the later fifties, the banking institutions of the county had more solid foundations and, with minor exceptions, experienced "nothing but success and increase" until the later twenties of the present century. Retrenchments then had to be made, and they were made without any futile or desperate attempts at staving off the inevitable.

The first larger private banking system in Iowa had its center in Davenport. Its failure was not primarily caused by dishonesty or lack of ability on the part of those who projected and operated it, but to divided counsels nationally, and the consequent inability of the country to establish an adequate general system of banking.<sup>75</sup> Davenport bankers established the first national bank in the United States. They also organized one of the first loan and trust companies in Iowa, which became the leading institution of its kind in the state. The deposits of single banks in Davenport, both in the past and the present century at times exceeded those of any other bank in the State.

Davenport has had its succession of private banks, national banks, savings banks, loan and trust companies, and various cooperative financial institutions. Of the regular banks, the combination trust company and savings bank holds the field in the county today.

#### INSURANCE

Several large fire insurance companies were organized in Scott County during the 19th century, the largest of which was the Security Fire Insurance Company, dating from 1883, and reincorporated in 1903.<sup>76</sup>

In the present century Davenport for a while became the home of several new large fire and life insurance companies. Of these the Guaranty Life Insurance Company dates from 1903. Its annual report ten years later showed a total insurance in force of \$1,400,000.<sup>77</sup>

The local insurance business in Davenport grew rapidly during the second and third decades of the present century.

<sup>75</sup>*The History of the First National Bank in the United States* (1913), p. 24.

<sup>76</sup>*Der Tägliche Demokrat*, August 13, 1903.

<sup>77</sup>*Ibid.*, February 1, 1914.

Several new fire and life insurance companies were formed—the Federal Surety Company and its “running mate,” the Central Federal Fire Insurance Company, the American Fire Re-Insurance Company, and the Standard Federal Fire Insurance Company, the Davenport Association of Life Underwriters and the Register Life Insurance Company.

The Federal Surety Company opened offices in Davenport, Des Moines, Denver, Chicago, Detroit, and Washington, D. C., and for a number of years did a large amount of business. But on September 25, 1931, it went into receivership. Before this time the Federal Surety Company had absorbed the American Fire Re-Insurance Company, the assets of which were transferred to the Central Federal Fire Insurance Company, which soon after was merged with a Chicago Company.<sup>78</sup>

The Security Fire Insurance Company increased its capital from \$100,000 to \$500,000 on which substantial dividends were paid to stockholders. Its gross insured risks in 1934 stood at \$37,479,482, about equally divided between fire, and tornado and windstorm insurance.<sup>79</sup> The company operates in several states mainly in the Northwest.

The Guaranty Life Insurance Company also increased its risks, from \$7,801,338 in 1917 to \$44,888,451 in 1934. In the latter year it reinsured the risks of the other Davenport life insurance company, the Register Life Insurance Company, and in 1937 its own risks were reinsured by the Occidental Life Insurance Company of Los Angeles, California.<sup>80</sup>

The mutual fire insurance companies in the present century have maintained the strong position which they had gained in the 19th century. There were five such companies or associations in Scott County in 1936 with an aggregate insurance of \$20,193,436. Of these the American Mutual Fire and Tornado Association of Scott County—formerly the German Mutual Fire Insurance Association—had its headquarters at Eldridge; the Mutual Insurance Association and the Scott County Farmers Mutual Insurance Association at Davenport; the

<sup>78</sup>*The Davenport Democrat*, March 17, 1924, January 26, 1926; *Report of the Insurance Department of Iowa*, 1928, I, 8, 1932, p. 7.

<sup>79</sup>*Ibid.*, 1934, p. 75.

<sup>80</sup>*Ibid.*, 244; *Der Tägliche Demokrat*, January 14, 1917; *Report of the Insurance Department of Iowa*, 1934, p. 6; John Moody, *Manual of Investments*, 1938, p. 2074.

Walcott Mutual Fire Insurance Association at Walcott, and the Farmers Mutual Insurance Association of Scott County at Stockton, in Muscatine County.<sup>81</sup>

#### MANUFACTURING

Judging by the number of establishments and workers employed, Dubuque County in 1900 ranked first in manufacturing, Polk County second, Scott third, and Linn fourth. In 1929 Polk was first, Scott second, and Linn, Woodbury, and Black Hawk tied for third place.

The number of manufacturing establishments in Scott County fell from 470 in 1900 to 190 in 1929 and to 125 in 1933. The number of employees rose from 4,410 in 1900 to 6,334 in 1929 and dropped to 3,342 in 1933. The value of the products increased from \$10,685,000 in 1900 to \$50,824,510 in 1929 and fell to \$23,166,159 in 1933. The percentage of decrease in the value of the product between the last two dates was not large in comparison with other Iowa counties.<sup>82</sup>

Already at the beginning of the present century there were a number of Davenport factories which were owned by corporations, and during the present century an increasingly large percentage of all the manufacturing establishments became corporation-owned. When the companies reincorporated there were frequently increases in capital stocks up to and even above \$500,000. Increases in capital stocks and new bond issues made new buildings and the installation of new equipment possible. And such improvements were frequently undertaken.<sup>83</sup>

Corporation control inevitably meant concentration of control and in some industries the closing of local plants in the interest of economies for all the plants under the same general management. Instances of this were the permanent closing of the glucose plant and the temporary closing of the Purity Oats Company's plant.<sup>84</sup>

<sup>81</sup>*Report of the Insurance Department of Iowa*, 1936, p. 394.

<sup>82</sup>C. E. Troxel, *Statistics Concerning the Development of Manufacturing Industries in Iowa*, Iowa State Planning Board, 1935, pp. 26, 34, 42, 49, 51.

<sup>83</sup>*Der Demokrat*, July 10, September 25, 1902, April 21, 1904, March 9, December 7, 21, 1905, August 23, 1906, September 18, 1914, September 6, 1916, January 18, 1917, July 18, August 18, 1918; *The Davenport Democrat*, January 1, November 9, December 19, 1922, February 23, 1926, September 11, 23, 1927, and February 15, 1928.

<sup>84</sup>*The Davenport Democrat*, January 3, 1924, January 4, 1926; August P. Richter, "A True History of Scott County" in *The Davenport Democrat*, August, 1921.

Except the shops of a few mechanics, a gristmill or a brick-yard here and there, there were no factories in Scott County in 1900 outside of Buffalo and Davenport. The establishments in Buffalo were the brick and tile works and the pearl button works; a large number and some very large extensive plants in Bettendorf, in 1902. A year or two later, the leading manufacturing establishments in Davenport included "the largest glucose plant in the United States, employing five hundred people and requiring eighty-five cars a week to handle its output; two extensive lumber mills; an extensive metal wheel plant, employing four hundred hands; a metal axle plant, that will employ many more people; two very large manufactories of sash, doors, and blinds; several packing houses; two vinegar and pickling factories; extensive pearl button works; a large number and some very, very extensive cigar factories; several large breweries; a furniture factory, a woolen factory; two large cracker and candy factories; a ladder factory, several washing machine factories, a canning company, a can factory, an oatmeal mill, a macaroni factory, several carriage factories and flouring mills."<sup>85</sup>

A number of new establishments appeared between 1902 and 1906—the Whitehead Machine Company, the Fremont Butter Tub Company, the Eureka Rolled Oats Company, the Spring Vehicle Company, the Independent Baking Company, Voss Brothers Manufacturing Company, manufacturers of washing machines, the Schaefer Manufacturing Company, manufacturers of shirts, waists, and other wearing apparel. the Davenport Washing Machine Company, the Sanitary Brush Company, East Davenport Machine and Novelty Works, the National Implement Company, the Davenport Stone and Marble Company, the Davenport Ice Cream and Supply Company, and the Killing Molding Machine Company.<sup>86</sup>

A number of the older establishments expanded their plants. After several years of prosperity the Independent Malting Company put up a new building in 1903. The Henry Kohrs Packing Company built a new slaughter house and a smoke-house. It also introduced improved methods of processing

<sup>85</sup>*Iowa State Atlas* (1904), p. 276.

<sup>86</sup>*Der Demokrat*, January 16, February 20, July 10, 1902, March 10, April 21, 1904, January 23, February 16, 1905, August 23, 1906.

and bought out its competitor, John L. Zoekler and Sons. The glucose factory increased its capacity to grind 14,000 bushels of grain daily.<sup>87</sup>

The Davenport Machine and Foundry Company enlarged its plant several times. In 1912 the plant covered two city blocks, and furnished employment to more than 200 people. This company manufactured various kinds of factory machinery and equipment as well as a great variety of castings, some weighing upwards of fifteen tons.<sup>88</sup> The Bettendorf Metal Wheel Company reorganized and became French and Hecht.<sup>89</sup>

The Henry Korn Baking Company became a chain of bakeries located in Davenport and Clinton, Iowa; in Rock Island and Quincy, Illinois; and one in the State of Washington. These bakeries were managed by the sons of Mr. Korn—Otto, John, Henry, Charles, and William. In 1909 the Davenport plant was considered the "biggest and most up-to-date" of its kind in Iowa.<sup>90</sup> The Bettendorf Axle Company in Bettendorf at first turned out underframes and sideframes for freight cars and finally complete freight cars. The demand for railroad equipment was strong and soon new buildings had to be added. The orders for 1909 piled up to a total of \$3,000,000. In 1913 the company reorganized and became the Bettendorf Company. Its capital was fixed at \$7,500,000. J. W. Bettendorf served as its first president, and his father, Michael Bettendorf, as vice president.<sup>91</sup>

William P. Bettendorf had died in 1910. It was his inventive ability which had made the immense factories at Bettendorf possible. In his work as an inventor his aim was always toward simplification—fewer parts, less weight, and greater strength. His inventions included a power lift, metal wheels, axles, bolsters and underframes for vehicles and cars, sideframes, and complete steel freight cars; as well as the machinery to manufacture them. He was eminently successful as a business man because he possessed managerial ability as well as mechanical ingenuity, and a personality which in-

<sup>87</sup>*Der Demokrat*, October 30, 1902, July 2, 1903, March 17, 1904; Downer, I, 998.

<sup>88</sup>*Iowa Factories*, IV (1915), No. 3.

<sup>89</sup>Downer, *op. cit.*

<sup>90</sup>25 Jahre Gala-Ausgabe der Iowa Reform, July 12, 1909, p. 14.

<sup>91</sup>*Der Demokrat*, July 12, 1906, January 1, 1913; Downer, *op. cit.*

spired confidence in others.<sup>92</sup>

The years 1913 and 1914 were somewhat critical years for a number of Davenport manufacturers. Several companies were in financial straits and there were instances of failures.<sup>93</sup> One large manufacturing concern, the Western Implement and Motor Company, which had been manufacturing cotton pickers had to close its plant because of mismanagement.<sup>94</sup> Labor troubles and other causes forced the closing of the corset factory.<sup>95</sup>

Still manufacturing was forging ahead. New plants were located in Davenport partly through the continued efforts of the Commercial Club, the Greater Davenport Committee, and the Davenport Industrial Company. Several new companies located plants in Davenport in 1913 and 1914—the Purity Oats Company, Tri-City Mattress Company, Davenport Linograph Company, Petersen and Johnson, furniture makers, and Davenport Manufacturing Company, paper products manufacturers. The Robert Krause Company, manufacturers of shirts and work clothes, and the cigar manufacturer, P. N. Jacobsen, enlarged their plants.<sup>96</sup>

The removal of the Zimmerman Steel Company's plant from Lone Tree, Johnson County, to Bettendorf in 1915, forms an important event in the industrial annals of Davenport—Bettendorf. This industry had grown up from very humble beginnings. In 1895 William C. F. Zimmerman and Miles Bateman began to make stump pullers in the little town of Lone Tree. Bateman soon withdrew from the partnership and Zimmerman and his five sons and one daughter and her husband started a series of expansions which included a new steel plant, the only one at the time in the State of Iowa, an electric light and power plant which furnished current to the town and also to some of the farmers, and, finally an enlarged steel plant. Besides stump pullers, the firm also put out pitless farm scales. Forty per cent of the company's products in 1912 was sold in foreign countries. At the time of the removal of the plant to Davenport the company was incorporated with

<sup>92</sup>*Dictionary of American Biography*, II, 230

<sup>93</sup>*Der Tägliche Demokrat*, April 17, September 4, 1913.

<sup>94</sup>*Ibid.*, October 8, 10, 1913; *Iowa Factories*, I (1912), No. 7, p. 19.

<sup>95</sup>*Der Tägliche Demokrat*, July 2, 1914.

<sup>96</sup>*Ibid.*, January 25, 26, April 25, May 27, 29, July 8, August 3, 1913, February 28, 1914.

William C. F. Zimmerman as president and J. W. Bettendorf as vice president.<sup>97</sup>

The repeal of the Mule Law in Iowa, which became effective on January 1, 1916, hit the breweries hard. Some plants were closed and the equipment and buildings sold. Others put in new machinery and engaged in different lines of production. Still others continued to make beer in spite of the repeal. But national prohibition soon came to make greater difficulties for illegal beer production. The last brewery in Davenport—and in Iowa—before the repeal of national prohibition was closed in 1923 by order of the federal court in Des Moines.<sup>98</sup>

The entry of the United States into the World War speeded up industry in general and manufacturing in particular. The Tri-Cities felt the impulse, Davenport—Bettendorf not the least. Large domestic and foreign orders poured in. Factories worked overtime, some day and night. Under such conditions there was no chance for a slack in employment, for the federal government at the same time was employing and increasing the number of men on the Island.<sup>99</sup>

Several new companies located plants in Davenport in 1917 and 1918—the Sieg Iron Company and the Anderson Automatic Engine Works in 1917, and the Hawkeye Steel Company and the Nicholas Wire Company of Kansas City in 1918.<sup>100</sup>

A few of the manufacturing establishments found themselves in financial straits after the close of the war, but reorganization was relatively easy. Besides, there was soon a general upturn as the construction of paved roads, residences, stores, factories, hotels, and public buildings put new demands upon industry in its various ramifications. Most manufacturing industries which were actually operating, flourished during the twenties, and this prosperity for a number of lines continued throughout the thirties.<sup>101</sup>

<sup>97</sup>Clarence Ray Aurner, *Leading Events in Johnson County, Iowa, History*, I (1912), 470-776; *Iowa Factories*, IV No. 12, p. 8.

<sup>98</sup>*Der Tägliche Demokrat*, November 17, 1916; *The Davenport Democrat*, October 4, 1922, January 10, 1923, April 23, 1924; *Iowa Factories*, IV (1915), No. 11, p. 7.

<sup>99</sup>*Der Demokrat*, January 19, 24, 1917, March 13, May 9, 23, 1918.

<sup>100</sup>*Ibid.*, January 13, 18, 1917, January 11, August 18, 1918.

<sup>101</sup>*The Davenport Democrat*, January 22, February 1, March 15, August 6, 8, 21, 1922, January 8, 1926, October 5, 23, 1927, December 1, 31, 1929, January 2, 1930, November 9, 15, 1934, May 10, 1936.

Though the number of manufacturing plants, as we have seen, decreased during the twenties, there were expansions of some of the older plants and a number of new companies established plants. Of the latter may be mentioned the Davenport Body Company, manufacturers of auto bus tops, the Sunnyrill Company, manufacturers of soft drinks, the Superior Manufacturing Company, makers of thermo poultry fountains, the Turnbull Ice Cream Cone Company, the Uchtorff Weiser Stamping Company, the Clarence Byers Bakery, the Lustrolite Corporation, the Charles H. Simon Cigar Company, the Federal Bake Shops, and the Dewey Portland Cement Company of Kansas City, which built its large plant at Linwood near Buffalo though the business office was in Davenport. The Ralston-Purina Company of St. Louis bought and operated the plant of the Purity Oats Company.<sup>102</sup>

Sporadically, others permanently, minor factories had operated in some of the smaller towns. The farmers around Long Grove and Blue Grass for a number of years supported creameries at those places. For a while there was a button blanks plant at Blue Grass, and other such plants as well as quarries operated more permanently in Buffalo and Le Claire. Furthermore, there were bakeries in Buffalo and Walcott, also a hog and cattle remedy plant at the latter place.<sup>103</sup>

By 1920 Bettendorf had passed the 2,000 mark in population and had become a city of the second class. Its factories, which employed about 3,000 workers, included the plants of the Bettendorf Corporation, the Zimmerman Steel Company, the Davenport Manufacturing Company, the Bettendorf Stone Company, the Bettendorf Hydrogen and Oxygen Company and the Western States Portland Cement Company. The plant of the Bettendorf Corporation was said to be the biggest manufacturing plant in the Middle West. In 1929 it employed on an average of 1,200 workers per month.<sup>104</sup> More companies added plants in the nineteen twenties—the Central States Aero Company, the Innes Shocker Company, the Micro

<sup>102</sup>*Ibid.*, January 1, July 31, 1922, May 13, 1924, January 24, 1926, February 5, 15, 19, 1926, September 23, October 12, 1927, February 15, 1928, November 8, 1929.

<sup>103</sup>*Directory of Manufacturing Establishments*, 1919, pp. 27, 85; 1921, p. 100; 1928, pp. 32, 33, 79, 111.

<sup>104</sup>*The Davenport Democrat*, August 25, 1922, December, 1929.

Machine Company, the Bettendorf Oil Burner Company, and the Air Reduction Sales Company.<sup>105</sup>

The slump after 1929 had a very unfavorable effect upon the factories producing steel goods. The Bettendorf Corporation had to close its plant and it was not operated for several years. Taxes on the property were not even paid. And when the plant finally reopened, it employed only a few hundred men.<sup>106</sup>

A number of minor factories and especially the food factories on the other hand, were but little affected by the slump and continued to operate with good-sized crews and paid dividends on both preferred and common stocks. The value of the products of all the factories in Davenport in 1934 exceeded that of 1933 by several million dollars.<sup>107</sup>

By 1936 production in most lines of manufacturing had rebounded from their depression lows. During that year some plants again worked overtime, and an industrial report for the year shows that 161 firms employed 9,016 workers against 5,850 in 1933.<sup>108</sup>

#### THE PRESS

The printing and publishing business of Scott County during the present century continued to be almost exclusively restricted to Davenport. Attempts to maintain local newspapers in the small towns were not long successful. For a few years the *Walcott News* was published, also the *Le Claire Advance* and the *Princeton Journal* each had a short lease of life.<sup>109</sup> Since 1925, however, *The News* has been published weekly in Bettendorf and the *Walcott Scott County News* now the *Scott County Tribune*, also a weekly, since 1933. The former circulates mainly in the home town while the latter also has a large circulation in the country.<sup>110</sup>

At the beginning of the present century there were five dailies published in Davenport—two Republican, the *Daily Times* and the *Republican*, three Democratic of which the *Democrat* and the *Leader* were printed in English and *Der*

<sup>105</sup>*Directory of Manufacturing Establishments*, 1928, p. 31.

<sup>106</sup>*The Davenport Democrat*, June 10, 1936, January 1, 1937.

<sup>107</sup>*Ibid.*, November 9, 15, 1934, January 1, 3, 1937.

<sup>108</sup>*Ibid.*, May 10, 1936, February 3, 1939.

<sup>109</sup>Downer, I, 889.

<sup>110</sup>N. W. Ayer and Son's *Directory of Newspapers and Periodicals*, 1938, p. 282, 309.

*Demokrat* in German. All of the publishers of these dailies also put out weekly or bi-weekly editions, in the case of *Der Demokrat* both a weekly and a bi-weekly. The subscription lists of the dailies varied from 4,000 to 7,000 subscribers. Only the Democrat and *Der Demokrat* put out Sunday editions, but these were issued instead of Saturday editions. Two politically independent weeklies were issued—the *Advance* and the *Commentator*. The current religious press was represented by the *Iowa Catholic Messenger*, and the *Iowa Churchman*, a Presbyterian periodical, while the *Northwestern News* championed prohibition.<sup>111</sup>

The trend towards concentration and consolidation affected printing and publishing as it did other branches of manufacturing. By 1910 the number of dailies had shrunk to three: the *Davenport Democrat and Leader*, the *Daily Times*, and *Der Demokrat*. As indicated by the title of the first, the *Democrat* had absorbed the *Leader*. The former *Republican* became the *Tri-City Evening Star* in 1904, and this again the *Tri-City Morning Star* the next year, but the change did not avert the permanent setting of the *Morning Star* a few weeks later.<sup>112</sup>

The corporation had entered the field of printing and publishing, even before the opening of the present century, with the formation of the Democrat Company, which was reincorporated in 1915 with its capital increased to \$100,000.<sup>113</sup> In 1900 A. W. Lee, publisher of the *Ottumwa Courier*, purchased the *Daily Times* and organized the Times Company, which has since been a member of the Lee Newspaper Syndicate. The next year Mr. Lee sent E. P. Adler to direct the publication of the *Times*, and under Mr. Adler's able management it became one of the profitable journals of the state. The evidence of the business ability which he thus displayed led to his election as president of the syndicate upon the death of Mr. Lee in 1907. The syndicate at that time controlled dailies in Davenport, Ottumwa, and Muscatine, Iowa, La Crosse, Wisconsin, and Hannibal, Missouri.<sup>114</sup>

The H. Lischer Printing Company published *Der Demokrat*

<sup>111</sup>*Ibid.*, 1899, p. 237.

<sup>112</sup>Downer, *op. cit.*, I, 88.

<sup>113</sup>*Der Tägliche Demokrat*, October 20, 1915.

<sup>114</sup>Downer, *op. cit.*, II, 14, 15.

until it was discontinued on September 7, 1918. Dr. Aug. P. Richter, who had become editor-in-chief a few years after the death of Jens Peter Stibolt in 1887, served in that capacity until his retirement in 1913 at the age of 70. In his farewell editorial to the readers he voiced a certain disappointment with the growing pharisaism in public life and the indifference to freedom and the rights of the people. Nevertheless he believed that the current (1913) condition would give way to a better day.<sup>115</sup>

Gustav Donald, also noted as an actor and an orator, succeeded him as editor-in-chief and continued the vigorous editorial policy of his predecessors until World War sentiments forced suspension of publication. In the last and final issue of September 7, 1918, the publishers announced to the readers that, so far as the established authorities were concerned, the action taken had been voluntary, and that the suspension was for the duration of the war. But there has been no resumption of publication in post-war times.<sup>116</sup>

Mr. Adolph Petersen, the editor and publisher of the German weekly *Iowa Reform*, did not suspend publication, but he discontinued the biweekly edition. The weekly edition was still published by Mr. Petersen, in 1938 though then in his eightieth year. *Iowa Reform* is the only local German newspaper now issued in the State of Iowa, which, at the beginning of the present century, had some 30 German weeklies and 2 dailies.<sup>117</sup>

The *Daily Times* under the management of E. P. Adler and the *Davenport Democrat and Leader* under the editorial guidance of B. F. Tillinghast, J. J. Richardson, Frank D. Throop, Hugh Harrison, and Ralph W. Cram increased the circulation of these two dailies to several times what it was at the beginning of the century.<sup>118</sup> The *Democrat* by 1938 issued its Sunday edition in approximately 3,000 copies more than the daily edition. In 1922 the Democrat Company increased its

<sup>115</sup>*Der Tägliche Demokrat*, August 31, 1913.

<sup>116</sup>*Ibid.*, September 7, 1918.

<sup>117</sup>N. W. Ayer and Son's *American Newspaper Annual and Directory*, 1899, p. 231, *et seq.*; Eiboeck, *Die Deutschen von Iowa und deren Errungenschaften* (1900), pp. 220-267.

<sup>118</sup>*The Davenport Democrat*, January 12, 1937; N. W. Ayer and Son's *American Newspaper Annual and Directory*, 1917, p. 279; 1920, p. 290; 1937, p. 288.

capital to \$300,000 and the same year it moved into new quarters built by the company at a cost of \$250,000.<sup>119</sup>

The *Tri-City Star* took its place with the other two Davenport dailies in 1935. But its financial foundations were too weak to support a permanent structure and the new venture succumbed within a couple of years though its subscription list exceeded 11,000.<sup>120</sup>

Of the weeklies only the *Iowa Catholic Messenger*, established in 1882, has been issued without interruption throughout the present century. The monthly the *Chiropractor* has been published since 1903 by the Palmer School of Chiropractic.

The first decade of the present century was especially prolific in new periodicals none of which, however, was in existence for more than a few years—*The Trident*, *The Iowa Workman*, *The Western Weekly*, *The Weekly Telegraph*, *The Free Press*, *The Star of Woodlawn*, *The Real Estate National*, and *The Industrialist*, the last-named a labor paper. During the World War came *The Caravel*, a Knights of Columbus publication, and the *Iowa Magazine* sponsored by the Greater Iowa Association. Since the war have come *Farm Gist*, *Mississippi Motor News*, *Davenport Chamber of Commerce News*, and *The Iowa Food Dealer* published by the Iowa Retail Grocers and Meat Dealers Association. Only the last two were published in 1938.<sup>121</sup>

#### PUBLIC UTILITIES

In 1913 the Davenport Water Company applied to the city council for a new franchise. As the old franchise gave the city the option of purchase, a number of citizens proposed that the city should avail itself of the privilege. They pointed out that the municipal water plant of Washington, D. C. only charged its customers half of what was charged by the local company. Still, the rates charged in Davenport were reasonable in comparison with those charged in other Iowa cities. Moreover, the company now paid \$9,000 in taxes annually. The quality of the water furnished was excellent and the service satisfactory. Davenport boosters believed that the local

<sup>119</sup>*The Davenport Democrat*, December 29, 31, 1922.

<sup>120</sup>N. W. Ayer and Son's, *op. cit.*, 1937, p. 288.

<sup>121</sup>*Ibid.*, 1910, p. 253; 1920, p. 290; 1930, p. 317; 1938, p. 287; Downer, *op. cit.*, II, 888.

waterworks were the best in the world. When the proposition was put to a vote of the people it was turned down by a large majority, and the city council granted the company a franchise to run for 25 years from January 1, 1914.<sup>122</sup>

Production costs increased to such an extent during the World War that the council granted the company's request for an increase in rates. A few years later the company sold a new bond issue and made various improvements, such as adding new filters, the old ones having been in use since 1890.<sup>124</sup>

In 1927 the American Waterworks and Electrical Company, a holding company organized in the State of Delaware with a perpetual charter, acquired the Davenport waterworks for the sum of \$2,462,000—or less. The next year the new owners asked for an increase in the rates which was granted on the condition that the company in return give the city an option of purchase at \$2,900,000; to which amount in the event of purchase, was to be added the cost of later improvements.<sup>125</sup>

The question of purchase again began to be agitated in 1935. Those in favor of a municipal plant carried on a vigorous campaign for more than a year. In a public statement to the people the water company referred to its policy, adopted seven years ago, of not trying to influence public opinion on the question of municipal ownership. It was ready, however, to meet the demand for lower rates and charges. At the special election on November 27, 1936, municipal ownership was defeated by a vote of 5,101 to 2,223.<sup>126</sup>

The new franchise was to run for only fifteen years. It provided for a reduction to every customer of 12.5 per cent below the base rate established by ordinance through a uniform decrease in all rates, and by making permanent, as a uniform rate reduction, the current temporary discount for prompt payment. Furthermore, the franchise fixed the minimum bill per month at 61.25 cents. The hydrant rental was re-

<sup>122</sup>*Der Tägliche Demokrat*, March 8, May 17, October 11, 1913; *Der Demokrat*, March 8, 1900; *The Davenport Democrat*, January 24, 1926.

<sup>124</sup>*Ibid.*, June 6, 1918; *The Davenport Democrat*, June 26, 1922, January 24, 1926, January 19, 1930.

<sup>125</sup>*Ibid.*, November 24, 1936.

<sup>126</sup>*Ibid.*, November 29, 1936; *Davenport Chamber of Commerce News*, November, 1936.

duced \$6 per hydrant, making a total annual saving to the city of nearly \$8,000.<sup>127</sup>

In March, 1936, there were 133 miles of mains, 1,318 fire hydrants, and 13,200 water consumers. The city's population used about 5,000,000 gallons of water a day in winter, and about 7,000,000 gallons in summer.<sup>128</sup>

At the beginning of the present century three companies in Davenport distributed gas and electric current—the Davenport Consolidated Gas, Electric Light, and Steamheating Company, also known as the Davenport Gas and Electric Company, the Davenport Power and Light Company, and the Peoples Light and Power Company. The first of these, as indicated by the name, also distributed heat to business houses.

Competition was active and it was the intention that such conditions should continue. The city council stood ready to grant franchises to any responsible utility company. Early in 1907 Herbert Wadsworth, trustee, obtained a franchise from the city council, subject to the approval of the voters, to "acquire, construct, and maintain a gas plant and electric light, power, and heating plant with an underground conduit system in the city of Davenport." The trustee paid the expenses of the special election at which the voters approved the granting of the franchise. Wadsworth immediately sold his rights to the Independent Light and Power Company, recently organized. The same year the Peoples Light Company purchased the gas and electric franchises of all its competitors—the Independent Light and Power Company, the Davenport Gas and Electric Company, and the Davenport Power and Light Company.<sup>129</sup>

The Peoples Light and Power Company became a subsidiary of the Tri-City Railway and Light Company, which was incorporated in Connecticut on March 31, 1906, for the purpose of purchasing the securities of the public utilities in the Tri-Cities. This corporation in turn became a subsidiary of the United Light and Railways company, a Maine corporation.<sup>130</sup>

Some reduction in rates had been made before the consolida-

<sup>127</sup>*Ibid.*, *loc. cit.*; *The Davenport Democrat*, August 6, 1936.

<sup>128</sup>*Ibid.*, January 19, 1930, March 29, 1936.

<sup>129</sup>*Compiled Ordinances of the City of Davenport, Iowa, 1911*, I, 879, 880-890, 908, 923; *The Daily Times*, Davenport, January 24, 1908.

<sup>130</sup>John Moody, *Public Utilities*, 1918, pp. 1704, 1709.

tion of the utility companies in 1907.<sup>131</sup> Subsequently there were further and substantial reductions made. The cost of gas per 1,000 cubic feet was reduced from \$1.00 to \$.85 and the net minimum bill for gas per month was not to be less than twenty-five cents.<sup>132</sup>

During the World War the gas rate was again increased to \$1.00 per 1,000 cubic feet. Ostensibly the increase was for the duration of the war only.<sup>133</sup> But the company was in no mood for reduction of rates after the war closed, and to strengthen its position it adopted the new policy of boosting customer stock ownership. By June, 1922, there were 2,000 stockholders in the Tri-Cities, and half of them lived in Davenport. This, however, did not deter the city council from forcing reductions in the rates of both gas and electricity. But the company succeeded in introducing natural gas in the face of a determined opposition from the people and the council. Distribution began in January, 1934. The gas was purchased from the Natural Gas Pipeline Company.<sup>134</sup>

The Peoples Light Company strengthened its position in other ways. Its capital stock of \$2,125,000, divided into shares having a par value of \$100, was changed to a capital stock of 100 shares each having a stated value of \$2,125 per share, but no par value. An additional story also was added to the already lofty holding company structure of which the light company was a part, when the United Light and Railways Company became a subsidiary of the United Light and Power Company, a Maryland corporation. The latter began the construction of a \$12,000,000 power house in 1924 on the banks of the Mississippi above Bettendorf.<sup>135</sup> This has since been completed.

On May 10, 1899, the city council "passed and approved" an ordinance which granted "to the Tri-City Railway Company, its successors and assigns, the right to use, enjoy, possess and maintain for the period of twenty-five years, all the rights, privileges and franchises to construct, operate and

<sup>131</sup>*Der Demokrat*, July 10, 1902.

<sup>132</sup>*Compiled Ordinances of the City of Davenport, Iowa*, 1910, p. 899; *The Daily Times*, January 24, 1908.

<sup>133</sup>*Der Tägliche Demokrat*, June 1, 1918.

<sup>134</sup>*The Davenport Democrat*, June 1, December 15, 1922, November 1, 1934, November 20, 1936; *Moody, Public Utilities*, 1937, p. 496.

<sup>135</sup>*Ibid.*, p. 495, 496; *The Davenport Democrat*, May 23, 1924.

maintain street railways in the City of Davenport, Iowa, heretofore granted to the Davenport City Railway Company, the East and West Davenport Railway Company (sometimes called the East Davenport Railway Company), the Davenport Street Railway Company, the Bridge, Second Street and Northwestern Street Railway Company, the Davenport Electric Street Railway Company, The Davenport and Rock Island Railway Company, and the said Tri-City Railway Company, as the said rights, privileges, and franchises now exist and are now used and enjoyed by the said Tri-City Railway Companies severally above named in the operation and maintenance of the said street railways."

The ordinance further stated that this franchise or grant of powers to the Tri-City Railway Company would make it easier for the company to pay off its bonded indebtedness of \$630,000. It fixed the adult fare at five cents, fares of children under twelve at three cents, and children under five were to ride free. It provided for regular service from 5:15 A. M. to 11 P. M. and for thirty minute service from 11 to 12 P. M.

Other provisions empowered the council to compel the use of open cars in summer. All other cars were to be "good and commodious" and equipped with all the necessary improvements for the convenience and comfort of the passengers. They were to be at all times "kept clean, well ventilated and equal to other cars which may be in general use on electric street railways in cities of the United States of the same general class and size as Davenport."

The ordinance did not give the company a monopoly, for nothing in its provisions should "deprive the City of Davenport of the right to authorize any street railway company to cross the tracks now owned by the said Tri-City Railway Company, or to cross any tracks hereafter laid down, controlled, leased or operated by the said Tri-City Railway Company."

It was explicitly stated that as one of the considerations of the extension of the franchise, it was agreed "that the City of Davenport might at any time within one year before the expiration of the period for which the franchise was granted, purchase of the Tri-City Railway Company, its successors or

assigns, its property of every description in the City of Davenport," at a price to be determined by three appraisers, one of whom was to be appointed by the company, another by the city and a third by these appointees of company and city.<sup>136</sup>

The Tri-City Railway Company soon increased its capital stock from \$300,000 to \$1,500,000. Its financial position was now so strong that the bankers found no difficulty in disposing of the company's five percent bonds to the amount of \$6,000,000. Like the Peoples Light Company it also became a subsidiary of the Tri-City Railways and Light Company.<sup>137</sup>

In 1910 the franchise was extended for a period of twenty-five years, and three years later the company was divided into an Iowa and Illinois company, each a separate corporation. This was done in accordance with a new Illinois law. At that time the capital stock of the Iowa Company had been increased to \$2,500,000.<sup>138</sup>

Together with the "inter-urbans," which also functioned as streetcars on some streets, the Tri-City Railway Company for nearly 20 years gave Davenport an adequate and excellent urban transportation system. But as the increased use of the automobile cut into the earnings of the company, new problems pressed for solution. The profits were insufficient to pay the stockholders what was considered a fair rate of interest on their investments. Less than that, it was thought, it was virtual confiscation of property without due process of law. So, the courts spoke, and the company increased the fare to seven cents. The city council responded by ordering that the fare be reduced to five cents in accordance with the franchise. The company retaliated by obtaining an injunction against the city enjoining it from interfering with the higher fare or the operation of the streetcars. This temporary injunction was later modified permitting the company to charge a fare of nine cents, but the company ordered an eight cents fare only.<sup>139</sup>

Various economies had been instituted to boost earnings. Some lines had been abandoned. On others less cars were

<sup>136</sup>*Compiled Ordinances of Davenport, Iowa*, 1911, I, 536-543.

<sup>137</sup>*Der Demokrat*, October 23, 1902, July 9, 1906.

<sup>138</sup>*Ordinances of Davenport, Iowa*, 1911, I, 647, 651; *Der Tägliche Demokrat*, December 27, 1913.

<sup>139</sup>*The Davenport Democrat*, January 10, March 8, 26, December 15, 1922.

used. By introducing the one-man car, labor charges were materially cut. Wages were reduced and other expenses kept down. Even then profits fell below the amount permitted by the courts, and in 1923 the fare was increased to 10 cents.<sup>140</sup>

Still there was no permanent improvement in the financial condition of the system; there was no comeback possible for the electric streetcars. Throughout the country they were being replaced by motor busses, and Davenport, true to its ever-progressive spirit, was not the last to fall in line. On August 16, 1936, there were no streetcars on Brady Street for the first time in 68 years, but several busses operated on this and other streets, some of which had been in use for several years.<sup>141</sup>

Sunday, October 4, 1936, marked the complete change-over of the entire system of street transportation in the Tri-Cities, with the exception of the Bridge Line, from electric streetcars to motor busses. The change involved the purchase of eighty busses of an improved type, the erection of a new garage, and other expenditures totaling \$650,000. There was also the matter of a complete revamping of schedules, changing of routes, and breaking in new employees and training of the old to perform new tasks. Then the public had to become familiar with the new system.<sup>142</sup>

The immediate results were gratifying. At the close of the year 1936, R. J. Smith, general manager of the Tri-City Railway Company, reported a very satisfactory increase in the volume of traffic on the company's lines since the inauguration of the bus service.<sup>143</sup>

The telephone had come to Scott County in 1878, and in the next one or two decades there were several companies, each struggling for its share of the growing business. Of these, the Iowa Telephone Company, an Iowa corporation, and the Union Electric Telephone and Telegraph Company, an Illinois corporation, absorbed most of the other companies after the turn of the century. Then they themselves became subsidiaries of the American Telegraph and Telephone Company, a New York corporation with a perpetual charter.<sup>144</sup>

<sup>140</sup>*Ibid.*, October 20, March 26, 1922, January 1, 1924.

<sup>141</sup>*Ibid.*, January 17, August 16, 1936.

<sup>142</sup>*Davenport Chamber of Commerce News*, 1936, pp. 6, 7.

<sup>143</sup>*The Davenport Democrat*, January 1, 1937.

<sup>144</sup>*Der Demokrat*, May 22, 1902; John Moody, *Manual of Railroads and Corporation Securities*, 1913, II, 3040, 3042; *Public Utilities*, 1937, p. 87.

In 1901 the city council granted the Iowa Telephone Company, its successors or assigns, for a period of twenty-five years "the right to erect and maintain its poles, wires and underground conduits in the City of Davenport, Iowa," under stated conditions. One of these conditions made it obligatory upon the company not to charge the Davenport subscribers in excess of the company's regular rates in other cities of like size for similar class of services under like conditions.<sup>145</sup> For the faithful performance of its obligations to the city, the company agreed to furnish bonds in the amount of \$10,000. The next year a similar franchise was granted to the Union Electric Telephone and Telegraph Company.<sup>146</sup>

Rural telephone companies began to build lines in Scott County in 1902.<sup>147</sup> The Long Grove Mutual Telephone Company incorporated in 1905 with a capital of \$10,000.<sup>148</sup> This company had fifty-two miles of lines in 1910, and the Eldridge Mutual Telephone sixty-seven miles. There were in all fifty-one telephone and telegraph companies doing business in Scott County in 1910, most of which were farmers' mutual telephone companies.<sup>149</sup>

The Iowa Telephone Company owned 204 miles of lines in Scott County in 1910. Its subscribers in Davenport had increased from about 12,000 in 1918 to more than 18,250 in 1927. Having acquired the Nebraska Telephone Company and the Northwestern Telephone Exchange Company, it became the Northwestern Bell Telephone Company, but it remained a subsidiary of the American Telephone and Telegraph Company.<sup>150</sup>

Four telegraph companies operated in Scott County in 1936 --the American District Telegraph Company of Iowa, the Postal Telegraph-Cable Company of Iowa, the Western Union Telegraph Company, and the American Telephone and Telegraph Company. Of telephone companies there were scarcely a dozen. Of these the Northwestern Bell Company owned

<sup>145</sup>*Ordinances of Davenport, Iowa*, 1911, I, 822-824.

<sup>146</sup>*Ibid.*, 839-848.

<sup>147</sup>*Der Demokrat*, May 29, 1902.

<sup>148</sup>*Ibid.*, November 2, 1905.

<sup>149</sup>*Report of the Eleventh Annual Assessment of Telegraph and Telephone Property in the State of Iowa as fixed by the Executive Council of the State of Iowa*, July 14, 1910, p. 3 *et seq.*

<sup>150</sup>*Der Tägliche Demokrat*, June 12, 1918; *The Davenport Democrat*, October 19, 1927; Moody, *op. cit.*, 1937, p. 135.

nearly 400 miles of lines, the Eldridge Mutual Telephone Company 94 miles, and the Long Grove Mutual Telephone Company 96.5 miles.<sup>151</sup>

With the exception of the municipal waterworks in Walcott, there were no public utilities in any of the small towns in 1900. But, as we have seen, telephone lines were built throughout the county during the following decade, and interurbans brought electricity to Blue Grass, Pleasant Valley, Le Claire, and Princeton. Finally the rural transmission lines gave all the other small towns the benefits of electric light and power.<sup>152</sup> Before the transmission lines were built some small towns used kerosene street lamps. Buffalo did so as late as 1909.<sup>153</sup>

Most of the small towns now have waterworks. Some have sewerage systems. Walcott and Bettendorf both have full complements of public utilities—telephone, waterworks, sewerage systems, electric light and power.

#### PUBLIC IMPROVEMENTS

Davenport has rarely if ever been behind other western American cities in public improvements. The pioneers had made provision for public squares and a public levee. Sewers, macadamized streets and other improvements came in due time.

In the present century there has been a quickened tempo in the making of public improvements, especially in post World War times. Miles of paved streets have been added to the modest mileage of 1900. Storm sewers have been built, the levee has been improved, and the park system enlarged and beautified. The library was enlarged, and through private munificence a municipal art gallery was established to be maintained by the city.

None of these improvements was so hotly debated as the construction of the public natatorium. Two bond issues had to be voted before it could be completed at a cost of over \$100,000.<sup>154</sup>

<sup>151</sup>*Annual Report of the State Board of Assessment and Review, 1936, p. 124 et seq.*

<sup>152</sup>*Book of Iowa (1932), p. 170.*

<sup>153</sup>*25 Jahre Gala-Ausgabe der Iowa Reform, July 12, 1909, p. 38.*

<sup>154</sup>*The Davenport Democrat, January 21, February 23, 1923; Annual Reports of the City Officers of the City of Davenport, 1927, p. 15.*

Public improvements and other public expenditures ran up the municipal debt to unprecedented heights. In 1900 the "funded" debt stood at \$275,000, but by 1927 the "general bonded" debt had risen to \$1,612,300. This, however, included \$160,000 of levee bonds, principal and interest of which would be paid out of rents, collected from river traffic, railroads and other lessees of levee lots and land. The interest rates on the bonded debts ranged from four to six percent.<sup>155</sup>

#### BUSINESS MEN'S ORGANIZATIONS

Interest in business men's organizations remained at a high level throughout the present century. The Business Men's Association in 1902 mustered a membership of 266. Three years later the association incorporated under the name of the Davenport Commercial Club, which had an initial membership of 400. The following year the members of the Commercial Club participated in the formation of the Davenport Jobbers, Manufacturers, and Merchants Association.<sup>156</sup>

In a short time the Commercial Club allied itself with the Greater Davenport Committee to form the Davenport Industrial Investment Company, which put forward the Davenport Plan for the promotion of local industry. According to this plan new industries were extended "the glad hand of partnership" rather than encouraging them by giving them bonuses. More in detail the plan was this:

"First—Organize an Investment Company with, say a capital stock of \$100,000 in 1,000 shares of \$100 each.

"Second—Let 10 per cent of this be paid in, balance on demand of directors.

"Third—The Investment Company can use its credit to borrow money from local banks to invest in the stock of an enterprise which it is desired to favor.

"Fourth—The Company's credit is based on its subscription list and the shares of stock purchased.

"Fifth—The indebtedness of the Investment Company is limited, also the investment in any one concern's stock.

"Sixth—The earnings on the stock of the industry should pay back the money borrowed from the bank and may liquidate

<sup>155</sup>*Ibid.*, pp. 6, 8, 9; *Der Demokrat*, March 8, 1900.

<sup>156</sup>*Der Demokrat*, January 12, 1902, July 20, 1905, August 16, 1906.

the stock of the Investment Company, which thereby becomes the possessor of an expanding capital, enabling it to repeat the good work for upbuilding the city indefinitely."

The plan worked well. In three years it brought to Davenport \$1,000,000 in capital, increased the city's industrial pay roll by nearly \$200,000 annually, and added about 5,000 to the city's population.<sup>157</sup>

Already in the second year of its existence the Commercial Club built a \$75,000 club building equipped with cafe, *Ratskellar*, reading room, music room, ladies parlor, ladies dining room, and billiards and pool rooms. This building was also used by the Davenport Industrial Investment Company, the Greater Davenport Committee, and the Scott County Farm Improvement League, a forerunner of the present Farm Bureau. All these organizations employed twenty people, among whom were a secretary, an assistant secretary, a traffic commissioner, and a country agriculturist. In 1913 the Commercial Club had a capital stock of \$400,000 and an annual income of \$50,000. Its membership roll contained 1,087 names.<sup>158</sup>

The World War and its aftermath had a salutary effect upon business men's organizations, which it stimulated to renewed efforts both in Davenport and in some of the small towns. Le Claire business men organized a business men's association "for the betterment of Le Claire." The Commercial Club in Bettendorf became the Bettendorf Chamber of Commerce "to advance the civic and commercial interests of Bettendorf, promote the general welfare and prosperity of the city, and stimulate public sentiment to these ends." In Davenport the Greater Davenport Committee and the Commercial Club were combined in 1920 to form the Chamber of Commerce. Mr. Howard Power became the new organization's first president.<sup>159</sup>

The Chamber of Commerce maintained an effective convention bureau, a traffic bureau, a retail merchants' bureau, and a manufacturers' division. Like its predecessor it promoted industrial expansion by bringing in new industries which could operate at a profit in Davenport, as well as by aiding

<sup>157</sup>*Iowa Factories*, December Number, 1913, pp. 8, 10.

<sup>158</sup>*Ibid.*, *loc. cit.*

<sup>159</sup>*The Davenport Democrat*, January 11, July 7, 1922, January 10, 1926.

those already established there. It also sought to promote agriculture, aviation, health, education, and fellowship in business.<sup>160</sup>

The membership of the Chamber of Commerce declined in the later twenties and early thirties of the present century. On January 1, 1936, the roll showed a membership of only 374. A reorganization and financial campaign was then launched and the various bureaus were consolidated with the main organization. Prior to this time membership in the organization had been individual, but in this campaign subscribers were given the privilege of designating their associates or employers to full membership at the rate of one for each \$25 subscribed. By such methods the chamber boosted its membership in a few months to 1,110.<sup>161</sup>

Various other business men's organizations had come to stay. During the World War the Davenport Rating Association began its work for the local business men. The Tri-City Credit Men's Association was organized a few years later.<sup>162</sup>

#### THE LABOR MOVEMENT

Trade unionism had advanced steadily in the last quarter of the 19th century. According to the report of the Iowa Bureau of Labor Statistics for 1900 there were fourteen trade unions in Davenport with a membership of 921 in that year. This was scarcely one-fifth of all the employees in the local mercantile and manufacturing establishments. Most of these fourteen unions demanded the employment of union members only.<sup>163</sup>

By December 31, 1913, the number of unions in Davenport had increased to thirty and the membership to 2,142. Exactly two years later there were thirty-four unions which had a membership of 2,140. On December 31, 1921, the thirty-four unions in Scott County were still all located in Davenport, having a membership of 2,540, slightly less than two years earlier. The unions were members of the Davenport Trades

<sup>160</sup>*Ibid.*, April 29, 1936.

<sup>161</sup>*Ibid.*, December 31, 1936, January 26, 1937.

<sup>162</sup>*Der Tägliche Demokrat*, August 21, 1918, March 7, 1922.

<sup>163</sup>*Ninth Biennial Report of the Bureau of Labor Statistics for the State of Iowa, 1899-1900*, p. 180, *et seq.*; *Tenth Report*, p. 108.

and Labor Assembly, which at times gave them effective support during labor disputes.<sup>164</sup>

Local Socialism had grown concurrently with trade unionism. Socialists of national and international reputation at times spoke at labor meetings in the Tri-Cities. Eugene V. Debs was the principal speaker at the Labor Day celebration in Davenport in 1902.<sup>165</sup> A few years later the Socialists began to nominate complete tickets of candidates for the municipal offices, in the local political campaigns.<sup>166</sup> During the World War they increased their following to the extent that they carried the city election in 1920. To cope with the serious unemployment situation the new administration instituted a program of public works, and gave to the city such needed improvements as a municipal natatorium, the Duck Creek sewer, storm sewers, additional paving, and the opening of Kirkwood Boulevard. In this way employment was given to a number of the 1,400 unemployed men who had registered for work at the City Hall.<sup>167</sup>

Desirable as these improvements were, a storm of protest rose from the opposition, which denounced the improvements as "expensive luxury," and the Socialist administration was not returned to power at the next city election.<sup>168</sup> The public works program, however, has been continued, though financed by both municipal and federal funds.

The labor movement in Davenport received another impetus in 1913 from the establishment of a branch of the Industrial Workers of the World.<sup>169</sup> It may also here be mentioned that after the World War the colored people in Davenport formed a branch of the National Association for the Advancement of the Colored People. The local branch asked the city council to indorse the Anti-Lynching Bill in Congress.<sup>170</sup>

At the beginning of the present century wages in Davenport averaged for a good mechanic from \$2 to \$3 per day, common laborers from \$1 to \$1.80, working women from \$1 to \$1.20,

<sup>164</sup>Report of the Bureau of Labor Statistics for the Biennial Period Ending June 30, 1916, pp. 125-143, 1921, p. 36; *Der Demokrat*, June 4, 1903.

<sup>165</sup>*Ibid.*, August 28, November 2, 1902, July 29, 1914.

<sup>166</sup>*The Daily Times*, January 23, 1908.

<sup>167</sup>*Der Tägliche Demokrat*, January 25, April 25, 1918; *The Davenport Democrat*, January 2, March 23, 1922.

<sup>168</sup>Aug. P. Richter, "A True History of Scott County" in *The Davenport Democrat*, July 2, 1922.

<sup>169</sup>*Der Tägliche Demokrat*, August 29, 1913.

<sup>170</sup>*The Davenport Democrat*, February 28, 1922.

boys and girls of working age from \$.50 to \$.75. Foremen in manufacturing establishments received from \$80 to \$100 per month and superintendents from \$100 to \$200 per month.

Most of the employees in the mercantile and manufacturing establishments worked ten hours a day and sixty hours a week. Engineers worked twelve hours a week. But the members of some unions worked only eight hours a day and forty-eight hours per week.<sup>171</sup>

Wages increased and hours were somewhat reduced during the first decade and a half of the present century. In both respects conditions improved very much after the United States' entrance into the World War. In 1921 the hour pay had risen to one dollar in some unionized trades, and the work week was now generally forty-four to forty-eight hours.<sup>172</sup>

The upward surge of wages in the early twenties resulted in the highest hour-wage scales in the history of labor in Scott County. Some hour scales rose as high as \$1.50.<sup>173</sup> Actually, however, a variety of scales were paid, for some mechanics were so anxious to get work that they would work for less than the regular pay.

On the Scott County farms the supply of labor was scarcely more than equal to the demand during the first two decades of the present century, accordingly, wages were good, somewhat higher than in most other Iowa counties. Wages for farm labor on the average in 1910 were \$30 in summer and \$18.95 in winter; and in 1917, \$39.42 in summer and \$26.81 in winter.<sup>174</sup> These wages were paid in addition to washing, board and lodging.

Activity at the government arsenal on Rock Island has always been a good barometer of labor conditions in the Tri-Cities. Increased employment there would take up some of whatever slack there might be in local employment, directly and indirectly. A decrease in government employment would have the reverse effect. When the force of 2,500 men on the Island in 1916 was increased to 3,000, wages soon took an upward turn. In a short time industrial wages were so good

<sup>171</sup>*Ninth Biennial Report, op. cit.*, pp. 128-136.

<sup>172</sup>*Trade Union Statistics for Biennium Ending 1921*, pp. 39-36.

<sup>173</sup>*The Davenport Democrat*, May 1, 15, 1924.

<sup>174</sup>*Report of the Bureau of Labor Statistics for the Biennial Period Ending June 30, 1918*, p. 139.

that even a number of teachers were lured away from their school jobs.<sup>175</sup>

After the war the working force was cut down. Employment was low in 1922, though the municipal public works program boosted employment considerably. A large number of common laborers were unemployed in 1924. Referring to the situation a local paper described it as "most depressing" for common labor.<sup>176</sup> The later twenties and early thirties brought little improvement, but it came in the middle thirties, although only 500 men were left on the Island in the spring of 1933. More men were subsequently employed however, and in October, 1936, there were 1,900.<sup>177</sup>

Labor conflicts have been quite numerous throughout the present century, especially during the first twenty-five years. Sometimes these conflicts were between members of the same craft, as for instance when union barbers in 1917 compelled the non-union barbers to observe the Sunday closing law.<sup>178</sup> Usually, however, disputes were between employers and employees—strikes or lockouts. The causes were mostly such as reduction of wages, refusal to grant increases in pay, decreases in hours, and refusal to recognize the union.<sup>179</sup> In rare instances a sympathetic strike would be called.<sup>180</sup>

Unemployment and labor disputes made 1922 and 1924 particularly bad years. In Bettendorf the importation of colored riveters from St. Louis in the spring of 1922 caused something of a "race war," which subsided as soon as the imported workmen were returned to St. Louis. In the same year the street-car company and its employees clashed over wage scales; the general strike of the railroad shopmen involved 850 men in Davenport; and union and non-union bakers clashed over the use of the union label.<sup>181</sup>

Serious clashes also occurred in 1924. Facing the alternative of shutting down the work on the new power plant, the United Light and Power Company filled the places of the striking union men with non-union men "and continued full

<sup>175</sup>*Der Tägliche Demokrat*, December 1, 1916, August 23, 1918.

<sup>176</sup>*The Davenport Democrat*, June 11, 1924.

<sup>177</sup>*Ibid.*, May 24, October 22, 1936.

<sup>178</sup>*Der Tägliche Demokrat*, January 12, 1917.

<sup>179</sup>*Der Demokrat*, June 1, 29, 1905, May 10, 1906; *Der Tägliche Demokrat*, March 1, 14, 1917; *The Davenport Democrat*, March 20, May 1, 1924.

<sup>180</sup>*Der Demokrat*, July 24, 1902.

<sup>181</sup>*The Davenport Democrat*, May 11, 25, 31, July 2, 11, 1922.

blast.”<sup>182</sup> The local unions at this time were redoubling their efforts in attempting to organize more of the laborers. Suspected of maintaining a Social Club as an “under cover” for what was in effect a labor organization, Tri-City garment factories obtained a temporary injunction against the organizers, who were believed to be promoting unionization preparatory to the calling of a strike.<sup>183</sup>

Efforts on the part of employers to maintain good relations with their employees, however, were not wanting. One method was the worker bonus. This was used by the Dewey Portland Cement Company at Linwood. In 1928 this company gave its employees with five or more years of service a bonus of seven per cent of their yearly pay. Others received less according to the length of service.<sup>184</sup>

Among the efforts for self-help one notes the absence of a permanent labor press. This, however, is accounted for to some extent by the existence of the *Tri-City Labor Review* in Rock Island which has been published continuously since 1911. A prominent Davenport labor institution for self-help is the Workingmen's Industrial Home Association. In 1904 and 1911 it purchased ground for the erection of a building for which it accumulated a bank balance.<sup>185</sup> In Bettendorf the Scott County Men's Home grew from an experiment to become a successful welfare unit. In 1936 the home sheltered 114 men in a former hotel building and was virtually self-supporting.<sup>186</sup>

The local population and immigration from other states and European countries, mainly North European, furnished the labor supply during the first two decades of the present century. During the same time, as well as after the World War, a small number of immigrants came from Eastern and Southern Europe and Asia Minor. The Negro population increased by several hundred, but was less than 1,000 in 1930. Several hundred Mexicans came to work in Bettendorf-Davenport after the World War.<sup>187</sup>

<sup>182</sup>*Ibid.*, May 14, 1924.

<sup>183</sup>*Ibid.*, March 7, May 23, 1924.

<sup>184</sup>*Ibid.*, January 3, 1928.

<sup>185</sup>*Ibid.*, September 2, 1927.

<sup>186</sup>*Ibid.*, November 15, 1936.

<sup>187</sup>*Abstract of the United States Census, 1910*, p. 620; *United States Census, 1920*, III, 327, 334; *United States Census, 1930, Population*, III, Pt. 1, pp. 785, 787.

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